

# ***CITY OF CINCINNATI, OHIO***

*Office of Management and Budget Circular A-133  
Reports for the Year Ended December 31, 2000*





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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

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, 2000 through December 31, 2000. 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

August 20, 2001

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# 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, 2000 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, 2000 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 May 25, 2001, 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*

May 25, 2001



**GENERAL PURPOSE  
FINANCIAL STATEMENTS**

# CITY OF CINCINNATI, OHIO

## Combined Balance Sheet - All Fund Types and Account Groups

December 31, 2000  
(Amounts in Thousands)

	Governmental Fund Types				Proprietary Fund Types			Fiduciary Fund Types		Account Groups			Total	
	General	Special	Debt	Capital	Enterprise	Internal Service	Trust and Agency	General	Fixed Assets	General Obligations	December 31, 2000	December 31, 1999	(Memorandum Only)	
		Revenue	Service	Projects									December 31, 2000	December 31, 1999
<b>Assets and Other Debits</b>														
Cash and Equivalents	\$ 54,552	\$ 2,496	\$ 26,121	\$ 146,989	\$ 79	\$ 85,141	\$ 80,638	\$	\$	\$	\$ 83,213	\$ 98,734	\$	\$
Equity in City Treasury Cash		60,415			59,532		38,771				471,521	404,596		
Cash with Fiscal Agent												804		
Advances and Petty Cash	131	474					2,844,668				2,845,142	2,800,316		
Investments, at Fair Value														
Receivables:														
Taxes	48,998	5,732	32,948	4,783		5,447	2,018				94,479	78,117		
Accounts, Net	1,847	1,408		2,250	15,595		130,006				156,553	73,999		
Special Assessments	295	3,926		42							4,263	4,793		
Accrued Interest and Dividends	1,165	95	225	120	1,255	1,082	14,218				18,160	14,225		
Due from Other Funds	288	455		3,203	376	3,883	434				8,619	7,681		
Due from Other Governments		1,159			12,446		196				13,801	11,838		
Prepaid Items		10			111	428	8				557	318		
Inventory	1,338	634		740	4,826	1,344	869				9,751	9,769		
Advances to Other Funds	552	1,436			9,302	1,626					12,916	12,430		
Deposits						575					575	92		
<b>Restricted Assets:</b>														
Cash and Cash Equivalents					15,740						15,740	6,000		
Equity in City Treasury Cash												13,099		
Investments, at Fair Value												10,047		
Loans Receivable								22,008			22,008	22,850		
Land					25,248	133					137,814	161,290		
Buildings					242,107	272					138,684	372,157		
Accumulated Depreciation					(101,201)	(242)					(101,443)	(94,567)		
Improvements					336,834	3,381					546,429	524,357		
Accumulated Depreciation					(112,551)	(156)					(112,727)	(108,500)		
Machinery and Equipment					134,519	26,983					223,902	212,288		
Accumulated Depreciation					(75,647)	(15,513)					(91,178)	(83,535)		
Construction in Progress					111,911						562,390	374,214		
Property Acquired under Capital Leases					637	2,084					2,721	2,275		
Accumulated Amortization					(92)	(1,127)					(1,219)	(761)		
Amount Available in Debt Service Fund										25,359				
Amount to be Provided for Retirement of														
General Long-Term Obligations														
<b>Total Assets and Other Debits</b>	<b>\$ 109,146</b>	<b>\$ 78,240</b>	<b>\$ 59,294</b>	<b>\$ 158,127</b>	<b>\$ 681,027</b>	<b>\$ 115,341</b>	<b>\$ 3,134,993</b>	<b>\$ 994,394</b>	<b>\$ 341,669</b>	<b>\$ 5,672,231</b>	<b>\$ 5,235,330</b>			

Liabilities, Equity and Other Credits	Governmental Fund Types			Proprietary Fund Types		Fiduciary		Account Groups		Total	
	General	Debt		Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	December 31, 2000	December 31, 1999	
		Special Revenue	Capital Projects								
Accounts Payable	4,152	2,611		2,787	5,010	336,489			364,732	180,650	
Withholdings and Other Deposits	6,403					1,415			7,818	8,323	
Due to Other Funds	1,870	449		1,766	1,627	2,142			8,619	7,661	
Due to Other Governmental Agencies				1,203		175,602			190,874	156,607	
Accrued Payroll	12,688	1,520	31	2,327	881	27			17,474	16,600	
Accrued Liabilities	275			305	4,585	8,327			13,492	13,910	
Accrued Interest		189		509					698	560	
Current Obligations under Capital Leases				228	575			26	829	850	
Deposits Payable	383	26	510	15		15,284			16,218	11,842	
Deferred Revenue	27,625	5,340	31,625	201	1,018	23			68,529	55,395	
Estimated Liability for Compensated Absences		6,259		6,109	2,308	87		56,174	70,937	72,273	
Estimated Liability for Unpaid Claims	563	13		81	25,190			3,056	33,516	31,405	
Payable from Restricted Assets:											
Construction Contracts				3,223					3,223	4,266	
Deposits Payable				786					786	828	
Advances from Other Funds	521	1,165			713				12,916	12,430	
Advances from Other Governments	3,848				20				3,868	2,900	
Non-Current Obligations under Capital Leases				271	504			48	823	1,261	
Matured Bonds and Interest Payable			1,753						1,753	1,005	
General Obligation Bonds and Notes Payable				107,289				270,019	377,308	297,793	
Revenue Bonds Payable								12,346	12,346	12,779	
Police and Fire Prior Service Cost										58,505	
Total Liabilities	58,328	17,572	33,919	127,100	42,431	539,406		341,669	1,206,759	947,863	
Equity and Other Credits											
Contributed Capital				142,637	26,038		994,394		168,675	154,647	
Investment in General Fixed Assets									994,394	813,247	
Retained Earnings:											
Reserved for Restricted Assets				11,730					11,730	24,052	
Unreserved				399,560	46,872				446,432	404,734	
Fund Balances, Reserved for:											
Advances and Petty Cash	131								131	83	
Prepaid Items		10							10	16	
Encumbrances	10,220	29,062	16						90,775	71,362	
External Investment Pool						24,668			24,668	31,706	
Employees' Retirement System						2,560,805			2,560,805	2,626,393	
Accordance with Trusts						9,715			9,715	10,519	
Capital Projects									59,576	52,448	
Advances to Other Funds	552	1,436							1,988	1,988	
Inventory	1,338	634							2,712	3,155	
Fund Balances, Unreserved:											
Designated for Internal Service Funds	1,500								1,500	1,500	
Designated for Debt Service			25,359						25,359	16,467	
Designated for Contingencies									4,000	4,000	
Undesignated	37,077	25,526				399			63,002	71,150	
Total Equity and Other Credits	50,818	60,668	25,375	553,927	72,910	2,595,587	994,394		4,465,472	4,287,467	
Total Liabilities, Equity and Other Credits	\$ 109,146	\$ 78,240	\$ 59,294	\$ 681,027	\$ 115,341	\$ 3,134,993	\$ 994,394	\$ 341,669	\$ 5,672,231	\$ 5,235,330	

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, 2000  
 (Amounts in Thousands)

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Total (Memorandum Only)	
	General	Special Revenue	Debt Service		December 31 2000	December 31 1999
<b>Revenue</b>						
Taxes	\$ 213,982	\$ 47,459	\$ 32,249	\$	\$ 314,404	\$ 308,885
Licenses and Permits	5,688	3,287			8,975	8,017
Use of Money and Property	17,584	3,872	20,218	(176)	43,468	37,488
Special Assessments		3,206			3,425	3,661
Intergovernmental Revenue	48,614	12,561	2,858		65,333	67,973
Federal Grants		31,750			108,438	101,078
State Grants and Subsidies		882			17,526	21,170
Charges for Current Services	12,736	12,303			25,039	25,452
Miscellaneous	3,783	5,597			10,552	7,398
<b>Total Revenue</b>	<b>302,387</b>	<b>120,917</b>	<b>55,325</b>	<b>(176)</b>	<b>597,160</b>	<b>581,122</b>
<b>Expenditures</b>						
Current						
General Government	50,520	15,921	635		67,076	62,013
Parks and Recreation	19,201	7,187			26,338	26,336
Public Safety	120,568	4,271		10	124,839	130,434
Transportation & Engineering	2,137	2,980			5,117	3,427
General Services	8,527	40,134			48,661	46,451
Public Services	20,470	12,387			32,857	29,011
Public Health	22,300	9,563			31,863	30,427
Employee Benefits	47,634	3,074	27		50,735	52,310
Capital Outlay	2,346	18,912			227,892	205,216
Debt Service						
Principal Retirement			46,472		46,472	45,387
Police and Fire Prior Service Cost			41,416		41,416	
Interest		377	13,486		13,863	10,369
<b>Total Expenditures</b>	<b>293,703</b>	<b>114,806</b>	<b>102,036</b>	<b>10</b>	<b>717,189</b>	<b>641,381</b>
Other Financing Sources (Uses)						
Capital Lease Agreements					9	116
Bond and Note Proceeds	20,980	1,220	185		142,387	48,019
Operating Transfers In	(38,698)	(4,622)	55,434		247,061	102,635
Operating Transfers (Out)	(17,718)	(3,402)	(199,397)	(114)	(242,831)	(101,063)
<b>Total Other Financing Sources (Uses)</b>			<b>55,619</b>	<b>(114)</b>	<b>146,626</b>	<b>49,707</b>
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(9,034)	2,709	8,908	(300)	26,597	(10,552)
<b>Fund Balances, January 1</b>	<b>59,852</b>	<b>57,959</b>	<b>16,467</b>	<b>1,468</b>	<b>223,225</b>	<b>233,777</b>
<b>Fund Balances, December 31</b>	<b>\$ 50,818</b>	<b>\$ 60,668</b>	<b>\$ 25,375</b>	<b>\$ 1,168</b>	<b>\$ 249,822</b>	<b>\$ 223,225</b>

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, 2000  
 (Amounts in Thousands)

	General Fund		Appropriated Special Revenue Funds		Total (Memorandum Only)	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>Revenue</b>						
Taxes	\$ 214,440	\$ 213,135	\$ 47,815	\$ 47,235	\$ 262,255	\$ 260,370
Licenses and Permits	5,160	5,694	5,040	5,047	10,200	10,741
Use of Money and Property	15,484	15,795	814	731	16,298	16,526
Intergovernmental Revenue	51,646	48,614	7,700	7,689	59,346	56,303
Charges for Current Services	14,645	14,281	6,533	6,279	21,178	20,560
Miscellaneous	1,760	3,599	1,778	1,722	3,538	5,321
<b>Total Revenue</b>	<b>303,135</b>	<b>301,118</b>	<b>69,680</b>	<b>68,703</b>	<b>372,815</b>	<b>369,821</b>
<b>Expenditures</b>						
Current						
General Government	51,058	49,620	3,181	2,516	54,239	52,136
Parks and Recreation	19,419	19,405	4,850	4,342	24,269	23,747
Public Safety	129,013	128,255	498	474	129,511	128,729
Transportation & Engineering	2,268	2,083	3,191	2,965	5,459	5,048
General Services	8,659	8,622	40,353	40,147	49,012	48,769
Public Services	20,971	20,689	12,866	12,345	33,837	33,034
Public Health	22,395	22,385	2,682	2,491	25,077	24,876
Employee Benefits	51,626	49,061	3,497	2,801	55,123	51,862
Capital Outlay	678	671	138	49	816	720
<b>Total Expenditures</b>	<b>306,087</b>	<b>300,791</b>	<b>71,256</b>	<b>68,130</b>	<b>377,343</b>	<b>368,921</b>
Other Financing Sources (Uses)						
Operating Transfer In		20,880				20,880
Operating Transfers (Out)		(33,462)	(1,038)	(3,609)	(1,038)	(37,071)
<b>Total Other Financing Sources (Uses)</b>		<b>(12,582)</b>	<b>(1,038)</b>	<b>(3,609)</b>	<b>(1,038)</b>	<b>(15,153)</b>
Excess of Revenue over (under) Expenditures and Other Financing Sources	(2,952)	(12,255)	(2,614)	(3,036)	(5,566)	(15,291)
Cancellation of Prior Years Encumbrances		1,834		391		2,225
<b>Fund Balances, January 1</b>	<b>29,885</b>	<b>29,885</b>	<b>27,364</b>	<b>27,364</b>	<b>57,249</b>	<b>57,249</b>
<b>Fund Balances, December 31</b>	<b>\$ 26,933</b>	<b>\$ 19,464</b>	<b>\$ 24,750</b>	<b>\$ 24,719</b>	<b>\$ 51,683</b>	<b>\$ 44,183</b>
						<b>\$ (7,500)</b>

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, 2000

(Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Services	Nonexpendable Trust	December 31 2000	December 31 1999	
<u>Operating Revenue:</u>						
Charges for Services	\$ 108,016	\$ 78,975	\$ (243)	\$ 186,991	\$ 182,222	
Earnings (losses) from Investments				(243)	561	
Miscellaneous Income	2,642	1,488		4,130	2,891	
Total Operating Revenue	110,658	80,463	(243)	190,878	185,674	
<u>Operating Expenses:</u>						
Personal Services	35,475	15,865		51,340	50,779	
Contractual Services	15,310	5,447	79	20,836	19,060	
Maintenance and Repairs	4,115	2,641		6,756	5,317	
Materials and Supplies	5,677	9,663		15,340	13,185	
Utilities	8,331	797		9,128	9,309	
Insurance	194	38,290		38,484	31,413	
Taxes	373			373	227	
Rent	686	623		1,309	1,629	
Interest		109		109	138	
Other Expense	567	67		634	368	
Impairment of Fixed Asset					1,769	
Depreciation and Amortization	18,705	2,932	3	21,640	20,412	
Bad Debt Expense	297			297	139	
Total Operating Expenses	89,730	76,434	82	166,246	153,745	
Operating Income (Loss)	20,928	4,029	(325)	24,632	31,929	

	Proprietary Fund Types		Fiduciary Fund Types		Total (Memorandum Only)	
	Enterprise	Internal Services	Nonexpendable Trust	December 31 2000	December 31 1999	
<u>Non-Operating Revenue (Expenses):</u>						
Interest Revenue	\$ 5,613	\$ 4,744	\$	\$ 10,357	\$ 7,469	
Interest Expense	(5,477)			(5,477)	(5,540)	
Occupancy Tax Receipts	1,181			1,181	1,126	
(Loss) on Disposal of Assets	(261)	(85)		(346)	(902)	
Total Non-Operating Revenue (Expenses)	1,056	4,659		5,715	2,153	
Income (Loss) before Operating Transfers	21,984	8,688	(325)	30,347	34,082	
Operating Transfers In	4			4	3	
Operating Transfers (Out)	(637)	(3,405)	(192)	(4,234)	(1,575)	
Net Income (Loss)	21,351	5,283	(517)	26,117	32,510	
φ Add depreciation on contributed assets acquired with capital grants	1,802	940		2,742	2,640	
Change in Retained Earnings	23,153	6,223	(517)	28,859	35,150	
Retained Earnings/Fund Balances, January 1	388,137	40,649	9,463	438,249	403,099	
Retained Earnings/Fund Balances, December 31	\$ 411,290	\$ 46,872	\$ 8,946	\$ 467,108	\$ 438,249	

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, 2000

(Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 2000	December 31 1999
<u>Cash Flow from Operating Activities:</u>					
Operating Income (Loss)	\$ 20,928	\$ 4,029	\$ (325)	\$	\$ 31,929
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	18,705	2,932	3	21,640	20,412
Bad Debt Expense	297			297	139
Occupancy Tax Receipts	1,181			1,181	1,126
Change in Liability for Compensated Absences	(183)	(181)		(364)	(3)
Earnings (losses) from Investments			243	243	(561)
Capitalized Assets Expensed	107			107	56
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Receivables	1,800	(3,283)	(11)	(1,494)	(4,101)
Due from Other Funds	(262)	(414)		(676)	(565)
Due from Other Governments	(2,288)			(2,288)	1,086
Inventory	(228)	(236)		(464)	(487)
Prepaid Items	113	(364)		(251)	264
Deposits		(483)		(483)	
Increase (Decrease) in:					
Accounts Payable	(104)	1,587		1,483	(130)
Deposits Payable	(43)			(43)	223
Due to Other Funds	(610)	10		(600)	(1,039)
Due to Other Governmental Agencies	(1,934)			(1,934)	(2,321)
Accrued Payroll	219	(13)		206	419
Accrued Liabilities	1	(950)		(949)	1,390
Current Obligation Capital Lease	5			5	57
Accrued Interest	(51)			(51)	23
Deferred Revenue	23	(233)		(210)	(91)
Estimated Liability for Unpaid Claims	8	1,738		1,746	(1,138)
<u>Total Adjustments</u>	<u>16,756</u>	<u>110</u>	<u>235</u>	<u>17,101</u>	<u>14,759</u>
Net Cash Provided (Used) by Operating Activities	<u>37,684</u>	<u>4,139</u>	<u>(90)</u>	<u>41,733</u>	<u>46,688</u>
<u>Cash Flow from Non-Capital Financing Activities:</u>					
Repayment of Advances Made to Other Funds	761			761	280
Repayment of Advances Received From Other Funds		(35)		(35)	(432)
Repayment of Advances From Other Governments					0
Advances to Other Funds	(2,070)	823		(1,247)	(455)
Operating Transfers to Other Funds	(637)	(3,405)		(4,234)	(1,575)
Operating Transfers from Other Funds	4			4	
Net Cash (Used) by Non Capital Financing Activities	<u>(1,942)</u>	<u>(2,617)</u>	<u>(192)</u>	<u>(4,751)</u>	<u>(2,182)</u>



	Proprietary Fund Types		Fiduciary Fund Types	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 2000	December 31 1999
<b>Cash Flow from Capital and Related Financing Activities:</b>					
Capital Contributed by Other Funds	\$ 630	\$ 1,666	\$	\$ 2,296	\$ 2,351
Capital Contributed by Other Sources	4,748			4,748	2,875
Proceeds from Sale of Fixed Assets	76			76	60
Proceeds from the Sale of Bonds and Notes	(3,429)	(2,912)		(6,341)	31,600
Acquisition of Property, Plant, and Equipment	(93)			(93)	(7,949)
Repayment of Advances from Other Governments	(5,477)	(85)		(5,562)	(48)
Interest Paid on Bonds, Notes and Advances	(16,481)	(752)		(16,481)	(5,539)
Principal Paid on Bonds and Notes	(127)			(879)	(14,348)
Payments on Long Term Capital Lease Obligations	(38,376)	(2,083)		(38,376)	(562)
Additions to Construction in Progress	(58,529)			(60,612)	(38,229)
Net Cash (Used) by Capital and Related Financing Activities					(29,789)
<b>Cash Flow from Investing Activities:</b>					
Interest and Dividends on Investments	5,613	4,829	271	10,713	7,742
Acquisition of Investments			(4,458)	(4,458)	(17,187)
Proceeds from Sale of Investments	10,047		4,835	14,882	21,536
Net Cash Provided by Investing Activities	15,660	4,829	648	21,137	12,091
Net Increase (Decrease) in Cash and Cash Equivalents	(7,127)	4,268	366	(2,493)	26,808
Cash and Cash Equivalents at Beginning of Year	82,478	80,873	618	163,969	137,161
Cash and Cash Equivalents at End of Year	\$ 75,351	\$ 85,141	\$ 984	\$ 161,476	\$ 163,969
<b>Schedule of Noncash Investing, Capital and Financing Activities:</b>					
Acquisition of Equipment under Capital Leases	\$ 447	\$	\$	\$ 447	\$
Property Plant and Equipment Contributed by Other Funds		1,200		1,200	107
Acquisition of Property, Plant and Equipment from Contributed Capital	8,526			8,526	3,493
Total Noncash Investing, Capital and Financing Activities	\$ 8,973	\$ 1,200	\$	\$ 10,173	\$ 3,600

**Reconciliation of Fiduciary Fund Types' Cash and Cash Equivalents to the Combined Balance Sheet:**

Cash and Cash Equivalents at End of Year

External Investment Pool	\$ 24,668
Expendable Trust	7
Nonexpendable Trust	984
Pension Trust	80,474
All Agency	13,276
Fiduciary Fund Types' Cash and Cash Equivalents at End of Year	\$ 119,409

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)

	2000	1999
<b><u>Assets:</u></b>		
Cash and Equivalents	\$ 80,474	\$ 86,466
Receivables:		
Due from Other Funds	24	32
Due from Other Governments	196	240
Accounts, Net	112,027	34,161
Accrued Interest and Dividends	12,041	9,770
Total Receivables	124,288	44,203
Investments, at fair value:		
U. S. Government Bonds	159,416	171,466
U. S. Government Agencies	40,089	83,287
U. S. Government Mortgage Backed Securities	369,861	233,910
Corporate Bonds	329,998	168,010
Stocks	1,590,732	1,844,195
Asset Backed Securities	137,031	85,573
Venture Capital	25,407	14,130
Commercial Paper	18,000	29,073
Total Investments, at fair value	2,670,534	2,629,644
Loans Receivable	22,008	22,850
Equipment	1,122	27
Accumulated Depreciation	(18)	(14)
Total Assets	2,898,408	2,783,176
<b><u>Liabilities:</u></b>		
Accounts Payable	329,805	149,231
Due to Other Funds	1,256	1,404
Accrued Payroll	27	34
Accrued Liabilities	6,405	5,980
Deferred Revenue	23	61
Estimated Liability for Compensated Absences	87	73
Total Liabilities	337,603	156,783
<b><u>Net assets:</u></b>		
Held in Trust for Employees' Pension Benefits	1,762,899	1,815,570
Held in Trust for Employees' Postemployment Healthcare Benefits	797,906	810,823
Combined Net Assets	\$ 2,560,805	\$ 2,626,393

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 2000	Healthcare 2000	Total 2000	Total 1999
<u>Additions:</u>				
Contributions:				
Member	\$ 9,757	\$ 3,235	\$ 12,992	\$ 13,164
Employer	9,403	3,118	12,521	12,768
Total Contributions	<u>19,160</u>	<u>6,353</u>	<u>25,513</u>	<u>25,932</u>
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	(44,403)	(20,014)	(64,417)	216,572
Interest and Dividends	<u>54,985</u>	<u>24,784</u>	<u>79,769</u>	<u>70,581</u>
	10,582	4,770	15,352	287,153
Less investment expense	<u>4,926</u>	<u>2,220</u>	<u>7,146</u>	<u>7,025</u>
Net investment income	<u>5,656</u>	<u>2,550</u>	<u>8,206</u>	<u>280,128</u>
Total Additions	<u>24,816</u>	<u>8,903</u>	<u>33,719</u>	<u>306,060</u>
<u>Deductions:</u>				
Benefits Payments:				
Pension and Annuities	73,240		73,240	67,626
Hospital and Medical Care		19,398	19,398	16,826
Medicare		2,000	2,000	1,987
Death Benefits, Active and Retired	1,521		1,521	1,078
Loss Due to Death of Members with Loans	15		15	8
Total Benefits Payments	<u>74,776</u>	<u>21,398</u>	<u>96,174</u>	<u>87,525</u>
Refunds of Contributions	1,776		1,776	1,713
Administration Expenses:				
Personal Services	291	131	422	389
Contractual Services	504	227	731	509
Materials and Supplies	74	34	108	19
Other	63	29	92	34
Depreciation	3	1	4	4
Total Administration Expenses	<u>935</u>	<u>422</u>	<u>1,357</u>	<u>955</u>
Total Deductions	<u>77,487</u>	<u>21,820</u>	<u>99,307</u>	<u>90,193</u>
Net Increase (Decrease)	(52,671)	(12,917)	(65,588)	215,867
Net Assets held in Trust for Benefits				
Beginning of Year	<u>1,815,570</u>	<u>810,823</u>	<u>2,626,393</u>	<u>2,410,526</u>
End of Year	<u>\$ 1,762,899</u>	<u>\$ 797,906</u>	<u>\$ 2,560,805</u>	<u>\$ 2,626,393</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**  
**(Amounts in thousands)**

	2000	1999
<u>Assets</u>		
Equity in City Treasury Cash	\$ 24,668	\$ 31,706
 <u>Net Assets</u>		
Net assets consist of:		
Participant deposits	\$ 24,668	\$ 31,706

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

	2000	1999
<u>Revenues</u>		
Interest income	\$ 1,619	\$ 1,648
Fair value increases and decreases	258	(270)
Total revenues	1,877	1,378
 <u>Net increase (decrease) in net assets resulting from operations</u>		
Distributions to participants	(206,217)	(196,064)
 Participant deposits	197,302	200,398
 Total increase (decrease) in net assets resulting from operations	(8,915)	4,334
 Net increase (decrease) in net assets	(7,038)	5,712
 Net assets beginning of period	31,706	25,994
 Net assets end of period	\$ 24,668	\$ 31,706

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, 2000

### 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 \$15,511,000 in 2000 and \$15,256,000 in 1999.

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

The financial statements of the City of Cincinnati for 2000 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 statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis. Agency fund and expendable trust fund statements are prepared utilizing the flow of financial resources measurement focus and 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:

(AMOUNTS IN THOUSANDS)	Revenue and Other Sources Over		Fund Balances	
	<u>(Under) Expenditures And Other Uses</u>		<u>December</u>	<u>31, 2000</u>
	General	Special	General	Special
	<u>Fund</u>	<u>Revenue</u>	<u>Fund</u>	<u>Revenue</u>
As reported (GAAP basis)	\$ (9,034)	\$2,709	\$50,818	\$60,668
Increase (Decrease) due to:				
Revenues:				
Received in 2000 and earned in 1999	23,641	6,208		
Received in 2001 and earned in 2000	(26,526)	(6,366)	(26,526)	(6,366)
Expenditures:				
Accrued December 31, 1999 and paid in 2000	(6,285)	(876)		
Accrued December 31, 2000 and paid in 2001	7,983	1,149	7,983	1,149
Purchase of Inventory,				
Current Year	(43)	5	(43)	5
Prior Year			(546)	(153)
Current Year Encumbrances	(11,371)	(3,322)	(11,371)	(3,322)
Prior Year Encumbrances			(1,952)	(695)
Expenditures related to				
Prior Year Encumbrances	9,380	3,603		
Cumulative Effect of Prior Year's				
Change in Accounting Principle			1,101	(16)
Adjustments for Non-				
appropriated Special				
Revenue Funds	_____	<u>(6,146)</u>	_____	<u>(26,551)</u>
(Non-GAAP) Budgetary Basis	<u>\$ (12,255)</u>	<u>\$ (3,036)</u>	<u>\$ 19,464</u>	<u>\$ 24,719</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 \$787 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 \$135 million at December 31, 2000, 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 funds.
- 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. Certain 1999 amounts were reclassified to be in conformity with the current year's presentation.
- 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 the City of Cincinnati 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.

Governmental Accounting Standards Board (GASB) Statement Number 36, Recipient Reporting for Certain Shared Nonexchange Revenues, was issued in April 2000. This statement provides symmetrical accounting treatment for certain shared revenues by superseding paragraph 28 of GASB Statement No. 33. Paragraph 28 of Statement 33 required governments that receive those shared revenues to account for them differently than the provider governments. In some cases, this resulted in the provider and the recipient governments recognizing the sharing of revenues at different times. However, Statement No. 36 eliminates that timing difference by requiring provider and recipient governments to account for the shared revenue in the same manner. This statement is effective simultaneously with GASB 34.

## **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 \$155,018,000 and the bank balance was \$169,291,000. 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 \$80,474,000 and \$81,532,000, 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, 2000 was \$501,294,000. These investments include \$500,246,000 in U. S. Treasury Securities and \$1,048,000 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, 2000 was \$2,678,830,000. These investments include \$18,000,000 in Commercial Paper, \$570,821,000 in U. S. Treasury Securities, \$493,218,000 in Corporate Bonds and Notes and \$1,596,791,000 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. The External Investment Pool does not issue a separate report. The External Investment Pool's financial statements can be found on page 14.

Summary by major investment classification:

	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Money Market Fund	\$ 1,266	\$ 1,266	6.48%	OPEN
Certificates of Deposit	6,698	6,698	2.00% - 7.55%	01/11/01 - 11/16/05
U.S. Treasury Notes	12,814	12,922	4.50% - 6.25%	01/02/01 - 03/31/03
FHLB/FNMA Securities	2,984	3,010	5.00% - 6.34%	10/29/01 - 05/17/04
City of Cincinnati Notes	1,028	1,028	5.75% - 5.85%	10/04/01 - 12/01/04
Cash	<u>(256)</u>	<u>(256)</u>		
Total	<u>\$24,534</u>	<u>\$24,668</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>
<b>General</b>		\$ 268	\$ 1,870
<b>Appropriated Special Revenue</b>	Health Services	2	10
	Street Construction, Maintenance, and Repair	31	27
	Parking Meter	5	25
	Cable T.V.	52	3
	Income Tax Infrastructure	2	140
	Motor Vehicle License	3	91
	Special Recreation	1	5
	Total Appropriated Special Revenue	<u>96</u>	<u>301</u>
<b>Nonappropriated Special Revenue</b>	Recreation		1
	Safety		5
	Health	339	92
	Community Development		28
	Department of Labor Grants	19	7
	Other	1	15
	Total Nonappropriated Special Revenue	<u>359</u>	<u>148</u>
<b>Capital Project</b>	Permanent Improvement	80	
	Capital Projects	3,123	765
	Total Capital Project	<u>3,203</u>	<u>765</u>
<b>Enterprise</b>	Water Works	210	797
	Parking Facilities		38
	Convention Center	3	85
	General Aviation		788
	Municipal Golf		5
	Stormwater Management	163	53
	Total Enterprise	<u>376</u>	<u>1,766</u>
<b>Internal Service</b>	Purchasing - Reproduction and Printing	57	6
	Municipal Garage	930	1,525
	Purchasing General Stores	106	
	Property Management		76
	Self Insurance-Medical	1,256	
	Regional Computer Center	1,534	20
	Total Internal Service	<u>3,883</u>	<u>1,627</u>
<b>Trust &amp; Agency</b>	Pension Trust	24	1,256
	Agency	410	886
	Total Trust & Agency	<u>434</u>	<u>2,142</u>
	<b>TOTAL</b>	<u><b>\$ 8,619</b></u>	<u><b>\$ 8,619</b></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-Employee Health & Safety
Appropriated-Health Services	915	Nonappropriated-Health
Appropriated-Street Construction	496	General Fund
Nonappropriated-Recreation	25	General Fund
Water Works	411	Municipal Garage
Parking Facilities	1,915	Capital Improvements
Convention Center	630	Capital Improvements
General Aviation	228	Capital Improvements
Municipal Golf	761	Capital Improvements
Stormwater Management	5,357	Capital Improvements
Regional Computer Center	1,626	Capital Improvements
<b>TOTAL</b>	<u><b>\$ 12,916</b></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, 2000 for these funds is as follows:

### (AMOUNTS IN THOUSANDS)

	<u>Water Works</u>	<u>Parking Facilities</u>	<u>Convention Center</u>	<u>General Aviation</u>	<u>Municipal Golf</u>	<u>Stormwater Management</u>	<u>Total Enterprise Funds</u>
Operating Revenue	\$ 83,586	\$ 8,183	\$ 3,521	\$ 1,491	\$ 6,678	\$ 7,199	\$ 110,658
Depreciation and Amortization	12,217	1,368	3,019	591	443	1,067	18,705
Operating Income (Loss)	19,380	2,064	(4,835)	(228)	1,109	3,438	20,928
Operating Transfers In (Out)		(637)		1		3	(633)
Net Income (Loss)	18,946	1,507	(3,654)	(144)	1,079	3,617	21,351
Current Capital Contributions	9,591	2,006	1,358	949			13,904
Plant, Property and Equipment:							
Additions	42,145	2,267	134	1,717	915	2,897	50,075
Deletions	(2,343)	(313)	(137)	(40)	(121)	(26)	(2,980)
Net Working Capital	69,048	4,368	3,340	1,524	1,171	5,629	85,080
Total Assets	523,155	33,369	41,571	27,486	11,138	44,308	681,027
Bonds and Other Long-Term Liabilities:							
Bonds Payable	96,500	2,100			2,614	6,075	107,289
Total Equity	410,601	30,268	40,756	26,454	7,901	37,947	553,927



## 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, 2000:

(AMOUNTS IN THOUSANDS)		Enterprise	Internal
		<u>Funds</u>	<u>Service</u>
			<u>Funds</u>
Leased Property/Equipment under Capital Leases		\$ 637	\$2,084
Accumulated Amortization		92	1,127
Current Obligations under Capital Leases		228	575
Non-Current Obligations under Capital Leases		271	504

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at December 31, 2000:

(AMOUNTS IN THOUSANDS)			
	Enterprise	Internal	General
<u>Year</u>	<u>Funds</u>	<u>Service</u>	<u>Long-term</u>
		<u>Funds</u>	<u>Obligations</u>
2001	\$ 266	\$ 622	\$ 33
2002	250	523	33
2003	38		18
2004	_____		
Total minimum lease payments	554	1,145	84
Less: Amounts representing interest	<u>55</u>	<u>66</u>	<u>10</u>
Present value of net minimum lease payments	<u>\$ 499</u>	<u>\$ 1,079</u>	<u>\$ 74</u>
Capital Lease Payments - 2000	<u>\$ 151</u>	<u>\$ 850</u>	<u>\$ 32</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)	
<u>Year</u>	<u>Amount</u>
2001	\$ 1,707
2002	1,251
2003	382
2004	234
2005	<u>76</u>
Total Future Minimum Lease Payments	<u>\$ 3,650</u>
Operating Lease Payments - 2000	<u>\$ 1,623</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, 2000 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	483	83,264
Accumulated Depreciation	2,440	

Future minimum rentals on non-cancelable operating leases as of December 31, 2000 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>
2001	\$ 883	\$ 15,511	\$ 384	\$ 44	\$ 18
2002	753	15,511	210	44	8
2003	657	15,511	36	45	
2004	632	15,511		45	
2005	431	15,511		45	
Remaining years	<u>1,441</u>	<u>325,736</u>	<u>0</u>	<u>0</u>	
Total Future Minimum Rental Payments	<u>\$ 4,797</u>	<u>\$403,291</u>	<u>\$ 630</u>	<u>\$ 223</u>	<u>\$ 26</u>
Total Rentals for 2000:	\$ 1,001	\$ 15,511	\$ 376	\$ 43	\$ 22

Future minimum rentals of the Debt Service Fund are assumed to equal the payments calculated for the current year.

**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: \$26 million from the pledge of municipal income taxes, \$19.3 million from contractual agreements, and \$16.4 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.

### Annual Long-Term Debt Requirements

The annual requirements to amortize all long-term debt outstanding at December 31, 2000, including interest payments of \$162,457,000 are as presented below:

(AMOUNTS IN THOUSANDS) Year Ending	<u>General Obligation</u>			
	<u>Governmental Funds</u>		<u>Enterprise Funds</u>	
<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2001	\$40,783	\$14,442	\$16,132	\$ 5,262
2002	34,883	12,318	16,190	4,420
2003	23,678	10,564	16,221	3,575
2004	24,173	9,412	13,588	2,729
2005	15,180	8,122	11,590	2,050
2006-2010	50,717	30,584	25,768	4,115
2011-2015	31,155	19,949	7,800	807
2016-2020	22,795	11,663		
2021-2035	<u>26,655</u>	<u>13,953</u>		
Total	<u>\$270,019</u>	<u>\$131,007</u>	<u>\$107,289</u>	<u>\$22,958</u>

Year Ending	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>December 31</u>			
2001	\$ 527	\$ 958	\$ 78,104
2002	567	919	69,297
2003	617	873	55,528
2004	668	823	51,393
2005	718	768	38,428
2006-2010	4,364	2,905	118,453
2011-2015	4,350	1,225	65,286
2016-2020	535	21	35,014
2021-2035			<u>40,608</u>
Total	<u>\$12,346</u>	<u>\$8,492</u>	<u>\$552,111</u>

### Changes in Long-Term Obligations

During the year ended December 31, 2000, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

	<u>January 1</u>	<u>Balance Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
General Obligation				
Bonds	\$162,720	\$117,885	\$30,889	\$249,716
Notes	11,303	9,000		20,303
Revenue Bonds	12,779		433	12,346
Estimated Liability for				
Compensated Absences	57,489	15,780	17,095	56,174
Estimated Liability for				
Unpaid Claims	3,419	1,664	2,027	3,056
Current Obligations				
under Capital Leases	39		13	26
Non-Current Obligations				
under Capital Leases	67	9	28	48
Police and Fire				
Prior Service Cost	<u>58,505</u>	<u>0</u>	<u>58,505</u>	<u>0</u>
Total Changes in Long-Term Obligations	<u>\$306,321</u>	<u>\$144,338</u>	<u>\$108,990</u>	<u>\$341,669</u>

**Bonds and Notes Outstanding at December 31, 2000**

(AMOUNTS IN THOUSANDS)

Description	Interest Rates	Issue Dates	Maturity Dates	Original Issues	Amount Due 2001	Amount Outstanding 12/31/2000
<b>Bonds:</b>						
General Property Tax	3.25%	1957-1961	2001-2007	\$ 6,000	\$ 145	\$ 265
Supported	4.1% to 5%	1971-1999	2001-2009	122,700	13,455	70,475
	5.15% to 5.25%	1992-2000	2001-2020	91,025	6,180	72,725
	5.625% to 6%	1984-1991	2001-2004	19,500	1,830	2,155
	7.875% to 8%	1985-1987	2001-2017	30,000	1,000	17,000
Various Rate Issues	5.25% to 6.2%	1991	2004	7,085	545	2,180
<b>Urban Redevelopment</b>						
Various Rate Issues	4.8% to 6.3%	1995	2015	3,250	115	2,795
Municipal Income Tax	4.375% to 5.375%	1992-2000	2002-2020	27,960	3,280	14,260
Recreational Facilities	5.15% to 6.75%	1977-1995	2002-2011	8,598	583	3,361
<b>Urban Renewal</b>						
	4.1% to 4.375%	1996-1999	2001-2004	9,000	1,800	5,400
	4.75% to 5.2%	1995-2000	2001-2007	11,000	1,855	8,000
	6.75%	1990	2005	1,500	100	500
Various Rate Issues	5.75% to 6.5%	1991	2008	3,900	255	2,550
<b>Urban Development Taxable</b>						
Various Rate Issues	5% to 6.25%	1998	2019	7,200	210	7,000
Police & Fire Pension	5.8%	2000	2035	42,000	430	41,050
<b>Total General Long-Term Obligations</b>				<u>390,718</u>	<u>31,783</u>	<u>249,716</u>
Recreational Facilities	4.6% to 5.375%	1972-1994	2002-2007	6,302	537	2,614
Off Street Parking	6.75%	1990	2006	5,000	350	2,100
<b>Water Works</b>						
	4.1% to 6.5%	1975-1999	2001-2014	113,000	9,930	78,530
	6.7% to 6.75%	1989-1990	2004-2006	37,000	2,450	12,150
	7%	1988	2003	28,000	1,940	5,820
Stormwater	4.2 to 5.15%	1995-1999	2005-2007	8,800	925	6,075
<b>Total Proprietary Fund Obligations</b>				<u>198,102</u>	<u>16,132</u>	<u>107,289</u>
<b>Total General Obligation Bonds Payable</b>				<u>588,820</u>	<u>47,915</u>	<u>357,005</u>
<b>Notes:</b>						
Municipal Income Tax	5.75 to 5.85%	1999	2004	11,303		11,303
Recreational Facilities	6.50%	2000	2001	9,000	9,000	9,000
<b>Total General Obligation Notes Payable</b>				<u>20,303</u>	<u>9,000</u>	<u>20,303</u>
<b>Total General Obligation Bonds and Notes Payable</b>				<u>\$ 609,123</u>	<u>\$ 56,915</u>	<u>\$ 377,308</u>
Revenue Bonds	Various	1990-1998	2001-2016	\$ 13,375	\$ 527	\$ 12,346
<b>Total Outstanding Debt</b>						<u>\$ 389,654</u>

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, 2000	\$297,793	\$12,779
Notes Issued	9,000	
Bonds Issued	117,885	
Bonds Retired	<u>(47,370)</u>	<u>(433)</u>
Bonds and Notes Outstanding at December 31, 2000	<u>\$377,308</u>	<u>\$12,346</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, 2000 for vacation benefits of the governmental funds is approximately \$20,633,000.
- 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, 2000 this liability is approximately \$17,152,000.
- 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, 2000 is approximately \$18,389,000.

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, 2000.

**(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, 2000	\$21,691	\$16,516	\$19,282	\$57,489
Earned During 2000	9,789	1,343	4,648	15,780
Used During 2000	(10,847)	(707)	(5,212)	(16,766)
Funded in Non-Appropriated Special Revenue Fund	_____	_____	<u>(329)</u>	<u>(329)</u>
Estimated Liability for Compensated Absences, December 31, 2000	<u>\$20,633</u>	<u>\$17,152</u>	<u>\$18,389</u>	<u>\$56,174</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 was required on November 29, 1999. Under the terms of the new loan agreement, the City was obligated to pay accrued interest and a principal payment of \$5,000,000 on February 1, 2000 and February 1, 2001. Thereafter, the note is payable as to principal and interest (5%), in 30 equal semi-annual installments. The balance of the loan was \$14,069,000 at December 31, 2000 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, 2000. The net retained earnings deficits in the two enterprise funds of Convention Center (\$24,172,000) and General Aviation (\$1,119,000) 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 (\$3,505,000) and Municipal Garage (\$705,000) 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 \$183,035,317 for the 1.55% portion in 2000 were less than the original allocation of \$185,270,000 for the General Fund. The following table identifies the excess 1.55% income tax collections for the years 1996 through 2000:

**(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>
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
2000	183,035	183,035	

**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 2000 levy was based was \$4,363,343,000, \$400,519,000 and \$674,102,000 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 - 2001**

Lien date	January 1, 2000
Levy date	October 31, 2000
First installment payment due	January 31, 2001
Second installment payment due	June 20, 2001

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 2001 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	\$	\$	\$	\$ 884	\$
City Capital Appropriations	132	2,006	1,358	65	
Capital Contributed by Customers and Developers	9,459				
Depreciation on contributed assets acquired with capital grants	<u>(358)</u>	<u>(50)</u>	<u>(1,145)</u>	<u>(249)</u>	
Total Changes to Contributed Capital	9,233	1,956	213	700	
Contributed Capital, January 1	<u>26,639</u>	<u>8,670</u>	<u>64,715</u>	<u>26,873</u>	<u>1,290</u>
Contributed Capital, December 31	<u>\$ 35,872</u>	<u>\$10,626</u>	<u>\$64,928</u>	<u>\$27,573</u>	<u>\$ 1,290</u>

<u>Source</u>	<u>Stormwater Management</u>	<u>Purchasing Printing Services</u>	<u>Purchasing General Stores</u>	<u>Municipal Garage</u>	<u>Regional Computer Center</u>	<u>Total</u>
Federal Grants	\$	\$	\$	\$	\$	\$ 884
City Capital Appropriations				1,200	1,666	6,427
Capital Contributed by Customers and Developers						9,459
Depreciation on contributed assets acquired with capital grants					<u>(940)</u>	<u>(2,742)</u>
Total Changes to Contributed Capital				1,200	726	14,028
Contributed Capital, January 1	<u>2,348</u>	<u>25</u>	<u>5</u>	<u>3,184</u>	<u>20,898</u>	<u>154,647</u>
Contributed Capital, December 31	<u>\$2,348</u>	<u>\$ 25</u>	<u>\$ 5</u>	<u>\$4,384</u>	<u>\$21,624</u>	<u>\$168,675</u>

**12. CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets for 2000 is as follows:

**(AMOUNTS IN THOUSANDS)**

	Balance January 1, <u>2000</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2000</u>
Land	\$136,033	\$ 2,182	\$ 401	\$137,814
Buildings	129,820	9,379	515	138,684
Improvements	199,797	6,767	425	206,139
Machinery and Equipment	59,031	7,635	5,388	61,278
Construction in Progress	<u>288,566</u>	<u>201,320</u>	<u>39,407</u>	<u>450,479</u>
<b>Total</b>	<b><u>\$813,247</u></b>	<b><u>\$227,283</u></b>	<b><u>\$46,136</u></b>	<b><u>\$994,394</u></b>

Construction in Progress at December 31, 2000 is comprised of the following:

**(AMOUNTS IN THOUSANDS)**

<u>Administering Department</u>	<u>Project Authori- zations</u>	<u>Expended to December 31, 2000</u>	<u>Committed</u>	<u>Required Future Financing</u>
Transportation & Engineering	\$432,709	\$328,179	\$104,530	\$ 68,032
Economic Development	53,702	34,698	19,004	6,183
Evaluation and Budget	106	106		
Neighborhood Services	31,274	22,049	9,225	1
Recreation	36,799	11,415	25,384	10,682
Safety	4,114	1,660	2,454	
Parks	27,216	16,079	11,137	4,526
Public Services	8,273	4,603	3,670	
Other	<u>51,196</u>	<u>31,690</u>	<u>19,506</u>	<u>78</u>
<b>Totals</b>	<b><u>\$645,389</u></b>	<b><u>\$450,479</u></b>	<b><u>\$194,910</u></b>	<b><u>\$ 89,502</u></b>

The above amounts expended at December 31, 2000 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, 2000, is as follows:

**(AMOUNTS IN THOUSANDS)**

	Total Enterprise <u>Funds</u>	Total Internal Service <u>Funds</u>
Land	\$ 25,248	\$ 133
Buildings	242,107	272
Improvements	336,834	3,381
Machinery and Equipment	134,519	26,983
Construction in Progress	111,911	
Property Acquired under Capital Leases	<u>637</u>	<u>2,084</u>
Total	851,256	32,853
Accumulated Depreciation	(289,399)	(15,911)
Accumulated Amortization	<u>(92)</u>	<u>(1,127)</u>
Net	<u>\$ 561,765</u>	<u>\$ 15,815</u>

Construction in Progress at December 31, 2000 is comprised of the following:

**(AMOUNTS IN THOUSANDS)**

<u>Enterprise Fund</u>	Project Authori- zations	Expended to December 31, <u>2000</u>	<u>Committed</u>	Required Future <u>Financing</u>
Water Works	\$137,537	\$90,878	\$46,659	\$
Parking Facilities	5,546	3,631	1,915	
Convention Center	3,630	1,462	2,168	1,600
General Aviation	3,807	3,558	249	765
Municipal Golf	1,217	472	745	
Stormwater Management	<u>18,364</u>	<u>11,910</u>	<u>6,454</u>	
Totals	<u>\$170,101</u>	<u>\$111,911</u>	<u>\$58,190</u>	<u>\$2,365</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 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. In 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, 2000, are as follows: Taxes Receivable (\$1,767,000) and other accounts receivable (\$1,485,000). The uncollectible accounts related to the Debt Service Fund at December 31, 2000 are Taxes Receivable (\$1,723,000). The balances of the allowance accounts of the proprietary funds as of December 31, 2000 are as follows: Water Works (\$1,987,000), Regional Computer Center (\$4,000), Convention Center (\$108,000), Municipal Golf (\$6,000), Parking Facilities (\$8,000), and Stormwater Management (\$3,912,000).

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 \$2,351,000, 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, 2000 total \$57,482,000.

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, 2000 is \$734,000. 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 \$108 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, 2000. A liability of \$3.7 million was recorded for those claims and judgments as of December 31, 2000. Over the past decade, the City has averaged annual payments of \$1,396,000 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 1999. 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 2000 and 1999 are as follows:

**(AMOUNTS IN THOUSANDS)**

	General Fund		Water Works Fund		Parking Facilities Fund		Convention Center Fund		Municipal Golf Fund		Capital Projects Fund	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Balance at January 1	\$ 288	\$ 327	\$ 57	\$ 60	\$ 3	\$ 2	\$ 4	\$ 7	\$ 5	\$ 5	\$4,160	\$
Current-Year Claims and Changes in Estimates	531	392	198	64	1	24	3	8	(2)	9	453	4,160
Claim Payments	<u>(256)</u>	<u>(431)</u>	<u>(182)</u>	<u>(67)</u>	<u>(2)</u>	<u>(23)</u>	<u>(5)</u>	<u>(11)</u>	<u>(3)</u>	<u>(9)</u>		
Balance at December 31	<u>\$ 563</u>	<u>\$ 288</u>	<u>\$ 73</u>	<u>\$ 57</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$</u>	<u>\$ 5</u>	<u>\$4,613</u>	<u>\$4,160</u>

	Stormwater Management Fund		Income Tax Infrastructure Fund		Self Insurance Medical Fund		Workers Compensation Fund		General Long-Term Obligations		Totals	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Balance at January 1	\$ 4	\$ 3	\$ 13	\$ 0	\$8,833	\$8,401	\$22,987	\$22,568	\$3,419	\$2,674	\$39,773	\$34,047
Current-Year Claims and Changes in Estimates	95	15	30	26	38,375	30,841	2,007	361	1,664	2,437	43,355	38,337
Claim Payments	<u>(95)</u>	<u>(14)</u>	<u>(30)</u>	<u>(13)</u>	<u>(38,144)</u>	<u>(30,409)</u>	<u>(1,212)</u>	<u>58</u>	<u>(2,027)</u>	<u>(1,692)</u>	<u>(41,956)</u>	<u>(32,611)</u>
Balance at December 31	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 9,064</u>	<u>\$ 8,833</u>	<u>\$ 23,782</u>	<u>\$ 22,987</u>	<u>\$ 3,056</u>	<u>\$ 3,419</u>	<u>\$ 41,172</u>	<u>\$ 39,773</u>

The claims liabilities at December 31, 2000 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 <u>Medical</u>	Workers <u>Compensation</u>
Accounts Payable	\$3,064	\$ 7
Accrued Liabilities		4,585
Estimated Liability For Unpaid Claims	<u>6,000</u>	<u>19,190</u>
Total	<u>\$9,064</u>	<u>\$23,782</u>

**16. SUBSEQUENT EVENTS**

On January 10, 2001, City Council authorized the taking of bids on \$92,685,000 of Water Works revenue bonds to be dated March 1, 2001. The bond issues were sold at coupon rates from 3.4% to 5.5%, but with a bid premium of \$3,228,859 the effective rates were from 3.4% to 5.17%.

On January 24, 2001, City Council authorized the taking of bids on \$47,695,000 of general obligation bonds to be dated April 1, 2001. The six bond issues were sold at coupon rates from 4.0% to 5.0%, but with a bid premium of \$965,894 the effective rates were from 3.2% to 5.3%. The bonds include tax supported issues of \$9,000,000 for the purpose of refunding notes originally issued for the Cincinnati Zoo, \$17,625,000 for Street Improvements, \$4,245,000 for Public Building Improvements, \$5,000,000 for Urban Redevelopment Improvements, \$1,750,000 for Parks and Recreation Improvements, and \$10,075,000 for Equipment Improvements.

On March 28, 2001, City Council authorized the taking of bids on \$8,500,000 of bond anticipation notes to be dated May 11, 2001 for Urban Renewal Improvements. The notes were sold at a coupon rate of 4.5%.

## **17. PENSION AND RETIREMENT**

City employees are covered by one of three pension systems. They are the Ohio Police and Fire Pension Fund (OP&F) 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.

### **Ohio Police and Fire Pension Fund**

#### **Plan Description**

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

#### **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 OP&F for the years ending December 31, 2000, 1999, and 1998 were \$21,005,000, \$23,961,000, and \$22,346,000, respectively, equal to the required contributions for each year including the installment payments on the unfunded prior service cost for 1998 and 1999.

The OP&F 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. 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 OP&F (the Fund) have entered into an agreement which permitted 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 was \$41,454,864 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**

OP&F provides post-retirement 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 Fire 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 2000, 7.25% of covered payroll was used to pay retiree health care expenses. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 1999, the date of the last actuarial valuation available was 12,467 for police and 9,807 for firefighters. The portion of the City's contributions that was used to pay postemployment benefits was \$4,123,824 for police and \$2,995,629 for firefighters. Total health care expenses of the fund for the year ending December 31, 1999, were \$95,004,633.

## **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 PERS Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local divisions. The City's contribution rate for 2000 was 10.84% of covered payroll; 6.54% was the portion used to fund pension obligations and 4.30% was used to fund health care for 2000. City of Cincinnati's contributions to PERS for the years ending December 31, 2000, 1999, and 1998, were \$1,363,000, \$1,717,000, and \$1,417,000 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 advance-funded on an actuarially determined basis. The number of active contributing participants was 401,339. The portion of the City's employer contribution that was used to fund postemployment benefits was \$540,514. The actuarial value of PERS net assets available for OPEB was \$10,805,500 at December 31, 1999. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473,600 and \$1,668,100, respectively.

The Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rollback was 20% for the City. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The portion of contributions dedicated to funding OPEB increased during the year for those reasons.



## City of Cincinnati Retirement System

### Plan Description

The City of Cincinnati Retirement System is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The 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, see pages 12 and 13. No separate financial report is issued. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of the System in the Board of Trustees of the City of Cincinnati Retirement System. 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, 2000, the date of the latest actuarial valuation:

	<u>Pension</u>	<u>Health care</u>
Retirees and beneficiaries receiving benefits	4,218	4,218
Terminated plan members entitled to future benefits	116	116
Active plan members:		
Vested	3,444	1,915
Nonvested	<u>2,117</u>	<u>3,646</u>
Total	<u>9,895</u>	<u>9,895</u>

1,433 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 is equal to 2.5% 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 2.5% or a 2.22% formula which factors in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and thereafter 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 2000 was 7% for all employers. City of Cincinnati's contributions to the City of Cincinnati Retirement System for the years ending December 31, 2000, 1999, and 1998 were \$11,520,000, \$11,629,000, and \$22,325,000, respectively equal to the required contributions for each year. Administrative costs are financed from the system assets. The System's independent actuary reported that the System's unfunded actuarial accrued liability for prior service cost was paid off as of December 31, 1998.

### **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, 2000 valuation 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. The employer contribution that was used to fund postemployment benefits was \$3,118,000. The actuarial value of the System's net assets available for OPEB at December 31, 2000 was \$736,491,000. The actuarially accrued liability based on the actuarial cost method used was \$723,727,000.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS**

(AMOUNTS IN THOUSANDS)

**PENSION PLAN**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability -Entry Age (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
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	1,548,227	(6,627)	100.43	184,477	(3.59)
12/31/00	1,627,207	1,607,163	(20,044)	101.25	182,556	(10.98)

**HEALTHCARE PLAN**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability -Entry Age (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
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)
12/31/00	736,491	723,727	(12,764)	101.76	182,556	(6.99)

**SCHEDULE OF EMPLOYERS' CONTRIBUTIONS**

(AMOUNTS IN THOUSANDS)

**PENSION PLAN**

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1995	\$ 26,513	92.03
1996	16,823	141.60
1997	23,335	106.80
1998	14,560	127.83
1999	(9,467)	N/A
2000	(11,201)	N/A

**HEALTHCARE PLAN**

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1995	\$ 8,838	92.03
1996	5,608	141.60
1997	7,778	106.80
1998	4,853	127.83
1999	(3,156)	N/A
2000	(3,734)	N/A

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	12/31/00
Actuarial cost method	Entry age normal
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% per year, prior to expenses, compounded annually.
Projected salary increases*	4.5% per annum with select rates during the first three years of service. For those participants who have not elected the 2.5% formula an additional 10% increase in average salary is used to reflect 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, 2000**  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
									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	(242)	1,682		1,924		(119)
Hamilton County WIC Program	391	10.557	31-2-001-1-CL-01	(373)	551		432		(250)
Total for CFDA No. 10.557					2,233		2,356		
Findlay Market Improvements	980	10.601	12-25-A-3532	(57)			19		(1)
Total for CFDA No 10.601				(57)			19		(1)
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>				<b>(430)</b>	<b>2,233</b>		<b>2,375</b>		<b>(37)</b>
2 U.S. Department of Commerce									
Findlay Market Phase III	980		06-01-04417			1,912	1	(1,471)	(440)
Total for CFDA No. _____						1,912	1	(1,471)	(440)
<b>TOTAL DEPARTMENT OF COMMERCE</b>						<b>1,912</b>	<b>1</b>	<b>(1,471)</b>	<b>(440)</b>
3 U.S. Department of Health and Human Service									
Homeless Health Care Program	448	93.151	Contract #55X9035	(6)					(6)
Homeless Health Care Program	448	93.151	Contract #65X9084	6					6
Homeless Health Care Program	448	93.151	Contract #75X9005	(52)					(52)
Homeless Health Care Program	448	93.151	Contract #75-9105	(4)					(4)
Homeless Health Care Program	448	93.151	Contract #05-9044	(56)	254		254		(56)
Total for CFDA No. 93.151					254		254		
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	(28)					(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-NS	6					6
Regional Lead Poisoning Prevention	380	93.197	137-AD	(6)					(6)
Regional Lead Poisoning Prevention	380	93.197	31-2-01-P-BP-387	(107)	86		66		(20)
Total for CFDA No. 93.197					86		66		(127)
Cincinnati Health Network	446	93.224	Contract #55X9034	(56)					(56)
Cincinnati Health Network	446	93.224	Contract #65X9085	(13)					(13)
Cincinnati Health Network	446	93.224	Contract #75-9104	(11)					(11)
Cincinnati Health Network	446	93.224	Contract #05-9043	(80)	331		313		(18)
Total for CFDA No. 93.224					331		313		(98)

**Schedule of Expenditure of Federal Awards**  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000	Local
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 Special	415	93.268	1240-HCT-PHS-SP-IAP	(96)	213		298		(96)	
Immunization Action Plan Special	415	93.268	31-02-01-P-A2-392	(7)	213		298		78	(71)
<b>Total for CFDA No. 93.268</b>				(156)						
Avondale Career Program	433	93.561		(5)	(97)		16		108	
<b>Total for CFDA No. 93.561</b>				(5)	(97)		16		108	
WIA 2001 Allocation	463	93.558			2,770		423		(2,347)	
Temporary Assistance to Families TANF	463	93.558	Contract # 95x8002	(383)	351				(734)	
WIA	464	93.558	Administration		250		124		(126)	
SFY 2001 WIA Adult	464	93.558	WIA Adult		100		142		42	
SFY 2001 WIA Youth	464	93.558	WIA Youth		100		63		(37)	
SFY 2001 WIA Dislocated	464	93.558	WIA Disc Wkr		50		42		(8)	
IT Allocation	464	93.558	C-99C0000		319		82		32	
WIA Planning	464	93.558	WIA Planning		555		58		(260)	
TANF	471	93.558	WIA TANF Allocation	(383)	4,545		934		(555)	(3,993)
<b>Total for CFDA No. 93.558</b>										
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	1	10		9			
<b>Total for CFDA No. 93.917</b>				(1)	10		9		(2)	
Federal AIDS Prevention	378	93.940	31-2-01-P-AS-392	212	787		332		(244)	
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)					(1)	
State AIDS Prevention	378	93.940	137-AB	(137)	787		332		(138)	
STD Diagnosis and Treatment	378	93.940	31-2-01-F-DL-SE1	6					(451)	
<b>Total for CFDA No. 93.940</b>				6	787		332		(138)	(451)
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	137-18							
STD Control Program	378	93.977	31-2-01-P-BX-392	(30)	24		41		(13)	
<b>Total for CFDA No. 93.977</b>				(94)	24		41		(77)	

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
* 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-EZ-392	45					45
STD/HIV Prevention Training Centers	379	93.978	R30/CCR500925-15	(2)	510		496		(2)
STD/HIV Prevention Training Centers	379	93.978	R30/CCR516650-03		510		496		(13)
Total for CFDA No. 93.978				47					34
* 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	12	145		126		12
* Heart Health in Hamilton County	425	93.991	31-2-01-P-BP-387	(95)	145		126		(19)
Total for CFDA No. 93.991				(924)	6,808		2,885		(4,847)
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>									
4 U.S. Department of Housing & Urban Development	304	14.218	B98-MC390003	(367)	1,198		1,564		(550)
Community Development Block Grant	304	14.218	B99-MC390003		11,607	4,741	15,651	(147)	(550)
Community Development Block Grant				(367)	12,805	4,741	17,215	(147)	(550)
Total for CFDA No. 14.218									
Emergency Shelter Grant	445	14.231	S-99-MC-39-0003		407		408		
Emergency Shelter Grant	445	14.231	S-00-MC-39-0003		248		248		
Total for CFDA No. 14.231					655		656		
HOME-Shelter Plus Care	410	14.238	OH16C93-1093	(11)	387		387	(11)	
HOME-Shelter Plus Care	410	14.238	OH16C95-0132		357		357		
HOME-Shelter Plus Care	410	14.238	OH16C96-0002	11	217		217	11	
HOME-Shelter Plus Care	410	14.238	OH16C97-0013		104		103		
HOME-Shelter Plus Care	410	14.238	OH16C800-003		194		194		
Total for CFDA No. 14.238					1,259		1,258		
HOME	411	14.239	M-98-MC-39-0213	(169)	1,197		1,367		
HOME	411	14.239	M-99-MC-39-0213		54		54		
HOME	411	14.239	M-00-MC-39-0213		664	761	945		(480)
Total for CFDA No. 14.239				(169)	1,915	761	2,366		(480)
Housing Opportunities For People With Aids	465	14.241	OH16H99F001		390		390		
Housing Opportunities For People With Aids	465	14.241	OH16H00F001		54		54		
Total for CFDA No. 14.241					444		444		
Cincinnati Lead Abatement Program	381	14.900	OHLA0022-94	(803)	1,080		1,162		(288)
Total for CFDA No. 14.900				(803)	1,080		1,162		(433)
Empowerment Zone	386	14.244	EZ99OH0009		175		175		
Total for CFDA No. 14.244					175		175		

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000	Local
Hope VI Implementation Grant	980	14.866			200		138	178	(131)	(109)
Total for CFDA No. 14.866					200		138	178	(131)	(109)
<b>TOTAL DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>										
5 U.S. Department of the Interior	338	15.904	490297	(1)					(1)	
Cincinnati Historic Properties				(1)					(1)	
Total for CFDA No. 15.904										
* ODNR-Hooked on Fishing	324				10	3	10		(3)	
Total for CFDA No. _____					10	3	10		(3)	
<b>TOTAL DEPARTMENT OF THE INTERIOR</b>										
6 U.S. Department of Justice	342	16.200	98-LB-VX-2740	(538)	(33)	2	65		(484)	(54)
Local Law Enforcement Block Grant	345	16.200	96-LB-VX-3472	(7)					81	8
Local Law Enforcement Block Grant	345	16.200	97-LB-VX-2740	(89)					(80)	(9)
Local Law Enforcement Block Grant	365	16.200	1999 LBVX 9040		701	27	107		(559)	(62)
Local Law Enforcement Block Grant	364	16.200	2000 LBBX 1630	(634)	452	29	172		(407)	(45)
Total for CFDA No. 16.200					1,120				(1,449)	(162)
Delinquency Collaboration	447	16.548	97-JV-T50-5013		22				(22)	
Bloom Earn & Learn	447	16.548	99-JV-T50-5035		35				(35)	
Title V-Juvenile Delinquency Prevention	447	16.548					13		13	
Total for CFDA No. 16.548					57		13		(44)	
Bushido	350	16.579	93-DG-B01-7362	2					2	
Bulletproof Vest	368	16.579	99-00-0381		14		14			
Drug Abuse Resistance Education (D.A.R.E.)	368	16.579				85	85			
Law Enforcement Advocate (Byrne)	368	16.579	99-DG-D02-7356		32	15	46		(2)	
Targeted Prevention (Byrne)	368	16.579	99-DG-B01-7355		39		39		1	
Third Grade Safety Belt Program	368	16.579	H60208	(4)		8	11		(1)	
Weed and Seed	368	16.579	1775			46	46			
One Stop Career Center	433	16.579	8800	(33)					(33)	
One Stop Career Center	433	16.579	5700	(50)					(50)	
Alcoholism Clinic	447	16.579	94-DG-F01-7374	18					18	
Alcoholism Clinic	447	16.579	95-DG-F01-7374	(15)					(15)	
Back on the Block	447	16.579	94-DG-B01-7367	(3)					(3)	
Computer Cop	447	16.579	98-DG-B01-7352		4		4			
Computer Cop	447	16.579	98-DG-B01-7352		84		84			
Delinquency Risk Reduction	447	16.579	98-DG-F02-7382	(17)	17		17			
Family Violence Prevention	447	16.579	98-DG-B01-7379	(13)	12		25		(9)	
Family Violence Project	447	16.579	96-DG-B01-7379	(9)						
Family Violence Project	447	16.579	97-DG-B01-7379	14						14
Stay Center Life Skills	447	16.579	95-DG-F01-7381							
Stay Center Life Skills	447	16.579	98-DG-F01-7381	(17)			17			
Victim Service Center	447	16.579	93-DG-D02-7358							
Youth Crime Prevention	447	16.579	98-DG-B01-7378	(12)			7		(5)	



Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
				Grantor	Contract	and other		(Repayments)	Grantor
				Balance	Revenue	Revenue	Expenditures	or Adjustments	Local
Youth Crime Prevention COPS More	447 452	16.579 16.579	97-DG-B01-7378 95-CL-WX-0004	(18) (157)	33 235	154	33 445		(18) (101)
Total for CFDA No. 16.579									
* Violence Against Women	374	16.589	17WF-VAS-8586	(137) (137)	(7) (7)	3 3	133 133		
Total for CFDA No. 16.589									
School Community Oriented Police Efforts	368	16.710	97-JJ-CP1	(25)		125	87		(25)
School Community Oriented Police Efforts	368	16.710	1998JUCP10073	(25)		125	87		(38) (63)
Total for CFDA No. 16.710									
Troops to Cops	368	16.711	1999-TCWX-0174	(10) (10)		3 3			(13) (13)
Total for CFDA No. 16.711									
<b>TOTAL DEPARTMENT OF JUSTICE</b>				<b>(963)</b>	<b>1,405</b>	<b>314</b>	<b>850</b>		<b>(1,670)</b>
7 U.S. Department of Labor Universal Hiring Program	346	17.207	97-JUL-WX-0034		1,033		1,033		
Total for CFDA No. 17.207					1,033		1,033		
* JTPA-Title II-A	431	17.250	0-99-08-00-01	(275)	329		619	(85)	100
JTPA-Title II-B	435	17.250	5-99-08-00-01	(41)	15		142	85	1
JTPA-Title II-A	437	17.250	1-99-08-00-01	(16)	54		70		
JTPA-Title III(EDWAAA)	438	17.250	B-99-08-00-01	27	239		111		(101)
JTPA-Title III(EDWAAA)	438	17.250	A-99-08-00-01	(187)	318		662		157
JTPA-Title III(EDWAAA)	438	17.250	N-7498-9-00-87-60	(145)	47		237		45
JTPA-Title II-A	439	17.250	4-97-08-00-01		68		118		16
JTPA-Title II-A	439	17.250	4-98-08-00-01	(34)					
JTPA-Title II-C	443	17.250	Y-98-08-00-00		238		82		(36)
JTPA-Title II-C	443	17.250	Y-99-08-00-00	120					(2)
JTPA-Title II-A	444	17.250	3-97-08-00-00	(2)					(2)
JTPA-Title II-A	444	17.250	3-98-08-00-00	(25)	20		9		(36)
Total for CFDA No. 17.250				(578)	1,328		2,050		144
<b>TOTAL DEPARTMENT OF LABOR</b>				<b>(578)</b>	<b>2,361</b>		<b>3,083</b>		<b>144</b>
8 U.S. Department of Transportation Lunken Airport Signal Upgrade	980-1801	20.106	3-39-0018-09		489		720	110	231
Lunken '97 FAA Grant Improvement	980-2115	20.106	3-39-0018-1195	1	23,096		29,001		(5)
Local Match Funds - FAA Projects	980-2267	20.106			13,476	445	10,200	(42)	834
Total for CFDA No. 20.106				1	289	445	1,435	(42)	840
Highway Planning and Construction	980-1953	20.205			8,997		8,997		
Highway Planning and Construction	980-2295	20.205		(5,905)	8,629		8,629		(110)
Highway Planning and Construction	980-2296	20.205		3,276					
Highway Planning and Construction	980-2298	20.205			8,997		8,997		
Highway Planning and Construction	980-2401	20.205			8,629		8,629		
Highway Planning and Construction	980-2161	20.205		(307)	82	511	437	723	83
Highway Planning and Construction	980-2162	20.205			223	210	740		27

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000	
									Grantor Local	
Highway Planning and Construction Highway Planning and Construction Total for CFDA No. 20.205	980-2504 980-2507			(2,936)	15,691 5,296 75,979	721	15,691 5,296 79,711	833	341	(1,099)
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>				(2,935)	76,268	1,166	81,146	791	1,181	(1,195)
* <i>9 Action</i> Retired Senior Volunteer Program Total for CFDA No. 17.002	324	72.002	440-3664-0	(88) (88)	254 254	43 43	308 308		(77) (77)	
<b>TOTAL ACTION</b>				(88)	254	43	308		(77)	
<i>10 Environmental Protection Agency</i> Brownfield Pilot Project Total for CFDA No. 66.600	453	66.600	V985361-01-0	(2) (2)	13 13		15 15			
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>				(2)	13		15			
<i>11 Federal Emergency Management Agency</i> Emergency Response Outreach Total for CFDA No. 83.010	343	83.010	X985730-01-0	(14) (14)					(11) (11)	(3) (3)
* FEMA Flood Control Grant FEMA Flood Control Grant FEMA Flood Control Grant Total for CFDA No. 83.516	461 467 637	83.544 83.544 83.548	1164-DR-61-15000 FEMA-DR-1164-OH 1122-DR-61-15000	(95) (380) (49)	589	1	595		(95) (375) (49)	(95) (375) (49)
<b>TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY</b>				(524)	589	1	595		(519)	(3)
<b>TOTAL FEDERAL GRANTS &amp; SUBSIDIES (Non-GAAP Basis)</b>				(769)	1,027	3,941	114,882	(649)	(7,593)	(2,379)
Less Amount Recognized as Contributed Capital Less Accrual of Federal Grant & Subsidies at 12/31/99 Plus Accrual of Federal Grant & Subsidies at 12/31/00 Plus Deferral of Federal Grant & Subsidies at 12/31/99 Less Deferral of Federal Grant & Subsidies at 12/31/00					(76,467) (1,441) 1,156 406 (378)					
Amount Recognized as Federal Grants & Subsidies (GAAP Basis)					31,750					

\* 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, 2000 totaled \$57,482,000



## **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, 2000, and have issued our report thereon dated May 25, 2001. 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*.

### **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 May 25, 2001.

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*

May 25, 2001



## **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, 2000. 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, 2000.

### **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*

May 25, 2001

**CITY OF CINCINNATI, OHIO**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2000**

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**I. SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_yes \_\_\_\_\_X\_\_\_no

Reportable condition(s) identified not considered to be material weaknesses? \_\_\_\_\_yes \_\_\_\_\_X\_\_\_N/A

Noncompliance material to financial statements noted? \_\_\_\_\_yes \_\_\_\_\_X\_\_\_no

**Federal Awards**

Internal Control over major programs:

Material weakness(es) identified? \_\_\_\_\_yes \_\_\_\_\_X\_\_\_no

Reportable condition(s) identified not considered to be material weakness(es)? \_\_\_\_\_yes \_\_\_\_\_X\_\_\_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 \_\_\_\_\_X\_\_\_no

Identification of major programs:

<b><u>CFDA Number(s)</u></b>	<b><u>Name of Federal Program or Cluster Number</u></b>
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 \$3,000,000

Auditee qualified as low-risk auditee? \_\_\_\_\_yes \_\_\_\_\_X\_\_\_no

- II. FINANCIAL STATEMENT FINDINGS SECTION - No matters are reportable**
- III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION – No findings are reportable**



# 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, 1999.

***Condition #99-1, #98-1 and #97-1 (Home Program CFDA #14.239)***

In the City's Rental Rehabilitation Program Manual it states "Tenants residing in units prior to project construction are exempt from the occupant income requirements."

***City's Response***

Status: The City revised the manual to remove this language.

***Condition #99-2 and #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 City received a letter from the Ohio Department of Jobs and Family Services stating that the Job Training Partnership Act (JTPA) ended on June 30, 2000 and the Private Industry Council has been dissolved. Therefore, the Private Industry Council can not put together an annual report. The Service Delivery Area that the City of Cincinnati is in has submitted their final reports and has accounted for all JTPA funds. The annual report would serve no purpose at this time and the Bureau of Audit of the Ohio Department of Jobs and Family Services considers this finding resolved.

***Condition #99-3 (Highway Planning and Construction, CFDA #20.205)***

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.

***City's Response***

Status: The City documented the estimated completion dates on these contracts. The auditor noted that certain contracts selected for testing during the 2000 audit had documented contract extensions.





Comprehensive Annual

# FINANCIAL REPORT

2000



FOR THE YEAR ENDED  
DECEMBER 31, 2000  
CITY OF CINCINNATI, OHIO



PORK-OPULENCE



Sow's It Goin' Cincinnati?



2000 WAS THE YEAR OF THE PIGS IN CINCINNATI. THE BIG PIG GIG, A PUBLIC ART INITIATIVE, WAS A WAY TO CELEBRATE CINCINNATI'S PORKOPOLIS PAST. MORE THAN 400 DECORATED FIBERGLASS PIGS WERE PLACED IN DOWNTOWN CINCINNATI, COVINGTON AND NEWPORT. THE EVENT, PRODUCED BY ARTWORKS, WAS DESIGNED TO SHOWCASE EMERGING AND ESTABLISHED LOCAL ARTISTS, WHILE SUPPORTING TOURISM AND PROMOTING REGIONAL PARTNERSHIPS.

Comprehensive Annual

# FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2000

Director of Finance

**Timothy H. Riordan**

Assistant Finance Director

**William E. Moller**

Superintendent of Accounts and Audits

**Francis X. Wagner**

2000

CITY OF CINCINNATI, OHIO



Puccini Pig

**CITY OF CINCINNATI, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the year ended December 31, 2000**

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O'PEN... THE PIG IDEA!



2000

THE YEAR OF THE PIGS

CINCINNATI

May 25, 2001

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, 2000. 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 2000 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 human services, culture, public improvements, 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 2001, "The Greater Cincinnati economy continues to grow on a steady path . . . . Construction activity remains strong. Currently, a slowing of the national economy is having a major impact on the local outlook. However, Greater Cincinnati's diversified economy, competitive cost structure, international airport, and easy access to markets continues to provide a great environment for attracting new businesses and a strong foundation for future growth."

In 2000, the Department of Economic Development recommended and the City Council approved 15 Enterprise Zone project agreements worth \$63 million of new private investment that will create or retain 2,450 jobs within the City. The Department of Economic Development also established 4 Job Creation/Income Tax Credit Agreements in 2000. These agreements will result in \$17 million of new private investment and will create or retain 265 jobs.

Employment in the 12-county Greater Cincinnati area grew 1.5% from December of 1999 through December of 2000, following a 3.0% growth in 1999. The Chamber of Commerce projects local employment growth will remain low due to the general economic slowdown nationwide. In a comparison with eleven other Metropolitan Statistical Areas in Ohio, using information provided by the Ohio Department of Job & Family Services, Greater Cincinnati's December 2000 unemployment rate of 3.0% was the third lowest in the state of Ohio. The state and national employment growth rates from December of 1999 through December of 2000 were .6% and 1.4%, respectively.

## **MAJOR INITIATIVES**

The City had many accomplishments in 2000. The City continued to 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 2000, positive changes made in the following areas are of particular interest.

### **I. Downtown Vitality**

In April 2000 a \$17 million Delta Airlines reservation facility was started at the corner of Plum Street and West Seventh Street. With an expected opening in June 2001, the Delta center will include 57,000 square feet of office space, 8,000 square feet of retail space, and a 600 space parking garage. This facility will have 1,000 employees who will be relocated from other office space in the City.

The Central Riverfront Plan, begun in the fall of 1996, moved several steps closer to reality in 2000. This project is one of 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. The August 2000 opening of the new \$458 million Paul Brown Stadium, home of Cincinnati Bengals football team, was a major milestone of the Central Riverfront Plan.

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

Design work continued for the National Underground Railroad Freedom Center as part of the Central Riverfront development process. The National Underground Railroad Freedom Center is scheduled to open on the riverfront in 2002. The \$110 million facility will be the first of its kind in the U.S. and will be located east of Paul Brown Stadium.

The \$10 million Theodore M. Berry International Friendship Park is another planned development along the river. The park will have exhibits from cultures around the world at its location next to the existing Bicentennial Commons on Cincinnati's eastern riverfront. A design of one of the exhibits, the "Pavilion of Europe", was presented by the City of Munich to a delegation from the Parks Department. The City of Munich will construct and deliver the pavilion to Cincinnati in the fall of 2002. Plans are also in the works for a \$5 million National Sternwheel Monument Park that will feature a three-story riverboat paddlewheel in honor of the City's riverboat history.

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, was one of the largest and most innovative urban expressway projects in the country. The reconfiguration of Fort Washington Way was completed in August 2000. This resulted in the following improvements: an increase in the number of lanes, and reduction in the overall width of the highway; eight lanes of through, direct traffic for I-71 and U.S. Route 50; a new Second Street and renovated Third Street as grand boulevard entrances into downtown Cincinnati; and safer access ramps into downtown. The project opens up an additional 17 acres of riverfront property for development and provides more direct access between the riverfront and the heart of downtown Cincinnati.

The Department of Transportation and Engineering received an award in the Cincinnati Design Awards competition sponsored by the American Institute of Architects for the Fort Washington Way logo, construction signage system, and print collateral.

A new Riverfront Transit Center is under construction below the new elevated Second Street. The Center will be a \$42 million transit facility providing bus service to and from special events at Cincinnati's riverfront. The underground facility will handle up to 20,000 passengers an hour by 2010 and is designed to reduce the need for parking and increase green space along the riverfront. The Transit Center is being built to accommodate light rail transit also and is due to open later this year.

The Parking Division opened a new parking lot at Third Street and Central Avenue. The Third and Central lot is an 856 space facility.

The Tyler Davidson Fountain Restoration Project was completed. The Tyler Davidson Fountain Restoration committee raised over \$3.5 million to refurbish the landmark, and in May 2000, there was a two day celebration in honor of the restoration. The fountain is critical to the City and the region as a historic and artistic treasure.

## **II. Livable Neighborhoods/ Safe Communities**

The vitality of our 52 neighborhoods is key to the success of our City. We partnered with our neighborhoods to make them cleaner and safer in 2000.

The Ridgewood Industrial Park officially opened in Carthage in November 2000. This development will retain 140 jobs in the City and create 36 more jobs within three years. In addition to purchasing the land, the City remediated environmental contamination and provided infrastructure and tax incentives.

CiTIRAMA 2000 was opened to the public on Mound Street between W. Court and W. Ninth Streets through the efforts of the Department of Neighborhood Services. The home show featured eight new homes, while the entire development includes 21 homes. In addition to the CiTiRAMA 2000 project, the City contracted with various developers for construction of other new housing units including "Conroy Lookout," a new market rate development of 14 new single family, detached townhouses with panoramic views. This development located on Conroy Street off lower Klotter in Clifton Heights is part of the continuing revitalization of the Clifton area.

The 62 residential unit conversion of the historic Emery building in Downtown also got underway in 2000, as did the conversion of Chase School in Northside to 30 units of ownership. The Department of Neighborhood Services partnered with Miami Purchase Preservation to bring 28 affordable rental units on line on Freeman Avenue in the West End and with the Franciscan Home Development for another 35 units in Over-the-Rhine. Work continued with developers on the revitalization of the Sycamore Hill area in Mt. Auburn with 12 more units being placed under contract: 5 new construction units and 7 rehabilitated rental units. Ground was broken during 2000 for construction of 12 affordable housing units on Wm. Howard Taft in Walnut Hills. The Sharp Village Annex project, 40 units (31 rehabbed units and 9 newly constructed) of low-income high quality housing in the northern part of Over-the-Rhine, was also completed.

In 2000, the Department of Neighborhood Services provided assistance to 2,801 housing units in 42 City neighborhoods. The public investment in housing of \$62.6 million leveraged an additional \$39.2 million in private funds.

The crime rate in Cincinnati decreased by 0.4% in 2000. It was the tenth straight year that the City has experienced a reduction in crime.

In 2000, 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 Recreation Department opened two new facilities at Lunken Airport. The Lindner Family Tennis Center, the largest public tennis site in Cincinnati with 16 courts and a deluxe clubhouse, was opened in May 2000. The other was the Marian L. Ahlering Facility, which provides a concession area, and restrooms near the children's play area.

The Recreation Department developed "Arts for All", a multidisciplinary performing and visual arts program. The program was designed to reach the eleven low-income neighborhoods in the Empowerment Zone and includes puppetry, poetry, juggling, and painting. Another new program developed in 2000 is "Rec-Tech" which makes computer labs available to people who might not otherwise have access to computers. Located at the North Avondale and Millvale Recreation Centers, the Rec-Tech programs develop structured computer lab experience in math; reading; grammar; GED, SAT, and ACT preparation; and basic keyboarding. They also provide fun and entertainment.

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

Recreation Department's 1,000 Hands Playground Project for 2000 won the Cincinnati Association of Volunteer Administrators award for a playground built in Pleasant Ridge. More than 2,000 volunteers participated in the project that built the City's largest playground from the ground up in five days.

The Great Cincinnati Clean Up (GCCU), organized by the Solid Waste Services Division celebrated its One-Year Anniversary in July 2000. GCCU targets 21 of the City's neighborhood areas with an intensive clean up effort every 14 weeks. The Neighborhood Improvement Program was established in January, 2000, to address those communities not included within the GCCU and provides a once-per-year intensive clean up as well as attention from multiple city service agencies such as Urban Forestry and the Metropolitan Sewer District.

The Public Services Department performed snow and ice removal operations on twelve days during the 1999/2000-winter season. During each storm, the Department reached their goal of clearing all streets, both residential and main thoroughfares well within the guidelines of their Winter Storm Plan.

### **III. More Responsive Government**

In the final analysis, our success is measured by the City's responsiveness to its citizens. In 2000, 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 Public Services Department, in their commitment to ongoing improvement and customer service, reduced its organization from three to two Divisions. The Department was re-organized to eliminate the duplication of services, reduce management and staff where possible, improve the efficiency of service, and enhance the Department's relationship with its customers.

The Highway Maintenance Division's continued proactive approach to potholes (filling year-round, utilizing all city employees to identify locations, and establishing [www.pot.hole@rcc.org](mailto:www.pot.hole@rcc.org)) has resulted in reduced complaints and legal claims filed against the City for damages.

The Traffic Operations Division coordinated the creation of a group relamping and street light outage reporting system with Cinergy which will reduce street light outages and response times to outages. Throughout 2000, city crews responded to traffic signal and street light outages within 1.5 hours of being reported. This response time is well within the 4-hour limit generally used by the court systems as a reasonable response time.

The Recreation Department's Community Information Pieces were distributed to approximately 102,000 people at its centers and printed in community newspapers. The Recreation Department also received approximately 23,000 incoming telephone calls and inquiries about its services.

"Government Technology" Magazine published an article in September 2000 on the Regional Computer Center and the prominent place RCC holds in Cincinnati's information technology system. The article focused on how the City and Hamilton County provide jointly funded geographic information systems applications, a shared permit application system and an enterprise e-mail system available to all City and county employees. The RCC, which has been in operation for more than 30 years, services the courts, the county jail and the police departments among the 63 cities and towns in Hamilton County.

The Purchasing Division of the Finance Department partnered with an internet supplier that allows the City of Cincinnati to broadcast all competitive bid projects through the electronic media; i.e., internet and on-demand-fax. This partnership provides many economic benefits to both the City and the Vendor.

The Water Works Department brought a five-year strategic business plan to a successful close in 2000 with completion of 57 strategies to achieve its mission: "To provide our customers with a plentiful supply of the highest quality water and outstanding services in a financially responsible manner." Water Works is embarking on a new plan charting a course well into the next decade through conferences, employee town hall discussions and active participation by customers.

City employees participated in the third 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. The top prize was awarded to employees in the Health Department for the Pharmaceutical Indigent Patient Program.

## **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, the Ohio Local Government Fund, the Ohio Estate Tax, and other revenues provided by the citizens of this community.

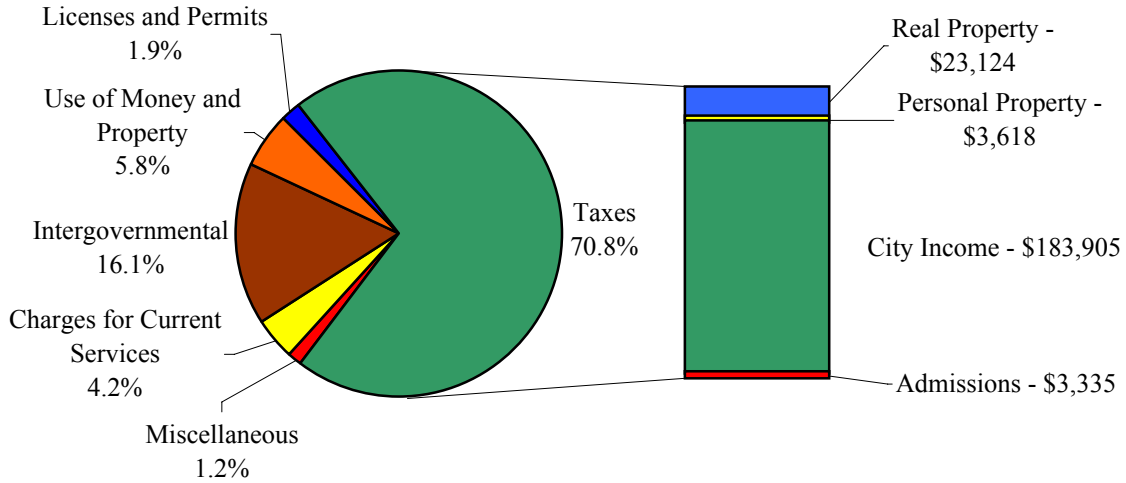
Actual General Fund expenditures/encumbrances in 2000 were \$300.8 million; this is a \$5.3 million savings compared with a 2000 expenditure appropriation of \$306.1 million. Actual revenue of \$301.1 million fell short of the original 2000 revenue estimate of \$303.1 million by \$2 million.



# GENERAL FUND

## 2000 Revenues

(Amounts in Thousands)



### ALL REVENUES

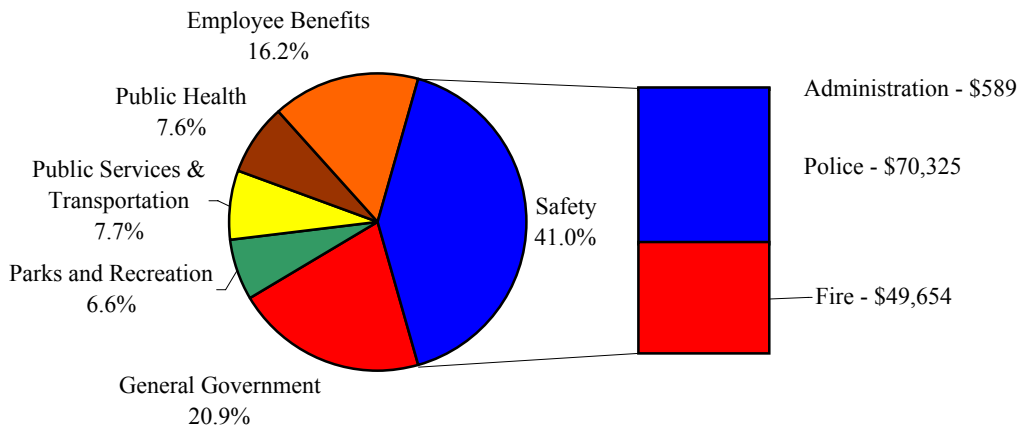
Total Revenues - \$302,387

### TAX REVENUE

Revenue - \$213,982

## 2000 Expenditures

(Amounts in Thousands)



### ALL EXPENDITURES

Total Expenditures - \$293,703

### PUBLIC SAFETY

Expenditures - \$120,568

**General Government Functions**

The revenues and expenditures for 2000 compared with 1999 were as follows (000's omitted):

<u>General Fund</u>	<u>2000</u>	<u>1999</u>	<b>Increase (Decrease)</b>	
			<b><u>Amount</u></b>	<b><u>Percent</u></b>
<u>Revenues (GAAP Basis)</u>				
Real and Personal Property Taxes	\$ 26,742	\$ 26,231	\$ 511	1.9%
Income Tax	183,905	180,741	3,164	1.8
Admissions and Other Taxes	3,335	2,634	701	26.6
Licenses and Permits	5,688	5,200	488	9.4
Use of Money and Property	17,584	14,134	3,450	24.4
Intergovernmental Revenue	48,614	52,355	(3,741)	(7.1)
Charges for Current Services	12,736	12,901	(165)	(1.3)
Miscellaneous	<u>3,783</u>	<u>1,885</u>	<u>1,898</u>	100.7
<b>TOTAL</b>	<b><u>\$302,387</u></b>	<b><u>\$296,081</u></b>	<b><u>\$6,306</u></b>	<b>2.1%</b>

<u>Expenditures (GAAP Basis)</u>	<u>2000</u>	<u>1999</u>	<b>Increase(Decrease)</b>	
			<b><u>Amount</u></b>	<b><u>Percent</u></b>
General Government	\$ 48,808	\$ 37,352	\$ 11,456	30.7%
Neighborhood Services	6,803	7,202	(399)	(5.5)
Parks and Recreation	19,201	19,146	55	0.3
Buildings and Inspections	5,782	5,694	88	1.5
Public Safety	120,568	126,205	(5,637)	(4.5)
Transportation & Engineering	2,137	1,236	901	72.9
Public Services	20,470	20,830	(360)	(1.8)
Public Health	22,300	20,831	1,469	7.1
Employee Benefits	<u>47,634</u>	<u>48,782</u>	<u>(1,148)</u>	(2.4)
<b>TOTAL</b>	<b><u>\$293,703</u></b>	<b><u>\$287,278</u></b>	<b><u>\$6,425</u></b>	<b>2.2%</b>

**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>2000</u>	<u>1999</u>	<u>1998</u>
Gross Revenue (Non-GAAP Basis)	\$256,974	\$255,048	\$243,177
Refunds	<u>8,991</u>	<u>7,526</u>	<u>6,981</u>
Net Revenue	\$247,983	\$247,522	\$236,196
Allocated to General Fund	183,035	180,500	164,300
Allocated to Transit Fund	35,426	35,360	33,742
Allocated to Permanent Improvement Fund	17,713	19,875	26,907
Allocated to Infrastructure Fund	11,809	11,787	11,247

Use of Money and Property

The benchmark for the City's general investments is a blended twelve-month moving average return. To measure our investment performance the Finance Department uses an index comprised of 20% of the 3-month Star Ohio rate and 80% of the average two-year U.S. Treasury Note rate. The benchmark ranged from 5.34% to 5.97%. For each month in 2000, the City consistently had good returns by exceeding the benchmark from 0.16 to 0.43 percentage points. The 2000 rate of return on all investments was 5.5% compared with a 1999 average of 5.6%.

The total return for our Retirement System investment portfolio was 0.6% in 2000. The portfolio averaged an annualized rate of return of 8.36% for the three-year period beginning January 1, 1998 through December 31, 2000.

Intergovernmental Revenue

The Intergovernmental Revenue category includes three major revenues -- Estate Tax, Property Tax Reimbursements and Local Government Fund. Estate tax collected in 2000 was \$14,689,000, which was approximately \$5,000,000 less than the amount received in 1999. Property tax reimbursements were \$110,000 higher than the 1999 collections, and Local Government Fund revenue increased \$1,206,000 over 1999'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 Non-GAAP expenditures, including encumbrances, for 2000 increased 3.4% over 1999. Budgeted General Fund expenditures appropriated for 2001 are \$308.1 million, which is a decrease of 0.3% from the total 2000 appropriation of \$309.1 million.

## **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 2000. For 2001, the target reserve of \$18.1 million (5.7% of 2001 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 2,800 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.

Water Works entered into an important agreement to supply Boone County and the City of Florence in Northern Kentucky with drinking water. Construction began in 2000 on supporting facilities to prepare to build the 36-inch main, which will be installed approximately 40 feet below the Ohio River bed. Water service to these areas in Northern Kentucky will begin in 2003. The City of Mason and additional parts of Warren County were added as wholesale customers during 2000.

## **Pension Trust Fund Operations**

In 2000 the City of Cincinnati Retirement System's net plan assets decreased \$65.6 million or -2.5% from 1999. The decrease is the result of benefit payments and the general stock market decline for both U.S. equities and international equities that were partially offset by increased returns in U.S. fixed income markets. The annual actuarial valuation 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, 2000 was \$390 million, consisting of \$165 million general long-term debt and \$225 million in self-supporting bonds and notes, as compared to \$311 million at December 31, 1999. The net tax supported debt at the end of the year was \$152 million, which is \$40 million more than the amount outstanding at the end of the previous year. The primary cause for the increase was \$42 million in bonds sold to refund the City's obligation for the employer's accrued liability of the State's Police and Fire Pension Fund. During 2000, \$47,370,000 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 was required on November 29, 1999. Under the terms of the new loan agreement, the City was obligated to pay accrued interest and a principal payment of \$5,000,000 on February 1, 2000. On February 1, 2001, the City made a second 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+", their second highest rating. 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.

In 2000, \$117,885,000 of general obligation bonds were sold. Dated March 1, 2000, \$42,000,000 of general obligation bonds were sold at coupon rates from 4.10% to 5.95% with yields from 4.10% to 5.97%. In addition, six bond issues, dated April 1, 2000, were sold at coupon rates from 5.0% to 5.375%, but with a bid premium of \$184,839, the yields 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.

### **Cash Management**

Cash temporarily idle during the year was invested in Certificates of Deposit with maturities ranging from 181 to 1,827 days; in FHLB/FNMA Securities with maturities ranging from 908 to 1,825 days; and in U.S. Treasury Notes ranging from 521 to 1113 days to maturity. The average yield on maturing investments during the year was 5.5% compared with a 1999 average of 5.6%. In 2000, the interest income from investments of temporarily idle money totaled \$28.6 million compared with \$22.8 million in 1999. The \$5.4 million increase resulted from an expanded investment portfolio due to the temporary availability of pooled bond sale proceeds.

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, 2000 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 \$787 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.

During 2000 the State of Ohio enacted Senate Bill 266 which permits public employers to self-insure their workers' compensation exposure and self-insure workers' comp on Owner Controlled Insurance Programs for large construction projects. This legislation will result in lower workers' compensation costs for the City in the future.

## **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.

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 2000 fiscal year.

### **Certificate of Achievement and Budget Award**

During 2000, 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, 1999. 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 20th 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, 101 municipal reporting entities in Ohio and only 1,572 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.

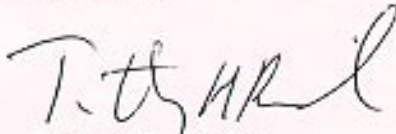
Honorable Mayor, Members of  
City Council, and the Citizens  
of the City of Cincinnati, Ohio  
Page Thirteen

We are equally proud of the GFOA's Award for Distinguished Budget Presentation earned by the City for our 1999/2000 biennial budget. Only ten cities in Ohio received this award for fiscal years beginning 1999 and only 564 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, 1999

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.



*Anne Spray Kinsey*  
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, 1999.

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 government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Cincinnati has received a Certificate of Achievement for the last twenty consecutive years (fiscal years ended 1980 - 1999). We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.



# CITY OF CINCINNATI

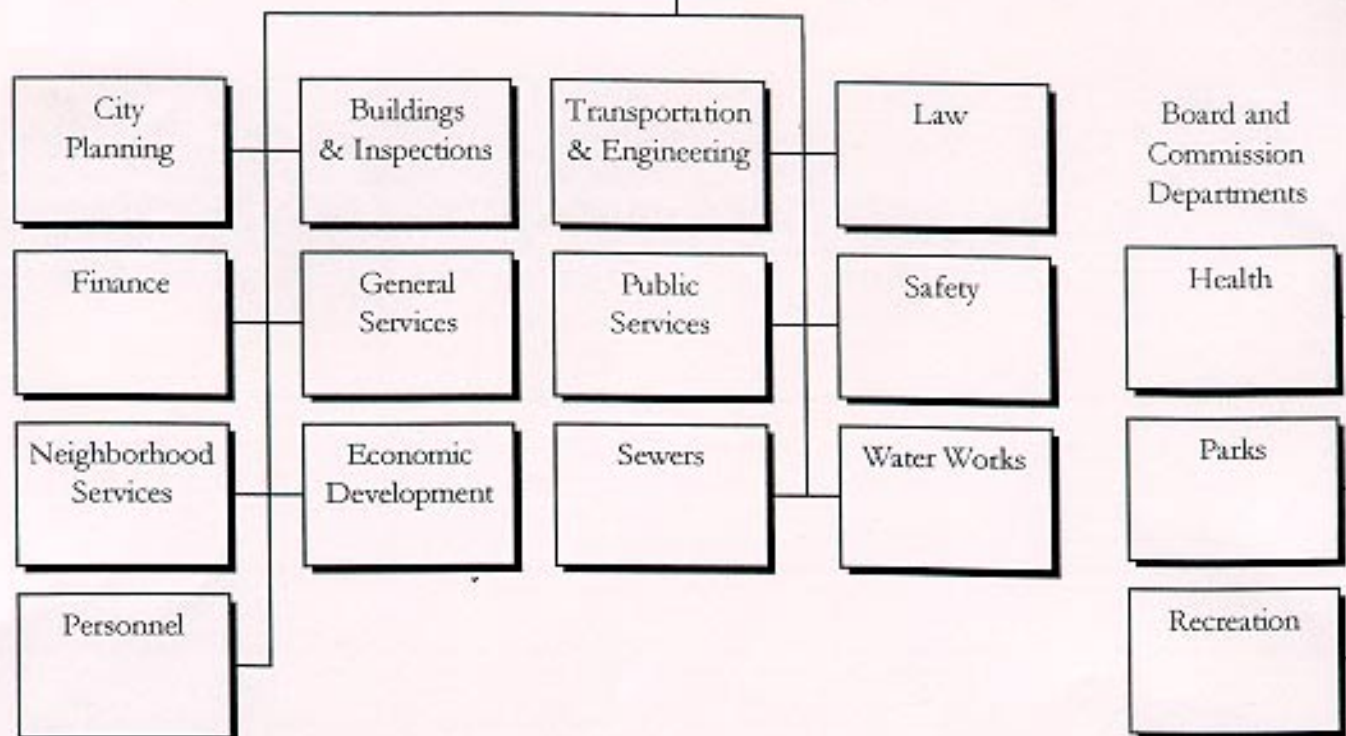


CITIZENS  
OF CINCINNATI

MAYOR &  
CITY COUNCIL

Clerk of Council

CITY MANAGER



# CITY OF CINCINNATI, OHIO

## Principal City Officials

### CITY COUNCIL

Charles J. Luken, Mayor  
First term

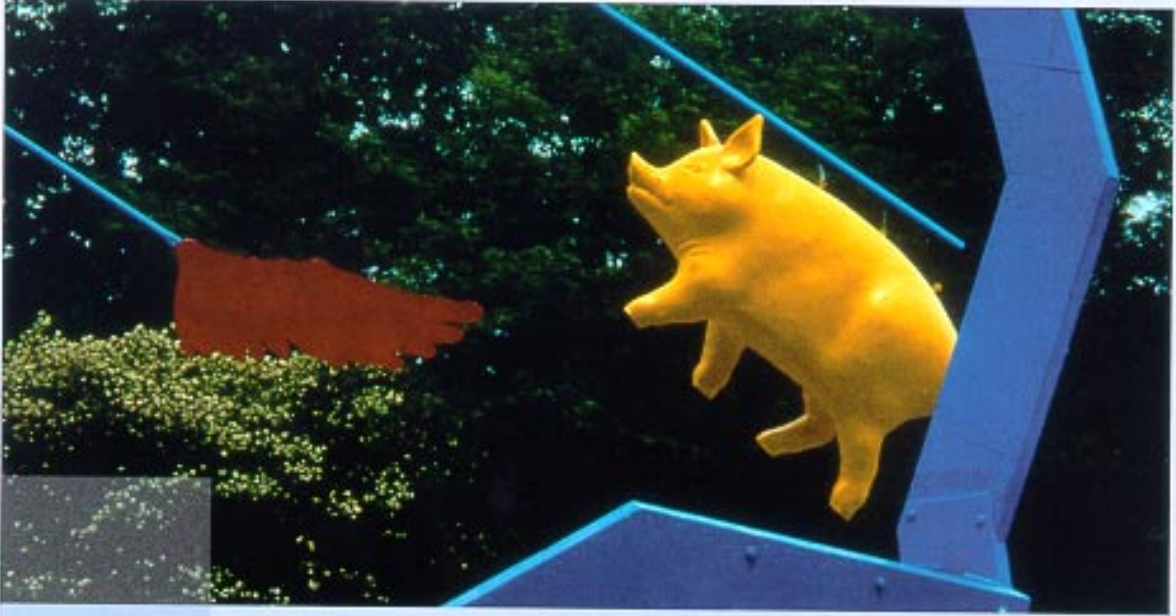
Paul M. Booth, first term  
John Cranley, first term  
Minette J. Cooper, third term  
Pat B. DeWine, first term

Philip M. Heimlich, fourth term  
Christopher R. Monzel, first term  
Alicia Reece, first term  
James R. Tarbell, first term

### CITY MANAGER

John F. Shirey

CINCINNATI



PIGLETZANSBER CALDER

2000

THE YEAR OF THE PIGS

financial section





## 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, as of December 31, 2000, 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, 2000, 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 our audit of the general purpose financial statements and, accordingly, we express no opinion on it.

*Deloitte & Touche LLP*

May 25, 2001

**GENERAL PURPOSE  
FINANCIAL STATEMENTS**





Liabilities, Equity and Other Credits	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types		Account Groups			Total	
	General	Special		Debt	Capital	Enterprise	Internal		Trust and Agency	General Fixed Assets	General Long-Term Obligations	(Memorandum Only)	
		Revenue	Service				Service	December 31				December 31	
Liabilities													
Accounts Payable	4,152	2,611		13,673	2,787	5,010	336,499					364,732	180,650
Withholdings and Other Deposits	6,403						1,415					7,818	8,323
Due to Other Funds	1,870	449		765	1,766	1,627	2,142					8,619	7,681
Due to Other Governmental Agencies				14,069	1,203		175,602					190,874	156,607
Accrued Payroll	12,688	1,520	31		2,327	881	27					17,474	16,600
Accrued Liabilities	275				305	4,585	8,327					13,492	13,910
Accrued Interest		189			509							698	560
Current Obligations under Capital Leases					228	575				26		829	850
Deposits Payable	383	26	510		15		15,284					16,218	11,842
Deferred Revenue	27,625	5,340	31,625	2,697	201	1,018	23					68,529	55,395
Estimated Liability for Compensated Absences		6,259			6,109	2,308	87					70,937	72,273
Estimated Liability for Unpaid Claims	563	13		4,613	81	25,190						33,516	31,405
Payable from Restricted Assets:													
Construction Contracts					3,223							3,223	4,266
Deposits Payable					786							786	828
Advances from Other Funds	521	1,165		10,517		713						12,916	12,430
Advances from Other Governments	3,848					20						3,868	2,900
Non-Current Obligations under Capital Leases					271	504				48		823	1,261
Matured Bonds and Interest Payable			1,753									1,753	1,005
General Obligation Bonds and Notes Payable					107,289							377,308	297,793
Revenue Bonds Payable												12,346	12,779
Police and Fire Prior Service Cost													58,505
Total Liabilities	58,328	17,572	33,919	46,334	127,100	42,431	539,406			341,669		1,206,759	947,863
Equity and Other Credits													
Contributed Capital					142,637	26,038						168,675	154,647
Investment in General Fixed Assets									994,394			994,394	813,247
Retained Earnings:													
Reserved for Restricted Assets					11,730							11,730	24,052
Unreserved					399,560	46,872						446,432	404,734
Fund Balances, Reserved for:													
Advances and Petty Cash	131											131	83
Prepaid Items		10										10	16
Encumbrances	10,220	29,062	16	51,477								90,775	71,362
External Investment Pool							24,668					24,668	31,706
Employees' Retirement System							2,560,805					2,560,805	2,626,393
Accordance with Trusts							9,715					9,715	10,519
Capital Projects												59,576	52,448
Advances to Other Funds	552	1,436										1,988	1,988
Inventory	1,338	634		740								2,712	3,155
Fund Balances, Unreserved:													
Designated for Internal Service Funds	1,500											1,500	1,500
Designated for Debt Service			25,359									25,359	16,467
Designated for Contingencies		4,000										4,000	4,000
Undesignated	37,077	25,526					399					63,002	71,150
Total Equity and Other Credits	50,818	60,668	25,375	111,793	553,927	72,910	2,595,587		994,394			4,465,472	4,287,467
Total Liabilities, Equity and Other Credits	109,146	78,240	59,294	158,127	681,027	115,341	3,134,993		994,394	341,669		5,672,231	5,235,330

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, 2000  
 (Amounts in Thousands)

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Total (Memorandum Only)	
	General	Special Revenue	Debt Service		Capital Projects	December 31 2000
<u>Revenue</u>						
Taxes	\$ 213,982	\$ 47,459	\$ 32,249	\$ 20,714	\$ 314,404	\$ 308,885
Licenses and Permits	5,688	3,287			8,975	8,017
Use of Money and Property	17,584	3,872	20,218	1,970	43,468	37,488
Special Assessments		3,206		219	3,425	3,661
Intergovernmental Revenue	48,614	12,561	2,858	1,300	65,333	67,973
Federal Grants		31,750		76,688	108,438	101,078
State Grants and Subsidies		882		16,644	17,526	21,170
Charges for Current Services	12,736	12,303			25,039	25,452
Miscellaneous	3,783	5,597		1,172	10,552	7,398
Total Revenue	302,387	120,917	55,325	118,707	597,160	581,122
<u>Expenditures</u>						
Current						
General Government	50,520	15,921	635		67,076	62,013
Parks and Recreation	19,201	7,187			26,388	26,336
Public Safety	120,568	4,271			124,839	130,434
Transportation & Engineering	2,137	2,980			5,117	3,427
General Services	8,527	40,134			48,661	46,451
Public Services	20,470	12,387			32,857	29,011
Public Health	22,300	9,563			31,863	30,427
Employee Benefits	47,634	3,074	27	206,634	50,735	52,310
Capital Outlay	2,346	18,912			227,892	205,216
Debt Service						
Principal Retirement			46,472		46,472	45,387
Police and Fire Prior Service Cost			41,416		41,416	
Interest		377	13,486		13,863	10,369
Total Expenditures	293,703	114,806	102,036	206,634	717,189	641,381
Other Financing Sources (Uses)						
Capital Lease Agreements				9	9	116
Bond and Note Proceeds		185		142,202	142,387	48,019
Operating Transfers In	20,980	1,220	55,434	169,427	247,061	102,635
Operating Transfers (Out)	(38,698)	(4,622)		(199,397)	(242,831)	(101,063)
Total Other Financing Sources (Uses)	(17,718)	(3,402)	55,619	112,241	146,626	49,707
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(9,034)	2,709	8,908	24,314	26,597	(10,552)
Fund Balances, January 1	59,852	57,959	16,467	87,479	223,225	233,777
Fund Balances, December 31	\$ 50,818	\$ 60,668	\$ 25,375	\$ 111,793	\$ 249,822	\$ 223,225

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, 2000  
 (Amounts in Thousands)

	Proprietary Fund Types	Fiduciary Fund Types	Total (Memorandum Only)
	Enterprise	Nonexpendable Trust	December 31 2000
	Internal Services		December 31 1999
<u>Operating Revenue:</u>			
Charges for Services	\$ 108,016	\$	\$ 186,991
Earnings (losses) from Investments		(243)	561
Miscellaneous Income	2,642		4,130
Total Operating Revenue	110,658	(243)	190,878
<u>Operating Expenses:</u>			
Personal Services	35,475		51,340
Contractual Services	15,310	79	20,836
Maintenance and Repairs	4,115		6,756
Materials and Supplies	5,677		15,340
Utilities	8,331		9,128
Insurance	194		38,484
Taxes	373		373
Rent	686		1,309
Interest			109
Other Expense	567		634
Impairment of Fixed Asset			1,769
Depreciation and Amortization	18,705	3	21,640
Bad Debt Expense	297		297
Total Operating Expenses	89,730	82	166,246
Operating Income (Loss)	20,928	(325)	24,632
			31,929

	Proprietary Fund Types		Fiduciary Fund Types Nonexpendable Trust	Total (Memorandum Only)	
	Enterprise	Internal Services		December 31 2000	December 31 1999
<u>Non-Operating Revenue (Expenses):</u>					
Interest Revenue	\$ 5,613	\$ 4,744	\$	\$ 10,357	\$ 7,469
Interest Expense	(5,477)			(5,477)	(5,540)
Occupancy Tax Receipts	1,181			1,181	1,126
(Loss) on Disposal of Assets	(261)	(85)		(346)	(902)
Total Non-Operating Revenue (Expenses)	1,056	4,659		5,715	2,153
Income (Loss) before Operating Transfers	21,984	8,688	(325)	30,347	34,082
Operating Transfers In	4			4	3
Operating Transfers (Out)	(637)	(3,405)	(192)	(4,234)	(1,575)
Net Income (Loss)	21,351	5,283	(517)	26,117	32,510
Add depreciation on contributed assets acquired with capital grants	1,802	940		2,742	2,640
Change in Retained Earnings	23,153	6,223	(517)	28,859	35,150
Retained Earnings/Fund Balances, January 1	388,137	40,649	9,463	438,249	403,099
Retained Earnings/Fund Balances, December 31	\$ 411,290	\$ 46,872	\$ 8,946	\$ 467,108	\$ 438,249

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, 2000  
 (Amounts in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types Nonexpendable Trust	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 2000	December 31 1999
<u>Cash Flow from Operating Activities:</u>					
Operating Income (Loss)	\$ 20,928	\$ 4,029	\$ (325)	\$	\$ 31,929
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	18,705	2,932	3	21,640	20,412
Bad Debt Expense	297			297	139
Occupancy Tax Receipts	1,181			1,181	1,126
Change in Liability for Compensated Absences	(183)	(181)		(364)	(3)
Earnings (losses) from Investments			243	243	(561)
Capitalized Assets Expensed	107			107	56
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Receivables	1,800	(3,283)	(11)	(1,494)	(4,101)
Due from Other Funds	(262)	(414)		(676)	(565)
Due from Other Governments	(2,288)			(2,288)	1,086
Inventory	(228)	(236)		(464)	(487)
Prepaid Items	113	(364)		(251)	264
Deposits		(483)		(483)	
Increase (Decrease) in:					
Accounts Payable	(104)	1,587		1,483	(130)
Deposits Payable	(43)			(43)	223
Due to Other Funds	(610)	10		(600)	(1,039)
Due to Other Governmental Agencies	(1,934)	(13)		(1,934)	(2,321)
Accrued Payroll	219	(950)		206	419
Accrued Liabilities	1			(949)	1,390
Current Obligation Capital Lease	5			5	57
Accrued Interest	(51)			(51)	23
Deferred Revenue	23	(233)		(210)	(91)
Estimated Liability for Unpaid Claims	8	1,738		1,746	(1,138)
Total Adjustments	16,756	110	235	17,101	14,759
Net Cash Provided (Used) by Operating Activities	37,684	4,139	(90)	41,733	46,688
<u>Cash Flow from Non-Capital Financing Activities:</u>					
Repayment of Advances Made to Other Funds	761	(35)		761	280
Repayment of Advances Received From Other Funds				(35)	(432)
Repayment of Advances From Other Governments					0
Advances to Other Funds	(2,070)	823		(1,247)	(455)
Operating Transfers to Other Funds	(637)	(3,405)	(192)	(4,234)	(1,575)
Operating Transfers from Other Funds	4			4	
Net Cash (Used) by Non-Capital Financing Activities	(1,942)	(2,617)	(192)	(4,751)	(2,182)

	Proprietary Fund Types		Fiduciary Fund Types	Total (Memorandum Only)	
	Enterprise	Internal Service		December 31 2000	December 31 1999
<u>Cash Flow from Capital and Related Financing Activities:</u>					
Capital Contributed by Other Funds	\$ 630	\$ 1,666	\$	\$ 2,296	\$ 2,351
Capital Contributed by Other Sources	4,748			4,748	2,875
Proceeds from Sale of Fixed Assets	76			76	60
Proceeds from the Sale of Bonds and Notes	(3,429)	(2,912)		(6,341)	31,600
Acquisition of Property, Plant, and Equipment	(93)			(93)	(7,949)
Repayment of Advances from Other Governments	(5,477)	(85)		(5,562)	(48)
Interest Paid on Bonds, Notes and Advances	(16,481)	(752)		(16,348)	(5,539)
Principal Paid on Bonds and Notes	(127)			(879)	(14,348)
Payments on Long Term Capital Lease Obligations	(38,376)	(2,083)		(38,376)	(562)
Additions to Construction in Progress	(58,529)			(60,612)	(38,229)
Net Cash (Used) by Capital and Related Financing Activities	5,613	4,829		10,713	(29,789)
<u>Cash Flow from Investing Activities:</u>					
Interest and Dividends on Investments			271		7,742
Acquisition of Investments			(4,458)		(17,187)
Proceeds from Sale of Investments	10,047		4,835	14,882	21,536
Net Cash Provided by Investing Activities	15,660	4,829	648	21,137	12,091
Net Increase (Decrease) in Cash and Cash Equivalents	(7,127)	4,268	366	(2,493)	26,808
Cash and Cash Equivalents at Beginning of Year	82,478	80,873	618	163,969	137,161
Cash and Cash Equivalents at End of Year	\$ 75,351	\$ 85,141	\$ 984	\$ 161,476	\$ 163,969
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>					
Acquisition of Equipment under Capital Leases	\$ 447	\$ 1,200	\$	\$ 447	\$
Property Plant and Equipment Contributed by Other Funds				1,200	107
Acquisition of Property, Plant and Equipment from Contributed Capital	8,526			8,526	3,493
Total Noncash Investing, Capital and Financing Activities	\$ 8,973	\$ 1,200	\$	\$ 10,173	\$ 3,600
<u>Reconciliation of Fiduciary Fund Types' Cash and Cash Equivalents to the Combined Balance Sheet:</u>					
<u>Cash and Cash Equivalents at End of Year</u>					
External Investment Pool			\$	24,668	
Expendable Trust				7	
Nonexpendable Trust				984	
Pension Trust				80,474	
All Agency				13,276	
Fiduciary Fund Types' Cash and Cash Equivalents at End of Year			\$	119,409	

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)

	2000	1999
<u>Assets:</u>		
Cash and Equivalents	\$ 80,474	\$ 86,466
Receivables:		
Due from Other Funds	24	32
Due from Other Governments	196	240
Accounts, Net	112,027	34,161
Accrued Interest and Dividends	12,041	9,770
Total Receivables	124,288	44,203
Investments, at fair value:		
U. S. Government Bonds	159,416	171,466
U. S. Government Agencies	40,089	83,287
U. S. Government Mortgage Backed Securities	369,861	233,910
Corporate Bonds	329,998	168,010
Stocks	1,590,732	1,844,195
Asset Backed Securities	137,031	85,573
Venture Capital	25,407	14,130
Commercial Paper	18,000	29,073
Total Investments, at fair value	2,670,534	2,629,644
Loans Receivable	22,008	22,850
Equipment	1,122	27
Accumulated Depreciation	(18)	(14)
Total Assets	2,898,408	2,783,176
 <u>Liabilities:</u>		
Accounts Payable	329,805	149,231
Due to Other Funds	1,256	1,404
Accrued Payroll	27	34
Accrued Liabilities	6,405	5,980
Deferred Revenue	23	61
Estimated Liability for Compensated Absences	87	73
Total Liabilities	337,603	156,783
 <u>Net assets:</u>		
Held in Trust for Employees' Pension Benefits	1,762,899	1,815,570
Held in Trust for Employees' Postemployment Healthcare Benefits	797,906	810,823
Combined Net Assets	\$ 2,560,805	\$ 2,626,393

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 2000	Healthcare 2000	Total 2000	Total 1999
<u>Additions:</u>				
Contributions:				
Member	\$ 9,757	\$ 3,235	\$ 12,992	\$ 13,164
Employer	9,403	3,118	12,521	12,768
Total Contributions	19,160	6,353	25,513	25,932
Investment Income				
Net Appreciation (Depreciation) in Fair Value of Investments	(44,403)	(20,014)	(64,417)	216,572
Interest and Dividends	54,985	24,784	79,769	70,581
	10,582	4,770	15,352	287,153
Less investment expense	4,926	2,220	7,146	7,025
Net investment income	5,656	2,550	8,206	280,128
Total Additions	24,816	8,903	33,719	306,060
<u>Deductions:</u>				
Benefits Payments:				
Pension and Annuities	73,240		73,240	67,626
Hospital and Medical Care		19,398	19,398	16,826
Medicare		2,000	2,000	1,987
Death Benefits, Active and Retired	1,521		1,521	1,078
Loss Due to Death of Members with Loans	15		15	8
Total Benefits Payments	74,776	21,398	96,174	87,525
Refunds of Contributions	1,776		1,776	1,713
Administration Expenses:				
Personal Services	291	131	422	389
Contractual Services	504	227	731	509
Materials and Supplies	74	34	108	19
Other	63	29	92	34
Depreciation	3	1	4	4
Total Administration Expenses	935	422	1,357	955
Total Deductions	77,487	21,820	99,307	90,193
Net Increase (Decrease)	(52,671)	(12,917)	(65,588)	215,867
Net Assets held in Trust for Benefits				
Beginning of Year	1,815,570	810,823	2,626,393	2,410,526
End of Year	\$ 1,762,899	\$ 797,906	\$ 2,560,805	\$ 2,626,393

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**  
**(Amounts in thousands)**

	2000	1999
<u>Assets</u>		
Equity in City Treasury Cash	\$ 24,668	\$ 31,706
	24,668	31,706
 <u>Net Assets</u>		
Net assets consist of:		
Participant deposits	\$ 24,668	\$ 31,706
	24,668	31,706

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

	2000	1999
<u>Revenues</u>		
Interest income	\$ 1,619	\$ 1,648
Fair value increases and decreases	258	(270)
Total revenues	1,877	1,378
 <u>Net increase (decrease) in net assets resulting from operations</u>		
Distributions to participants	(206,217)	(196,064)
Participant deposits	197,302	200,398
Total increase (decrease) in net assets resulting from operations	(8,915)	4,334
Net increase (decrease) in net assets	(7,038)	5,712
Net assets beginning of period	31,706	25,994
Net assets end of period	\$ 24,668	\$ 31,706

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, 2000

### 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 \$15,511,000 in 2000 and \$15,256,000 in 1999.

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

The financial statements of the City of Cincinnati for 2000 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 statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis. Agency fund and expendable trust fund statements are prepared utilizing the flow of financial resources measurement focus and 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:

<b>(AMOUNTS IN THOUSANDS)</b>	Revenue and Other Sources Over		Fund Balances	
	<u>(Under) Expenditures And Other Uses</u>		<u>December</u>	<u>31, 2000</u>
	General	Special	General	Special
	<u>Fund</u>	<u>Revenue</u>	<u>Fund</u>	<u>Revenue</u>
As reported (GAAP basis)	\$ (9,034)	\$2,709	\$50,818	\$60,668
Increase (Decrease) due to:				
Revenues:				
Received in 2000 and earned in 1999	23,641	6,208		
Received in 2001 and earned in 2000	(26,526)	(6,366)	(26,526)	(6,366)
Expenditures:				
Accrued December 31, 1999 and paid in 2000	(6,285)	(876)		
Accrued December 31, 2000 and paid in 2001	7,983	1,149	7,983	1,149
Purchase of Inventory,				
Current Year	(43)	5	(43)	5
Prior Year			(546)	(153)
Current Year Encumbrances	(11,371)	(3,322)	(11,371)	(3,322)
Prior Year Encumbrances			(1,952)	(695)
Expenditures related to Prior Year Encumbrances	9,380	3,603		
Cumulative Effect of Prior Year's Change in Accounting Principle			1,101	(16)
Adjustments for Non-appropriated Special Revenue Funds	<u>          </u>	<u>(6,146)</u>	<u>          </u>	<u>(26,551)</u>
<b>(Non-GAAP) Budgetary Basis</b>	<b><u>\$(12,255)</u></b>	<b><u>(\$3,036)</u></b>	<b><u>\$19,464</u></b>	<b><u>\$24,719</u></b>

**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 \$787 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 \$135 million at December 31, 2000, 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 funds.
- 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. Certain 1999 amounts were reclassified to be in conformity with the current year's presentation.
- 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 the City of Cincinnati 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.

Governmental Accounting Standards Board (GASB) Statement Number 36, Recipient Reporting for Certain Shared Nonexchange Revenues, was issued in April 2000. This statement provides symmetrical accounting treatment for certain shared revenues by superseding paragraph 28 of GASB Statement No. 33. Paragraph 28 of Statement 33 required governments that receive those shared revenues to account for them differently than the provider governments. In some cases, this resulted in the provider and the recipient governments recognizing the sharing of revenues at different times. However, Statement No. 36 eliminates that timing difference by requiring provider and recipient governments to account for the shared revenue in the same manner. This statement is effective simultaneously with GASB 34.

## **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 \$155,018,000 and the bank balance was \$169,291,000. 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 \$80,474,000 and \$81,532,000, 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, 2000 was \$501,294,000. These investments include \$500,246,000 in U. S. Treasury Securities and \$1,048,000 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, 2000 was \$2,678,830,000. These investments include \$18,000,000 in Commercial Paper, \$570,821,000 in U. S. Treasury Securities, \$493,218,000 in Corporate Bonds and Notes and \$1,596,791,000 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. The External Investment Pool does not issue a separate report. The External Investment Pool's financial statements can be found on page 14.

Summary by major investment classification:

	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
Money Market Fund	\$ 1,266	\$ 1,266	6.48%	OPEN
Certificates of Deposit	6,698	6,698	2.00% - 7.55%	01/11/01 - 11/16/05
U.S. Treasury Notes	12,814	12,922	4.50% - 6.25%	01/02/01 - 03/31/03
FHLB/FNMA Securities	2,984	3,010	5.00% - 6.34%	10/29/01 - 05/17/04
City of Cincinnati Notes	1,028	1,028	5.75% - 5.85%	10/04/01 - 12/01/04
Cash	<u>(256)</u>	<u>(256)</u>		
Total	<u>\$24,534</u>	<u>\$24,668</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>
<b>General</b>		\$ 268	\$ 1,870
<b>Appropriated Special Revenue</b>	Health Services	2	10
	Street Construction, Maintenance, and Repair	31	27
	Parking Meter	5	25
	Cable T.V.	52	3
	Income Tax Infrastructure	2	140
	Motor Vehicle License	3	91
	Special Recreation	1	5
	Total Appropriated Special Revenue	96	301
<b>Nonappropriated Special Revenue</b>	Recreation		1
	Safety		5
	Health	339	92
	Community Development		28
	Department of Labor Grants	19	7
	Other	1	15
	Total Nonappropriated Special Revenue	359	148
<b>Capital Project</b>	Permanent Improvement	80	
	Capital Projects	3,123	765
	Total Capital Project	3,203	765
<b>Enterprise</b>	Water Works	210	797
	Parking Facilities		38
	Convention Center	3	85
	General Aviation		788
	Municipal Golf		5
	Stormwater Management	163	53
	Total Enterprise	376	1,766
<b>Internal Service</b>	Purchasing - Reproduction and Printing	57	6
	Municipal Garage	930	1,525
	Purchasing General Stores	106	
	Property Management		76
	Self Insurance-Medical	1,256	
	Regional Computer Center	1,534	20
	Total Internal Service	3,883	1,627
<b>Trust &amp; Agency</b>	Pension Trust	24	1,256
	Agency	410	886
	Total Trust & Agency	434	2,142
	TOTAL	\$ 8,619	\$ 8,619

**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-Employee Health & Safety
Appropriated-Health Services	915	Nonappropriated-Health
Appropriated-Street Construction	496	General Fund
Nonappropriated-Recreation	25	General Fund
Water Works	411	Municipal Garage
Parking Facilities	1,915	Capital Improvements
Convention Center	630	Capital Improvements
General Aviation	228	Capital Improvements
Municipal Golf	761	Capital Improvements
Stormwater Management	5,357	Capital Improvements
Regional Computer Center	1,626	Capital Improvements
TOTAL	\$ 12,916	

## 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, 2000 for these funds is as follows:

### (AMOUNTS IN THOUSANDS)

	<u>Water Works</u>	<u>Parking Facilities</u>	<u>Convention Center</u>	<u>General Aviation</u>	<u>Municipal Golf</u>	<u>Stormwater Management</u>	<u>Total Enterprise Funds</u>
Operating Revenue	\$ 83,586	\$ 8,183	\$ 3,521	\$ 1,491	\$ 6,678	\$ 7,199	\$ 110,658
Depreciation and Amortization	12,217	1,368	3,019	591	443	1,067	18,705
Operating Income (Loss)	19,380	2,064	(4,835)	(228)	1,109	3,438	20,928
Operating Transfers In (Out)		(637)		1		3	(633)
Net Income (Loss)	18,946	1,507	(3,654)	(144)	1,079	3,617	21,351
Current Capital Contributions	9,591	2,006	1,358	949			13,904
Plant, Property and Equipment:							
Additions	42,145	2,267	134	1,717	915	2,897	50,075
Deletions	(2,343)	(313)	(137)	(40)	(121)	(26)	(2,980)
Net Working Capital	69,048	4,368	3,340	1,524	1,171	5,629	85,080
Total Assets	523,155	33,369	41,571	27,486	11,138	44,308	681,027
Bonds and Other Long-Term Liabilities:							
Bonds Payable	96,500	2,100			2,614	6,075	107,289
Total Equity	410,601	30,268	40,756	26,454	7,901	37,947	553,927

## 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, 2000:

<b>(AMOUNTS IN THOUSANDS)</b>	Enterprise <u>Funds</u>	Internal Service <u>Funds</u>
Leased Property/Equipment under Capital Leases	\$ 637	\$2,084
Accumulated Amortization	92	1,127
Current Obligations under Capital Leases	228	575
Non-Current Obligations under Capital Leases	271	504

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at December 31, 2000:

<b>(AMOUNTS IN THOUSANDS)</b>	Enterprise <u>Funds</u>	Internal Service <u>Funds</u>	General Long-term <u>Obligations</u>
<u>Year</u>			
2001	\$ 266	\$ 622	\$ 33
2002	250	523	33
2003	38		18
2004	_____		
Total minimum lease payments	554	1,145	84
Less: Amounts representing interest	<u>55</u>	<u>66</u>	<u>10</u>
Present value of net minimum lease payments	<u>\$ 499</u>	<u>\$ 1,079</u>	<u>\$ 74</u>
Capital Lease Payments - 2000	<u>\$ 151</u>	<u>\$ 850</u>	<u>\$ 32</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:

<b>(AMOUNTS IN THOUSANDS)</b>	<u>Amount</u>
<u>Year</u>	
2001	\$ 1,707
2002	1,251
2003	382
2004	234
2005	<u>76</u>
Total Future Minimum Lease Payments	<u>\$ 3,650</u>
Operating Lease Payments - 2000	<u>\$ 1,623</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, 2000 are included in the financial statements of the following:

### (AMOUNTS IN THOUSANDS)

	Enterprise <u>Funds</u>	General Fixed <u>Assets Account Group</u>
Land	\$ 538	\$ 2,050
Buildings	3,675	2,948
Improvements	483	83,264
Accumulated Depreciation	2,440	

Future minimum rentals on non-cancelable operating leases as of December 31, 2000 are as follows:

### (AMOUNTS IN THOUSANDS)

<u>Year</u>	Enterprise <u>Funds</u>	Debt Service <u>Fund</u>	Special Revenue <u>Fund</u>	General <u>Fund</u>	Capital Projects <u>Fund</u>
2001	\$ 883	\$ 15,511	\$ 384	\$ 44	\$ 18
2002	753	15,511	210	44	8
2003	657	15,511	36	45	
2004	632	15,511		45	
2005	431	15,511		45	
Remaining years	<u>1,441</u>	<u>325,736</u>	<u>        </u>	<u>0</u>	
Total Future Minimum Rental Payments	<u>\$ 4,797</u>	<u>\$403,291</u>	<u>\$ 630</u>	<u>\$ 223</u>	<u>\$ 26</u>
Total Rentals for 2000:	\$ 1,001	\$ 15,511	\$ 376	\$ 43	\$ 22

Future minimum rentals of the Debt Service Fund are assumed to equal the payments calculated for the current year.

### 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: \$26 million from the pledge of municipal income taxes, \$19.3 million from contractual agreements, and \$16.4 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.

## Annual Long-Term Debt Requirements

The annual requirements to amortize all long-term debt outstanding at December 31, 2000, including interest payments of \$162,457,000 are as presented below:

(AMOUNTS IN THOUSANDS) Year Ending December 31	<u>General Obligation</u>			
	<u>Governmental Funds</u>		<u>Enterprise Funds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2001	\$40,783	\$14,442	\$16,132	\$ 5,262
2002	34,883	12,318	16,190	4,420
2003	23,678	10,564	16,221	3,575
2004	24,173	9,412	13,588	2,729
2005	15,180	8,122	11,590	2,050
2006-2010	50,717	30,584	25,768	4,115
2011-2015	31,155	19,949	7,800	807
2016-2020	22,795	11,663		
2021-2035	<u>26,655</u>	<u>13,953</u>		
Total	<u>\$270,019</u>	<u>\$131,007</u>	<u>\$107,289</u>	<u>\$22,958</u>

Year Ending December 31	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 527	\$ 958	\$ 78,104
2002	567	919	69,297
2003	617	873	55,528
2004	668	823	51,393
2005	718	768	38,428
2006-2010	4,364	2,905	118,453
2011-2015	4,350	1,225	65,286
2016-2020	535	21	35,014
2021-2035			<u>40,608</u>
Total	<u>\$12,346</u>	<u>\$8,492</u>	<u>\$552,111</u>

## Changes in Long-Term Obligations

During the year ended December 31, 2000, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

	<u>January 1</u>	<u>Balance Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
General Obligation				
Bonds	\$162,720	\$117,885	\$30,889	\$249,716
Notes	11,303	9,000		20,303
Revenue Bonds	12,779		433	12,346
Estimated Liability for				
Compensated Absences	57,489	15,780	17,095	56,174
Estimated Liability for				
Unpaid Claims	3,419	1,664	2,027	3,056
Current Obligations				
under Capital Leases	39		13	26
Non-Current Obligations				
under Capital Leases	67	9	28	48
Police and Fire				
Prior Service Cost	<u>58,505</u>	<u>0</u>	<u>58,505</u>	<u>0</u>
Total Changes in Long-Term Obligations	<u>\$306,321</u>	<u>\$144,338</u>	<u>\$108,990</u>	<u>\$341,669</u>

**Bonds and Notes Outstanding at December 31, 2000**

(AMOUNTS IN THOUSANDS)

Description	Interest Rates	Issue Dates	Maturity Dates	Original Issues	Amount Due 2001	Amount Outstanding 12/31/2000
Bonds:						
General Property Tax	3.25%	1957-1961	2001-2007	\$ 6,000	\$ 145	\$ 265
Supported	4.1% to 5%	1971-1999	2001-2009	122,700	13,455	70,475
	5.15% to 5.25%	1992-2000	2001-2020	91,025	6,180	72,725
	5.625% to 6%	1984-1991	2001-2004	19,500	1,830	2,155
	7.875% to 8%	1985-1987	2001-2017	30,000	1,000	17,000
Various Rate Issues	5.25% to 6.2%	1991	2004	7,085	545	2,180
Urban Redevelopment						
Various Rate Issues	4.8% to 6.3%	1995	2015	3,250	115	2,795
Municipal Income Tax	4.375% to 5.375%	1992-2000	2002-2020	27,960	3,280	14,260
Recreational Facilities	5.15% to 6.75%	1977-1995	2002-2011	8,598	583	3,361
Urban Renewal	4.1% to 4.375%	1996-1999	2001-2004	9,000	1,800	5,400
	4.75% to 5.2%	1995-2000	2001-2007	11,000	1,855	8,000
	6.75%	1990	2005	1,500	100	500
Various Rate Issues	5.75% to 6.5%	1991	2008	3,900	255	2,550
Urban Development Taxable						
Various Rate Issues	5% to 6.25%	1998	2019	7,200	210	7,000
Police & Fire Pension	5.8%	2000	2035	42,000	430	41,050
Total General Long-Term Obligations				390,718	31,783	249,716
Recreational Facilities	4.6% to 5.375%	1972-1994	2002-2007	6,302	537	2,614
Off Street Parking	6.75%	1990	2006	5,000	350	2,100
Water Works	4.1% to 6.5%	1975-1999	2001-2014	113,000	9,930	78,530
	6.7% to 6.75%	1989-1990	2004-2006	37,000	2,450	12,150
	7%	1988	2003	28,000	1,940	5,820
Stormwater	4.2 to 5.15%	1995-1999	2005-2007	8,800	925	6,075
Total Proprietary Fund Obligations				198,102	16,132	107,289
Total General Obligation Bonds Payable				588,820	47,915	357,005
Notes:						
Municipal Income Tax	5.75 to 5.85%	1999	2004	11,303		11,303
Recreational Facilities	6.50%	2000	2001	9,000	9,000	9,000
Total General Obligation Notes Payable				20,303	9,000	20,303
Total General Obligation Bonds and Notes Payable				\$ 609,123	\$ 56,915	\$ 377,308
Revenue Bonds	Various	1990-1998	2001-2016	\$ 13,375	\$ 527	\$ 12,346
Total Outstanding Debt						\$ 389,654

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, 2000	\$297,793	\$12,779
Notes Issued	9,000	
Bonds Issued	117,885	
Bonds Retired	<u>(47,370)</u>	<u>(433)</u>
Bonds and Notes Outstanding at December 31, 2000	<u>\$377,308</u>	<u>\$12,346</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, 2000 for vacation benefits of the governmental funds is approximately \$20,633,000.
- 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, 2000 this liability is approximately \$17,152,000.
- 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, 2000 is approximately \$18,389,000.

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, 2000.

**(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, 2000	\$21,691	\$16,516	\$19,282	\$57,489
Earned During 2000	9,789	1,343	4,648	15,780
Used During 2000	(10,847)	(707)	(5,212)	(16,766)
Funded in Non-Appropriated Special Revenue Fund	_____	_____	<u>(329)</u>	<u>(329)</u>
Estimated Liability for Compensated Absences, December 31, 2000	<u>\$20,633</u>	<u>\$17,152</u>	<u>\$18,389</u>	<u>\$56,174</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 was required on November 29, 1999. Under the terms of the new loan agreement, the City was obligated to pay accrued interest and a principal payment of \$5,000,000 on February 1, 2000 and February 1, 2001. Thereafter, the note is payable as to principal and interest (5%), in 30 equal semi-annual installments. The balance of the loan was \$14,069,000 at December 31, 2000 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, 2000. The net retained earnings deficits in the two enterprise funds of Convention Center (\$24,172,000) and General Aviation (\$1,119,000) 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 (\$3,505,000) and Municipal Garage (\$705,000) 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 \$183,035,317 for the 1.55% portion in 2000 were less than the original allocation of \$185,270,000 for the General Fund. The following table identifies the excess 1.55% income tax collections for the years 1996 through 2000:

**(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>
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
2000	183,035	183,035	

**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 2000 levy was based was \$4,363,343,000, \$400,519,000 and \$674,102,000 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 - 2001**

Lien date	January 1, 2000
Levy date	October 31, 2000
First installment payment due	January 31, 2001
Second installment payment due	June 20, 2001

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 2001 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	\$	\$	\$	\$ 884	\$
City Capital Appropriations	132	2,006	1,358	65	
Capital Contributed by Customers and Developers	9,459				
Depreciation on contributed assets acquired with capital grants	<u>(358)</u>	<u>(50)</u>	<u>(1,145)</u>	<u>(249)</u>	
Total Changes to Contributed Capital	9,233	1,956	213	700	
Contributed Capital, January 1	<u>26,639</u>	<u>8,670</u>	<u>64,715</u>	<u>26,873</u>	<u>1,290</u>
Contributed Capital, December 31	<u>\$ 35,872</u>	<u>\$10,626</u>	<u>\$64,928</u>	<u>\$27,573</u>	<u>\$ 1,290</u>

<u>Source</u>	<u>Stormwater Management</u>	<u>Purchasing Printing Services</u>	<u>Purchasing General Stores</u>	<u>Municipal Garage</u>	<u>Regional Computer Center</u>	<u>Total</u>
Federal Grants	\$	\$	\$	\$	\$	\$ 884
City Capital Appropriations				1,200	1,666	6,427
Capital Contributed by Customers and Developers						9,459
Depreciation on contributed assets acquired with capital grants	<u>          </u>		<u>          </u>	<u>          </u>	<u>(940)</u>	<u>(2,742)</u>
Total Changes to Contributed Capital				1,200	726	14,028
Contributed Capital, January 1	<u>2,348</u>	<u>25</u>	<u>5</u>	<u>3,184</u>	<u>20,898</u>	<u>154,647</u>
Contributed Capital, December 31	<u>\$2,348</u>	<u>\$ 25</u>	<u>\$ 5</u>	<u>\$4,384</u>	<u>\$21,624</u>	<u>\$168,675</u>

## 12. CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for 2000 is as follows:

### (AMOUNTS IN THOUSANDS)

	Balance January 1, <u>2000</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2000</u>
Land	\$136,033	\$ 2,182	\$ 401	\$137,814
Buildings	129,820	9,379	515	138,684
Improvements	199,797	6,767	425	206,139
Machinery and Equipment	59,031	7,635	5,388	61,278
Construction in Progress	<u>288,566</u>	<u>201,320</u>	<u>39,407</u>	<u>450,479</u>
Total	<u>\$813,247</u>	<u>\$227,283</u>	<u>\$46,136</u>	<u>\$994,394</u>

Construction in Progress at December 31, 2000 is comprised of the following:

### (AMOUNTS IN THOUSANDS)

<u>Administering Department</u>	Project Authori- zations	Expended to December 31, <u>2000</u>	<u>Committed</u>	Required Future Financing
Transportation & Engineering	\$432,709	\$328,179	\$104,530	\$ 68,032
Economic Development	53,702	34,698	19,004	6,183
Evaluation and Budget	106	106		
Neighborhood Services	31,274	22,049	9,225	1
Recreation	36,799	11,415	25,384	10,682
Safety	4,114	1,660	2,454	
Parks	27,216	16,079	11,137	4,526
Public Services	8,273	4,603	3,670	
Other	<u>51,196</u>	<u>31,690</u>	<u>19,506</u>	<u>78</u>
Totals	<u>\$645,389</u>	<u>\$450,479</u>	<u>\$194,910</u>	<u>\$ 89,502</u>

The above amounts expended at December 31, 2000 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, 2000, is as follows:

**(AMOUNTS IN THOUSANDS)**

	Total Enterprise <u>Funds</u>	Total Internal Service <u>Funds</u>
Land	\$ 25,248	\$ 133
Buildings	242,107	272
Improvements	336,834	3,381
Machinery and Equipment	134,519	26,983
Construction in Progress	111,911	
Property Acquired under Capital Leases	<u>637</u>	<u>2,084</u>
Total	851,256	32,853
Accumulated Depreciation	(289,399)	(15,911)
Accumulated Amortization	<u>(92)</u>	<u>(1,127)</u>
Net	<u>\$ 561,765</u>	<u>\$ 15,815</u>

Construction in Progress at December 31, 2000 is comprised of the following:

**(AMOUNTS IN THOUSANDS)**

<u>Enterprise Fund</u>	Project Authori- zations	Expended to December 31, <u>2000</u>	<u>Committed</u>	Required Future <u>Financing</u>
Water Works	\$137,537	\$90,878	\$46,659	\$
Parking Facilities	5,546	3,631	1,915	
Convention Center	3,630	1,462	2,168	1,600
General Aviation	3,807	3,558	249	765
Municipal Golf	1,217	472	745	
Stormwater Management	<u>18,364</u>	<u>11,910</u>	<u>6,454</u>	
Totals	<u>\$170,101</u>	<u>\$111,911</u>	<u>\$58,190</u>	<u>\$2,365</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 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. In 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, 2000, are as follows: Taxes Receivable (\$1,767,000) and other accounts receivable (\$1,485,000). The uncollectible accounts related to the Debt Service Fund at December 31, 2000 are Taxes Receivable (\$1,723,000). The balances of the allowance accounts of the proprietary funds as of December 31, 2000 are as follows: Water Works (\$1,987,000), Regional Computer Center (\$4,000), Convention Center (\$108,000), Municipal Golf (\$6,000), Parking Facilities (\$8,000), and Stormwater Management (\$3,912,000).

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 \$2,351,000, 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, 2000 total \$57,482,000.

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, 2000 is \$734,000. 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 \$108 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, 2000. A liability of \$3.7 million was recorded for those claims and judgments as of December 31, 2000. Over the past decade, the City has averaged annual payments of \$1,396,000 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 1999. 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 2000 and 1999 are as follows:

### (AMOUNTS IN THOUSANDS)

	General Fund		Water Works Fund		Parking Facilities Fund		Convention Center Fund		Municipal Golf Fund		Capital Projects Fund	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Balance at January 1	\$ 288	\$ 327	\$ 57	\$ 60	\$ 3	\$ 2	\$ 4	\$ 7	\$ 5	\$ 5	\$4,160	\$
Current-Year Claims and Changes in Estimates	531	392	198	64	1	24	3	8	(2)	9	453	4,160
Claim Payments	(256)	(431)	(182)	(67)	(2)	(23)	(5)	(11)	(3)	(9)		
Balance at December 31	<u>\$ 563</u>	<u>\$ 288</u>	<u>\$ 73</u>	<u>\$ 57</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$</u>	<u>\$ 5</u>	<u>\$4,613</u>	<u>\$4,160</u>

	Stormwater Management Fund		Income Tax Infrastructure Fund		Self Insurance Medical Fund		Workers Compensation Fund		General Long-Term Obligations		Totals	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Balance at January 1	\$ 4	\$ 3	\$ 13	\$ 0	\$8,833	\$8,401	\$22,987	\$22,568	\$3,419	\$2,674	\$39,773	\$34,047
Current-Year Claims and Changes in Estimates	95	15	30	26	38,375	30,841	2,007	361	1,664	2,437	43,355	38,337
Claim Payments	(95)	(14)	(30)	(13)	(38,144)	(30,409)	(1,212)	58	(2,027)	(1,692)	(41,956)	(32,611)
Balance at December 31	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 9,064</u>	<u>\$ 8,833</u>	<u>\$ 23,782</u>	<u>\$ 22,987</u>	<u>\$ 3,056</u>	<u>\$ 3,419</u>	<u>\$ 41,172</u>	<u>\$ 39,773</u>

The claims liabilities at December 31, 2000 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 <u>Medical</u>	Workers <u>Compensation</u>
Accounts Payable	\$3,064	\$ 7
Accrued Liabilities		4,585
Estimated Liability For Unpaid Claims	<u>6,000</u>	<u>19,190</u>
Total	<u>\$9,064</u>	<u>\$23,782</u>

**16. SUBSEQUENT EVENTS**

On January 10, 2001, City Council authorized the taking of bids on \$92,685,000 of Water Works revenue bonds to be dated March 1, 2001. The bond issues were sold at coupon rates from 3.4% to 5.5%, but with a bid premium of \$3,228,859 the effective rates were from 3.4% to 5.17%.

On January 24, 2001, City Council authorized the taking of bids on \$47,695,000 of general obligation bonds to be dated April 1, 2001. The six bond issues were sold at coupon rates from 4.0% to 5.0%, but with a bid premium of \$965,894 the effective rates were from 3.2% to 5.3%. The bonds include tax supported issues of \$9,000,000 for the purpose of refunding notes originally issued for the Cincinnati Zoo, \$17,625,000 for Street Improvements, \$4,245,000 for Public Building Improvements, \$5,000,000 for Urban Redevelopment Improvements, \$1,750,000 for Parks and Recreation Improvements, and \$10,075,000 for Equipment Improvements.

On March 28, 2001, City Council authorized the taking of bids on \$8,500,000 of bond anticipation notes to be dated May 11, 2001 for Urban Renewal Improvements. The notes were sold at a coupon rate of 4.5%.

## **17. PENSION AND RETIREMENT**

City employees are covered by one of three pension systems. They are the Ohio Police and Fire Pension Fund (OP&F) 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.

### **Ohio Police and Fire Pension Fund**

#### **Plan Description**

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

#### **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 OP&F for the years ending December 31, 2000, 1999, and 1998 were \$21,005,000, \$23,961,000, and \$22,346,000, respectively, equal to the required contributions for each year including the installment payments on the unfunded prior service cost for 1998 and 1999.

The OP&F 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. 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 OP&F (the Fund) have entered into an agreement which permitted 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 was \$41,454,864 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**

OP&F provides post-retirement 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 Fire 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 2000, 7.25% of covered payroll was used to pay retiree health care expenses. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 1999, the date of the last actuarial valuation available was 12,467 for police and 9,807 for firefighters. The portion of the City's contributions that was used to pay postemployment benefits was \$4,123,824 for police and \$2,995,629 for firefighters. Total health care expenses of the fund for the year ending December 31, 1999, were \$95,004,633.

## **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 PERS Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local divisions. The City's contribution rate for 2000 was 10.84% of covered payroll; 6.54% was the portion used to fund pension obligations and 4.30% was used to fund health care for 2000. City of Cincinnati's contributions to PERS for the years ending December 31, 2000, 1999, and 1998, were \$1,363,000, \$1,717,000, and \$1,417,000 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 advance-funded on an actuarially determined basis. The number of active contributing participants was 401,339. The portion of the City's employer contribution that was used to fund postemployment benefits was \$540,514. The actuarial value of PERS net assets available for OPEB was \$10,805,500 at December 31, 1999. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473,600 and \$1,668,100, respectively.

The Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rollback was 20% for the City. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The portion of contributions dedicated to funding OPEB increased during the year for those reasons.

## City of Cincinnati Retirement System

### **Plan Description**

The City of Cincinnati Retirement System is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The 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, see pages 12 and 13. No separate financial report is issued. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of the System in the Board of Trustees of the City of Cincinnati Retirement System. 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, 2000, the date of the latest actuarial valuation:

	<u>Pension</u>	<u>Health care</u>
Retirees and beneficiaries receiving benefits	4,218	4,218
Terminated plan members entitled to future benefits	116	116
Active plan members:		
Vested	3,444	1,915
Nonvested	<u>2,117</u>	<u>3,646</u>
Total	<u>9,895</u>	<u>9,895</u>

1,433 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 is equal to 2.5% 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 2.5% or a 2.22% formula which factors in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and thereafter 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 2000 was 7% for all employers. City of Cincinnati's contributions to the City of Cincinnati Retirement System for the years ending December 31, 2000, 1999, and 1998 were \$11,520,000, \$11,629,000, and \$22,325,000, respectively equal to the required contributions for each year. Administrative costs are financed from the system assets. The System's independent actuary reported that the System's unfunded actuarial accrued liability for prior service cost was paid off as of December 31, 1998.

### **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, 2000 valuation 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. The employer contribution that was used to fund postemployment benefits was \$3,118,000. The actuarial value of the System's net assets available for OPEB at December 31, 2000 was \$736,491,000. The actuarially accrued liability based on the actuarial cost method used was \$723,727,000.



**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)
12/31/95	\$ 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	1,548,227	(6,627)	100.43	184,477	(3.59)
12/31/00	1,627,207	1,607,163	(20,044)	101.25	182,556	(10.98)

**HEALTHCARE 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)
12/31/95	\$ 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)
12/31/00	736,491	723,727	(12,764)	101.76	182,556	(6.99)

**SCHEDULE OF EMPLOYERS' CONTRIBUTIONS**

(AMOUNTS IN THOUSANDS)

**PENSION PLAN**

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1995	\$ 26,513	92.03
1996	16,823	141.60
1997	23,335	106.80
1998	14,560	127.83
1999	(9,467)	N/A
2000	(11,201)	N/A

**HEALTHCARE PLAN**

Year Ended December 31	Annual Required Contribution	Percentage Contributed
1995	\$ 8,838	92.03
1996	5,608	141.60
1997	7,778	106.80
1998	4,853	127.83
1999	(3,156)	N/A
2000	(3,734)	N/A

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	12/31/00
Actuarial cost method	Entry age normal
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% per year, prior to expenses, compounded annually.
Projected salary increases*	4.5% per annum with select rates during the first three years of service. For those participants who have not elected the 2.5% formula an additional 10% increase in average salary is used to reflect 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

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

GENERAL FUND	2000	1999
Revenue		
Taxes		
Real Property	\$ 23,124	\$ 22,390
Personal Property	3,618	3,841
City Income Tax	183,905	180,741
Admissions	3,335	2,634
Total Direct Taxes	213,982	209,606
Licenses and Permits		
Street Use	1,716	1,710
Health	156	227
Police and Protective	120	83
Beer and Liquor	522	472
Business and Merchandising	17	20
Amusements	105	103
Professional and Occupational	122	140
Buildings, Structures and Equipment	2,930	2,445
Total Licenses and Permits	5,688	5,200
Use of Money and Property		
Fines, Forfeits and Penalties	3,963	4,287
Income from Treasury Investments	13,474	9,674
Rents	1	11
General Concessions and Commissions	146	162
Total Use of Money and Property	17,584	14,134
Intergovernmental Revenue		
Proportionately Shared State Taxes		
Local Government Revenue Assistance	3,030	2,929
Local Government Fund - Sales, Franchise, State Income	26,808	25,982
Local Government Fund - Financial Institution Tax	1,112	833
State Income Tax - Real Property Tax Reduction	2,735	2,605
State Income Tax - Tangible Tax Reduction	219	239
Estate Tax	14,689	19,721
Payments from Other Governmental Units	19	32
Revenue from Private Sources	2	14
Total Intergovernmental Revenue	48,614	52,355

(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)	2000	1999
Revenue		
Charges for Current Services		
General Government	\$ 6,060	\$ 5,647
Recreation	2	(1)
Charges for Current Services		
Buildings and Inspections		
Other Inspection Certificates	681	1,267
Elevator Certifications	518	410
Public Safety		
Police and Communication Charges	32	29
Fire Protection Service Outside of City	34	39
Impounded Vehicle Fees	694	828
Protective Inspection Fees	42	60
Protection Service - Burglary Alarm	142	210
Emergency Transportation Service	3,026	2,595
Other Public Safety Charges	296	448
General Services	2	2
Transportation and Engineering	5	133
Public Services	366	376
Public Health		
Vital Statistics	713	746
Clinic Fees	106	106
Other Public Health Charges	17	6
Total Charges for Current Services	12,736	12,901
Miscellaneous Revenue	3,783	1,885
TOTAL REVENUE	302,387	296,081
Expenditures		
City Council	1,139	1,102
Office of the Clerk of Council	1,033	693
Office of the Mayor	150	185
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)	2000	1999
Expenditures		
Office of the City Manager		
Division of the City Manager	\$ 1,157	\$ 1,137
Division of Budget and Evaluation		6
Division of Contract Compliance and Administrative Hearings	1,432	825
Division of Environmental Management	466	536
Division of Employment and Training	1,352	1,918
Division of Municipal Investigations	477	521
Division of Internal Audit	429	339
	5,313	5,282
Department of Law		
Division of Legal Services	3,976	3,935
	3,976	3,935
Department of Personnel	1,911	2,226
Department of Finance		
Office of the Director	370	316
Division of Budget and Evaluation	946	837
Division of Treasury	5,271	499
Division of Income Tax	3,186	3,328
Division of Risk Management	243	221
Division of Purchasing	1,102	1,186
Division of Accounts and Audits	1,753	1,756
	12,871	8,143
Department of Economic Development	1,664	1,698
Department of Neighborhood Services		
Office of the Director	385	367
Division of Housing Development	853	987
Division of Human Services	5,565	5,848
	6,803	7,202
Department of City Planning	1,527	1,597

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)	2000	1999
Expenditures		
Department of Public Recreation		
Division of Community Activities - Region 1	\$ 2,264	\$ 2,224
Division of Community Activities - Region 2	2,016	2,066
Division of Community Activities - Region 3	2,391	2,390
Division of Community Activities - Region 4	1,875	1,887
Division of Seniors and Special Populations	1,082	1,173
Division of Athletics	417	382
Division of Waterfront Activities	690	646
Division of Administrative Services	3,809	3,847
Total Department of Public Recreation	14,544	14,615
Department of Parks		
Division of Administration and Program Service	138	180
Division of Planning, Design and Development	2,080	1,987
Division of Operations	2,439	2,364
Total Department of Parks	4,657	4,531
Department of Buildings and Inspections		
Office of the Director	704	648
Division of Licenses and Permits	1,345	1,269
Division of Building Construction Inspection	2,061	1,939
Division of Safety and Maintenance Inspection	1,672	1,838
Total Department of Buildings and Inspections	5,782	5,694
Department of Public Safety		
Office of the Director	589	524
Division of Police	70,325	75,968
Division of Fire	49,654	49,713
Total Department of Public Safety	120,568	126,205

(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>2000</u>	<u>1999</u>
Expenditures		
Department of Transportation and Engineering		
Office of the Director	\$ 281	\$ 83
Division of Transportation Planning	450	108
Division of Engineering	<u>1,406</u>	<u>1,045</u>
Total Department of Transportation and Engineering	2,137	1,236
Department of General Services		
Division of Facility Management	3,881	3,781
Regional Computer Center	<u>4,646</u>	<u>4,511</u>
Total Department of General Services	8,527	8,292
Department of Public Services		
Director's Office	956	676
Division of Highway Maintenance	1,093	1,546
Division of Solid Waste Services	15,003	15,006
Division of Traffic Operations	<u>3,418</u>	<u>3,602</u>
Total Department of Public Services	20,470	20,830
Department of Public Health		
Office of the Commissioner	715	648
Division of Technical Resources	3,329	3,157
Division of Community Health Services	7,677	7,674
Division of Primary Health Care - Special Programs	4,152	4,039
Division of Primary Health Care - Health Centers	5,553	4,426
Division of Primary Care - Contract Centers	<u>874</u>	<u>887</u>
Total Department of Public Health	22,300	20,831
Nondepartmental Accounts		
Contribution to City Pension System	4,548	3,555
Contribution to State Pension System	677	1,130
Contribution to Police Pension System	12,466	11,883
Contribution to Fire Pension System	11,475	11,618
Contribution to Employee Hospital Care	10,411	10,975
Contribution to Dental and Vision Care	2,098	1,999
Contribution to Medicare	1,644	1,492

(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>2000</u>	<u>1999</u>
Expenditures		
Public Employees Assistance Program	\$ 162	\$ 193
Contribution to Workers' Compensation Insurance	3,725	5,469
Police Officers and Firefighters' Insurance	195	255
State Unemployment Compensation	129	120
Life Insurance	104	85
City Council Staff Benefits		8
Judgments against the City	2,144	1,865
Cincinnati Human Relations Commission	398	302
Citizen's Committee on Youth	807	916
Cincinnati Public Schools	5,000	
Mayor's Office Obligations	2	10
National Underground Railroad Freedom Center		727
	<u>55,985</u>	<u>52,602</u>
Total Nondepartmental Accounts		
Capital Outlay		
Motorized and Construction Equipment	<u>2,346</u>	<u>378</u>
Total Capital Outlay	<u>2,346</u>	<u>378</u>
TOTAL EXPENDITURES	<u>293,703</u>	<u>287,278</u>
Excess of Revenue over Expenditures	8,684	8,803
Other Financing Sources (Uses)		
Operating Transfers In	20,980	375
Operating Transfers (Out)	<u>(38,698)</u>	<u>(5,606)</u>
Total Other Financing Sources (Uses)	<u>(17,718)</u>	<u>(5,231)</u>
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(9,034)	3,572
Fund Balance, January 1	<u>59,852</u>	<u>56,280</u>
Fund Balance, December 31	<u>\$ 50,818</u>	<u>\$ 59,852</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 2000	Actual 2000	Variance Favorable (Unfavorable)
Revenue			
Taxes			
Real Property	\$ 22,710	\$ 23,147	\$ 437
Personal Property	3,600	3,618	18
City Income Tax	185,270	183,035	(2,235)
Admissions	2,860	3,335	475
Total Direct Taxes	214,440	213,135	(1,305)
Licenses and Permits			
Street Use	1,700	1,716	16
Health	130	156	26
Police and Protective	240	120	(120)
Beer and Liquor	500	522	22
Business and Merchandising	20	17	(3)
Amusements	130	105	(25)
Professional and Occupational	140	122	(18)
Buildings, Structures and Equipment	2,300	2,936	636
Total Licenses and Permits	5,160	5,694	534
Use of Money and Property			
Fines, Forfeits and Penalties	4,024	3,963	(61)
Income from Treasury Investments	11,200	11,579	379
Rents	110	107	(3)
General Concessions and Commissions	150	146	(4)
Total Use of Money and Property	15,484	15,795	311
Intergovernmental Revenue			
Proportionately Shared State Taxes			
Local Government Revenue Assistance	2,995	3,030	35
Local Government Fund - Sales, Franchise, State			
Income Tax	26,896	26,808	(88)
Local Government Fund - Financial Institution Tax	808	1,112	304
Estate Tax	18,000	14,689	(3,311)
State Income Tax - Real Property Tax Reduction	2,692	2,735	43
State Income Tax - Tangible Tax Reduction	240	219	(21)
Payments from Other Governmental Units	15	19	4
Revenue from Private Sources	2	2	2
Total Intergovernmental Revenue	51,646	48,614	(3,032)

(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)

	Budget 2000	Actual 2000	Variance Favorable (Unfavorable)
GENERAL FUND			
(Continued)			
Revenue			
Charges for Current Services			
General Government	\$ 8,000	\$ 7,611	\$ (389)
Parks and Recreation	8	2	(6)
Buildings and Inspections			
Other Inspection Certificates	1,125	676	(449)
Elevator Certifications	425	518	93
Public Safety			
Police and Communication Charges	30	32	2
Fire Protection Service Outside of City	39	33	(6)
Impounded Vehicle Fees	940	694	(246)
Protective Inspection Fees	60	42	(18)
Protection Service - Burglary Alarm	218	142	(76)
Emergency Transportation Service	2,300	3,026	726
Other Public Safety Charges	288	296	8
General Services	2	2	
Transportation and Engineering		5	
Public Services			
Recycling Incentive Fee	350	228	(122)
Other Public Works Charges	60	138	78
Public Health			
Vital Statistics	688	713	25
Clinic Fees	106	106	
Other Public Health Charges	6	17	11
Total Charges for Current Services	14,645	14,281	(369)
Miscellaneous Revenue	1,760	3,599	1,839
TOTAL REVENUE	303,135	301,118	(2,022)
Expenditures			
City Council			
Personal Services	1,155	1,062	93
Non-Personal Services	103	88	15
Total City Council	1,258	1,150	108

(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)

	Budget 2000	Actual 2000	Variance Favorable (Unfavorable)
GENERAL FUND			
(Continued)			
Expenditures			
Office of the Mayor			
Personal Services	\$ 155	\$ 122	\$ 33
Non-Personal Services	36	28	8
Total Office of the Mayor	191	150	41
Office of the Clerk of Council			
Personal Services	323	307	16
Non-Personal Services	732	724	8
Capital Outlay	1	1	1
Total Office of the Clerk of Council	1,056	1,031	25
Department of the City Manager			
Office of the City Manager			
Personal Services	907	793	114
Non-Personal Services	392	390	2
Capital Outlay	1	1	1
Total Office of the City Manager	1,300	1,184	116
Division of Environmental Management			
Personal Services	224	222	2
Non-Personal Services	258	254	4
Total Division of Environmental Management	482	476	6
Division of Employment and Training			
Personal Services	86	72	14
Non-Personal Services	1,404	1,341	63
Total Division of Employment and Training	1,490	1,413	77
Office of Contract Compliance and Administrative Hearings			
Personal Services	765	707	58
Non-Personal Services	175	174	1
Total Office of Contract Compliance and Administrative Hearings	940	881	59
Office of Municipal Investigations			
Personal Services	495	448	47
Non-Personal Services	37	37	1
Total Office of Municipal Investigations	532	485	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)

	<u>Budget 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL FUND			
(Continued)			
Expenditures			
Internal Audit Unit			
Personal Services	\$ 380	\$ 380	\$
Non-Personal Services	<u>89</u>	<u>87</u>	<u>2</u>
Total Internal Audit Unit	<u>469</u>	<u>467</u>	<u>2</u>
Total Department of the City Manager	5,213	4,906	307
Department of Law			
Division of Legal Services			
Personal Services	3,512	3,451	61
Non-Personal Services	<u>566</u>	<u>562</u>	<u>4</u>
Total Department of Law	<u>4,078</u>	<u>4,013</u>	<u>65</u>
Department of Personnel			
Personal Services	1,469	1,391	78
Non-Personal Services	<u>685</u>	<u>631</u>	<u>54</u>
Total Department of Personnel	<u>2,154</u>	<u>2,022</u>	<u>132</u>
Department of Finance			
Office of the Director			
Personal Services	212	210	2
Non-Personal Services	88	73	15
Capital Outlay	<u>21</u>	<u>18</u>	<u>3</u>
Total Office of the Director	<u>321</u>	<u>301</u>	<u>20</u>
Division of Budget & Evaluation			
Personal Services	805	799	6
Non-Personal Services	<u>153</u>	<u>145</u>	<u>8</u>
Total Division of Budget and Evaluation	<u>958</u>	<u>944</u>	<u>14</u>
Expenditures			
Division of Accounts and Audits			
Personal Services	1,003	1,003	
Non-Personal Services	<u>767</u>	<u>760</u>	<u>7</u>
Total Division of Accounts and Audits	<u>1,770</u>	<u>1,763</u>	<u>7</u>
Division of Treasury			
Personal Services	454	378	76
Non-Personal Services	4,935	4,922	13
Capital Outlay	<u>11</u>	<u>11</u>	
Total Division of Treasury	<u>5,400</u>	<u>5,311</u>	<u>89</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)

	<u>Budget 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL FUND			
(Continued)			
Expenditures			
Division of Risk Management			
Non-Personal Services	\$ 213	\$ 133	\$ 80
Total Division of Risk Management	213	133	80
Division of Income Tax			
Personal Services	2,270	2,270	
Non-Personal Services	<u>1,036</u>	<u>1,036</u>	
Total Division of Income Tax	3,306	3,306	
Division of Purchasing			
Personal Services	885	881	4
Non-Personal Services	<u>355</u>	<u>350</u>	<u>5</u>
Total Division of Purchasing	<u>1,240</u>	<u>1,231</u>	<u>9</u>
Total Department of Finance	13,208	12,989	219
Department of Economic Development			
Personal Services	251	251	
Non-Personal Services	<u>1,471</u>	<u>1,255</u>	<u>216</u>
Total Department of Economic Development	1,722	1,506	216
Department of Neighborhood Services			
Office of the Director			
Personal Services	332	328	4
Non-Personal Services	<u>81</u>	<u>59</u>	<u>22</u>
Total Office of the Director	413	387	26
Division of Housing Development			
Personal Services	76	54	22
Non-Personal Services	<u>669</u>	<u>668</u>	<u>1</u>
Total Division of Housing Development	745	722	23
Division of Human Services			
Personal Services	511	511	
Non-Personal Services	<u>4,880</u>	<u>4,844</u>	<u>36</u>
Total Division of Human Services	<u>5,391</u>	<u>5,355</u>	<u>36</u>
Total Department of Neighborhood Services	6,549	6,464	85
			(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 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL FUND			
(Continued)			
Expenditures			
Department of City Planning			
Personal Services	\$ 1,033	\$ 1,013	\$ 20
Non-Personal Services	516	503	13
Capital Outlay	<u>38</u>	<u>37</u>	<u>1</u>
Total Department of City Planning	1,587	1,553	34
Department of Public Recreation			
Community Activities - Region 1			
Personal Services	1,838	1,836	2
Non-Personal Services	<u>438</u>	<u>438</u>	<u></u>
Total Community Activities - Region 1	2,276	2,274	2
Community Activities - Region 2			
Personal Services	1,690	1,687	3
Non-Personal Services	<u>379</u>	<u>379</u>	<u></u>
Total Community Activities - Region 2	2,069	2,066	3
Community Activities - Region 3			
Personal Services	2,023	2,019	4
Non-Personal Services	<u>391</u>	<u>391</u>	<u></u>
Total Community Activities - Region 3	2,414	2,410	4
Community Activities - Region 4			
Personal Services	1,606	1,606	
Non-Personal Services	<u>293</u>	<u>292</u>	<u>1</u>
Total Community Activities - Region 4	1,899	1,898	1
Division of Seniors and Special Populations			
Personal Services	976	976	
Non-Personal Services	<u>109</u>	<u>108</u>	<u>1</u>
Total Division of Seniors and Special Populations	1,085	1,084	1
Division of Athletics			
Personal Services	380	380	
Non-Personal Services	<u>36</u>	<u>36</u>	<u></u>
Total Division of Athletics	416	416	
Division of Waterfront Activities			
Personal Services	563	563	
Non-Personal Services	<u>142</u>	<u>142</u>	<u></u>
Total Division of Waterfront Activities	705	705	

(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 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL FUND			
(Continued)			
Expenditures			
Division of Administration			
Personal Services	\$ 2,097	\$ 2,097	\$
Non-Personal Services	1,724	1,723	1
Capital Outlay	<u>20</u>	<u>20</u>	
Total Division of Administration	<u>3,841</u>	<u>3,840</u>	<u>1</u>
Total Department of Public Recreation	14,705	14,693	12
Department of Parks			
Division of Administration and Program Services			
Personal Services	132	132	
Non-Personal Services	<u>4</u>	<u>4</u>	
Total Division of Administration and Program Services	136	136	
Division of Operations			
Personal Services	1,715	1,715	
Non-Personal Services	703	703	
Capital Outlay	<u>31</u>	<u>31</u>	
Total Division of Operations	2,449	2,449	
Division of Planning, Design and Development			
Personal Services	1,399	1,397	2
Non-Personal Services	<u>750</u>	<u>750</u>	
Total Division of Planning, Design and Development	<u>2,149</u>	<u>2,147</u>	<u>2</u>
Total Department of Parks	4,734	4,732	2
Department of Buildings and Inspections			
Office of the Director			
Personal Services	423	424	(1)
Non-Personal Services	191	191	
Capital Outlay	<u>4</u>	<u>3</u>	<u>1</u>
Total Office of the Director	618	618	
Division of Licenses and Permits			
Personal Services	1,244	1,244	
Non-Personal Services	<u>99</u>	<u>99</u>	
Total Division of Licenses and Permits	1,343	1,343	
Division of Building Construction Inspection			
Personal Services	1,896	1,896	
Non-Personal Services	<u>174</u>	<u>174</u>	
Total Division of Building Construction Inspection	2,070	2,070	

(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) Expenditures	Budget 2000	Actual 2000	Variance Favorable (Unfavorable)
	<u>          </u>	<u>          </u>	<u>          </u>
Division of Safety and Maintenance Inspection			
Personal Services	\$ 1,209	\$ 1,209	\$
Non-Personal Services	363	363	
Total Division of Safety and Maintenance Inspection	<u>1,572</u>	<u>1,572</u>	
Total Department of Buildings and Inspections	5,603	5,603	
Department of Public Safety			
Office of the Director			
Personal Services	446	446	
Non-Personal Services	155	146	9
Capital Outlay	<u>11</u>	<u>11</u>	
Total Office of the Director	612	603	9
Division of Police			
Personal Services	68,023	68,015	8
Non-Personal Services	9,900	9,889	11
Capital Outlay	<u>69</u>	<u>69</u>	
Total Division of Police	77,992	77,973	19
Division of Fire Protection			
Personal Services	44,479	44,100	379
Non-Personal Services	6,010	5,659	351
Capital Outlay	<u>102</u>	<u>101</u>	1
Total Division of Fire Protection	50,591	49,860	731
Total Department of Public Safety	129,195	128,436	759
Department of Transportation and Engineering			
Office of the Director			
Personal Services	275	209	66
Non-Personal Services	<u>77</u>	<u>77</u>	
Total Office of the Director	352	286	66
Division of Transportation, Planning and Urban Design			
Personal Services	391	272	119
Non-Personal Services	<u>217</u>	<u>217</u>	
Total Division of Transportation, Planning and Urban Design	608	489	119

(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 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL FUND			
(Continued)			
Expenditures			
Division of Engineering			
Personal Services	\$ 1,116	\$ 1,116	\$
Non-Personal Services	<u>192</u>	<u>192</u>	<u></u>
Total Division of Engineering	<u>1,308</u>	<u>1,308</u>	<u></u>
Total Department of Transportation and Engineering	2,268	2,083	185
Department of General Services			
Division of Facility Management			
Personal Services	1,188	1,158	30
Non-Personal Services	<u>2,886</u>	<u>2,879</u>	<u>7</u>
Total Division of Facility Management	4,074	4,037	37
Regional Computer Center			
Non-Personal Services	<u>4,585</u>	<u>4,585</u>	<u></u>
Total Regional Computer Center	<u>4,585</u>	<u>4,585</u>	<u></u>
Total Department of General Services	8,659	8,622	37
Department of Public Services			
Office of the Director			
Personal Services	840	830	10
Non-Personal Services	<u>98</u>	<u>86</u>	<u>12</u>
Total Office of the Director	938	916	22
Division of Highway Maintenance			
Personal Services	503	504	(1)
Non-Personal Services	<u>377</u>	<u>373</u>	<u>4</u>
Total Division of Highway Maintenance	880	877	3
Division of Solid Waste Services			
Personal Services	7,276	7,268	8
Non-Personal Services	<u>8,148</u>	<u>8,143</u>	<u>5</u>
Total Division of Solid Waste Services	15,424	15,411	13
Division of Traffic Operations			
Personal Services	1,601	1,524	77
Non-Personal Services	<u>2,128</u>	<u>1,961</u>	<u>167</u>
Total Division of Traffic Operations	<u>3,729</u>	<u>3,485</u>	<u>244</u>
Total Department of Public Services	20,971	20,689	282

(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)

	Budget 2000	Actual 2000	Variance Favorable (Unfavorable)
GENERAL FUND			
(Continued)			
Expenditures			
Department of Public Health			
Office of the Commissioner			
Personal Services	\$ 588	\$ 589	\$ (1)
Non-Personal Services	110	108	2
Capital Outlay	60	60	
Total Office of the Commissioner	<u>758</u>	<u>757</u>	<u>1</u>
Division of Technical Resources			
Personal Services	2,273	2,272	1
Non-Personal Services	1,276	1,274	2
Total Division of Technical Resources	<u>3,549</u>	<u>3,546</u>	<u>3</u>
Division of Community Health Services			
Personal Services	6,747	6,747	
Non-Personal Services	969	969	
Total Division of Community Health Services	<u>7,716</u>	<u>7,716</u>	
Division of Primary Care - Special Services			
Personal Services	3,596	3,596	
Non-Personal Services	528	526	2
Total Division of Primary Care - Special Services	<u>4,124</u>	<u>4,122</u>	<u>2</u>
Division of Primary Care - Health Centers			
Personal Services	3,565	3,565	
Non-Personal Services	1,823	1,820	3
Total Division of Primary Care - Health Centers	<u>5,388</u>	<u>5,385</u>	<u>3</u>
Division of Primary Care - Contract Health Centers			
Personal Services	37	37	
Non-Personal Services	883	882	1
Total Division of Primary Care - Contract Health Centers	<u>920</u>	<u>919</u>	<u>1</u>
Total Department of Public Health	<u>22,455</u>	<u>22,445</u>	<u>10</u>
Nondepartmental Accounts			
Pension Systems			
Contribution to City Pension System	5,730	5,116	614
Contribution to State Pension System	822	822	
Contribution to Police Pension System	12,524	12,466	58
Contribution to Fire Pension System	11,500	11,475	25

(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)

	Budget 2000	Actual 2000	Variance Favorable (Unfavorable)
GENERAL FUND			
(Continued)			
Expenditures			
Employee Benefits			
Contribution to Employee Hospital Care	\$ 11,501	\$ 10,799	\$ 702
Dental and Vision Care	2,188	2,100	88
Medicare Tax	1,792	1,704	88
Public Employee Assistance	211	162	49
Contribution to Workers' Compensation Insurance	4,798	3,941	857
Police Officers and Firefighters' Insurance	270	200	70
State Unemployment Compensation	172	172	
Life Insurance	108	104	4
City Council Staff Benefits	10		10
Professional Services and Legal Fees			
Judgments against the City	2,054	1,960	94
Cincinnati Human Relations Commission	442	441	1
Citizen's Committee on Youth	897	897	
Miscellaneous Accounts			
Mayor's Office Obligations	10	5	5
Reserve for Contingencies	112	0	112
Cincinnati Public Schools	5,000	5,000	
Motorized and Construction Equipment	340	340	
Total Nondepartmental Accounts	<u>60,481</u>	<u>57,704</u>	<u>2,777</u>
TOTAL EXPENDITURES	<u>306,087</u>	<u>300,791</u>	<u>5,296</u>
Other Financing Sources (Uses)			
Operating Transfer In		20,880	20,880
Operating Transfer (Out)		<u>(33,462)</u>	<u>(33,462)</u>
Total Other Financing Sources (Uses)		<u>(12,582)</u>	<u>(12,582)</u>
Excess of Revenue over (under) Expenditures and Other Financing Sources (Uses)	(2,952)	(12,255)	(9,303)
Cancellation of Prior Years Encumbrances		1,834	1,834
Fund Balance, January 1	<u>29,885</u>	<u>29,885</u>	
Fund Balance, December 31	<u>\$ 26,933</u>	<u>\$ 19,464</u>	<u>\$ (7,469)</u>

# GOVERNMENTAL FUNDS

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## 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.

**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 2000	December 31 1999	December 31 2000	December 31 1999
<b>Assets</b>				
Cash and Equivalents	\$ 105	\$ 2,391	\$ 2,496	\$ 2,604
Equity in City Treasury Cash	28,224	32,191	60,415	58,006
Investments		474	474	657
Receivables:				
Taxes	5,681	51	5,732	5,458
Accounts, Net	438	970	1,408	1,339
Special Assessments		3,926	3,926	4,258
Accrued Interest	43	52	95	97
Due from Other Funds	96	359	455	552
Due from Other Governments		1,159	1,159	1,440
Prepaid Items	6	4	10	16
Inventory	148	486	634	623
Advances to Other Funds	1,411	25	1,436	1,436
Total Assets	\$ 36,152	\$ 42,088	\$ 78,240	\$ 76,486
<b>Liabilities and Fund Equity</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 677	\$ 1,934	\$ 2,611	\$ 3,429
Due to Other Funds	301	148	449	391
Accrued Payroll	1,020	500	1,520	1,465
Accrued Interest		189	189	
Deposits Payable	24	2	26	36
Deferred Revenue		5,340	5,340	6,098
Estimated Liability for Compensated Absences		6,259	6,259	5,930
Estimated Liability for Unpaid Claims	13		13	13
Advances from Other Funds		1,165	1,165	1,165
Total Liabilities	2,035	15,537	17,572	18,527
<b>Fund Equity</b>				
Fund Balances:				
Reserved for Prepaid Items	6	4	10	16
Reserved for Encumbrances	3,381	25,681	29,062	26,263
Reserved for Advances to Other Funds	1,411	25	1,436	1,436
Reserved for Inventory	148	486	634	623
Fund Balances, Unreserved	4,000	355	4,000	4,000
Designated for Contingencies	25,171		25,526	25,621
Undesignated	34,117	26,551	60,668	57,959
Total Fund Equity	\$ 36,152	\$ 42,088	\$ 78,240	\$ 76,486
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	December 31 2000	December 31 1999
<u>Revenue</u>				
Taxes	\$ 47,459	\$	\$ 47,459	\$ 47,209
Licenses and Permits	2,206	1,081	3,287	2,817
Use of Money and Property	773	3,099	3,872	3,414
Special Assessments		3,206	3,206	3,474
Intergovernmental Revenue	10,528	2,033	12,561	11,869
Federal Grants		31,750	31,750	33,163
State Grants and Subsidies		882	882	903
Charges for Current Services	6,338	5,965	12,303	12,551
Miscellaneous	50	5,547	5,597	4,959
Total Revenue	67,354	53,563	120,917	120,359
<u>Expenditures</u>				
Current				
General Government	2,732	13,189	15,921	19,942
Parks and Recreation	4,155	3,032	7,187	7,158
Public Safety	530	3,741	4,271	4,229
Transportation and Engineering	2,980		2,980	2,191
Public Services	12,385	2	12,387	8,181
General Services	39,622	512	40,134	38,159
Public Health	2,258	7,305	9,563	9,596
Employee Benefits	2,072	1,002	3,074	3,499
Capital Outlay	216	18,696	18,912	21,142
Debt Service				
Interest		377	377	430
Total Expenditures	66,950	47,856	114,806	114,527
Excess of Revenue over Expenditures	404	5,707	6,111	5,832
Other Financing Sources (Uses)				
Operating Transfers In	651	569	1,220	1,308
Operating Transfers (Out)	(4,492)	(130)	(4,622)	(3,093)
Total Other Financing Sources (Uses)	(3,841)	439	(3,402)	(1,785)
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(3,437)	6,146	2,709	4,047
Fund Balances, January 1	37,554	20,405	57,959	53,912
Fund Balances, December 31	\$ 34,117	\$ 26,551	\$ 60,668	\$ 57,959

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

	Street		Parking Meter	Cable T.V.	Income Tax Infrastructure	Income Tax Transit	Motor Vehicle License	Special Recreation	Total	
	Health Services	Construction Maintenance and Repair							December 31 2000	December 31 1999
<b>Assets</b>										
Cash and Equivalents	\$ 837	\$ 2,602	\$ 1,873	\$ 1,826	\$ 9,413	\$ 9,079	\$ 971	\$ 1,623	\$ 105	\$ 31,531
Equity in City Treasury Cash										
Receivables:										
Taxes										
Accounts, Net	192	119		2	1,420	4,261	2	123	5,681	5,458
Accrued Interest						35		8	438	450
Due from Other Funds	2	31	5	52	2		3	1	96	53
Prepaid Items					1		4	1	6	290
Inventory			4		144				148	11
Advances to Other Funds	915	496							148	153
Total Assets	\$ 1,946	\$ 3,248	\$ 1,882	\$ 1,880	\$ 10,980	\$ 13,375	\$ 980	\$ 1,861	\$ 36,152	\$ 39,380
<b>Liabilities and Fund Equity</b>										
<b>Liabilities</b>										
Accounts Payable	\$ 58	\$ 49	\$ 54	\$ 38	\$ 25	\$ 360	\$ 4	\$ 89	\$ 677	\$ 592
Due to Other Funds	10	27	25	3	140		91	5	301	201
Accrued Payroll	38	409		57	377		65	74	1,020	985
Deposits Payable		6		17			1		24	35
Estimated Liability for Unpaid Claims					13				13	13
Total Liabilities	106	491	79	115	555	360	161	168	2,035	1,826
<b>Fund Equity</b>										
Fund Balances:										
Reserved for Prepaid Items					1		4	1	6	11
Reserved for Encumbrances	188	682	38	207	1,451	210	415	190	3,381	4,112
Reserved for Advances to										
Other Funds	915	496	4		144				1,411	1,411
Reserved for Inventory									148	153
Fund Balances, Unreserved										
Designated for Contingencies						4,000			4,000	4,000
Undesignated	737	1,579	1,761	1,558	8,829	8,805	400	1,502	25,171	27,867
Total Fund Equity	1,840	2,757	1,803	1,765	10,425	13,015	819	1,693	34,117	37,554
Total Liabilities and Fund Equity	\$ 1,946	\$ 3,248	\$ 1,882	\$ 1,880	\$ 10,980	\$ 13,375	\$ 980	\$ 1,861	\$ 36,152	\$ 39,380



**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 2000	December 31 1999
<u>Revenue</u>										
Taxes	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Licenses and Permits				2,206	11,865	35,594			47,459	47,209
Use of Money and Property						460		313	2,206	1,987
Intergovernmental Revenue	2,745	7,688					2,840		773	713
Charges for Current Services			1	3				3,590	10,528	10,518
Miscellaneous		47					1		6,338	6,625
Total Revenue	2,745	7,735	1	2,209	11,865	36,054	2,841	3,904	67,354	67,055
<u>Expenditures</u>										
Current										
General Government	106		101	30	1,206	1,072	91	126	2,732	6,518
Parks and Recreation					1,005			3,150	4,155	3,997
Public Safety			316	474		56	337		530	395
Transportation and Engineering					2,327				2,980	2,191
Public Services		7,145		27	2,820		2,393		12,385	8,034
General Services				549	1,673				39,622	37,742
Public Health	2,258						204	134	2,258	2,633
Employee Benefits	149				775	7			2,072	2,272
Capital Outlay	11	5		200					216	223
Total Expenditures	2,524	7,950	417	1,283	9,806	38,535	3,025	3,410	66,950	64,005
Excess of Revenue over (under) Expenditures	221	(215)	(416)	926	2,059	(2,481)	(184)	494	404	3,050
Other Financing Sources (Uses)										
Operating Transfers In			637						651	853
Operating Transfers (Out)				(1,573)	(2,534)	(85)		(300)	(4,492)	(1,373)
Total Other Financing Sources (Uses)			637	(1,573)	(2,534)	(85)		(286)	(3,841)	(520)
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	221	(215)	221	(647)	(475)	(2,566)	(184)	208	(3,437)	2,530
Fund Balances, January 1	1,619	2,972	1,582	2,412	10,900	15,581	1,003	1,485	37,554	35,024
Fund Balances, December 31	\$ 1,840	\$ 2,757	\$ 1,803	\$ 1,765	\$ 10,425	\$ 13,015	\$ 819	\$ 1,693	\$ 34,117	\$ 37,554

**CITY OF CINCINNATI, OHIO**  
 Combining Balance Sheet  
**Nonappropriated Special Revenue Funds**  
 December 31

(Amounts in Thousands)

	Recreation	Parks	Safety	Health	Cincinnati Blue Ash Airport	Community Development	Department of Labor Grants	Other	Total	
									December 31 2000	December 31 1999
<u>Assets</u>										
Cash and Equivalents	\$ 3	\$ 2,114	\$	\$	\$	\$ 274	\$	\$	\$ 2,391	\$ 2,581
Equity in City Treasury Cash Investments	528	946	10,609	7,533	89	1,123	4,083	7,280	32,191	26,475
Receivables:		474							474	657
Taxes										
Accounts, Net	33	9		284	3	191	300	150	970	889
Special Assessments						2,546		1,380	3,926	4,258
Accrued Interest	3	5	44					52	52	44
Due from Other Funds				339			19	1	359	262
Due from Other Governments	4		45	280		560	100	170	1,159	1,440
Prepaid Items		1		2		1			4	5
Inventory				450				36	486	470
Advances to Other Funds	25								25	25
Total Assets	\$ 596	\$ 3,549	\$ 10,698	\$ 8,888	\$ 92	\$ 4,695	\$ 4,502	\$ 9,068	\$ 42,088	\$ 37,106
<u>Liabilities and Fund Equity</u>										
Liabilities										
Accounts Payable	\$ 18	\$	\$ 126	\$ 450	\$	\$ 757	\$ 145	\$ 438	\$ 1,934	\$ 2,837
Due to Other Funds	1		5	92		28	7	15	148	190
Accrued Payroll		12		286		112	20	70	500	480
Accrued Interest						189			189	
Deposits Payable					2				2	1
Deferred Revenue						3,609	300	1,431	5,340	6,098
Estimated Liability for Compensated Absences			6,259						6,259	5,930
Advances from Other Funds				915				250	1,165	1,165
Total Liabilities	19	12	6,390	1,743	2	4,695	472	2,204	15,537	16,701
Fund Equity										
Fund Balances:										
Reserved for Prepaid Items		1		2		1			4	5
Reserved for Encumbrances	60	42	633	2,504	9	10,439	2,512	9,482	25,681	22,151
Reserved for Advances to Other Funds	25								25	25
Reserved for Inventory				450				36	486	470
Unreserved	492	3,494	3,675	4,189	81	(10,440)	1,518	(2,654)	355	(2,246)
Total Fund Equity	577	3,537	4,308	7,145	90		4,030	6,864	26,551	20,405
Total Liabilities and Fund Equity	\$ 596	\$ 3,549	\$ 10,698	\$ 8,888	\$ 92	\$ 4,695	\$ 4,502	\$ 9,068	\$ 42,088	\$ 37,106

**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 Blue Ash Airport	Community Development	Department of Labor Grants	Other	Total	
									December 31 2000	December 31 1999
<u>Revenue</u>										
Licenses and Permits	\$ 31	\$ 438	\$ 439	\$ 642	\$ 102	\$ 794	\$	\$ 1,446	\$ 1,081	\$ 830
Use of Money and Property Special Assessments			288			53		3,153	3,099	2,701
Intergovernmental Revenue			1,920	113					3,206	3,474
Federal Grants	257		2,175	5,776		14,590	5,647	3,305	31,750	33,163
State Grants and Subsidies	155	78	252	257		90	140	882	5,965	903
Charges for Current Services	72	427	2,944	2,944		4,042	999	1,433	5,926	5,926
Miscellaneous	2	699	120	324			360	5,547	5,547	4,956
Total Revenue	517	1,642	5,194	10,056	102	19,569	6,646	9,837	53,563	53,304
<u>Expenditures</u>										
Current										
General Government				1,036		3,048	3,742	5,363	13,189	13,424
Parks and Recreation	536	1,242						1,254	3,032	3,161
Public Safety			3,390					351	3,741	3,834
Public Services			26		76			2	2	147
General Services				7,305				410	512	417
Public Health				903		60			7,305	6,963
Employee Benefits	39		241	71		16,089	2		1,002	1,227
Capital Outlay		16						2,277	18,696	20,919
Debt Service										
Interest						377			377	430
Total Expenditures	575	1,258	3,657	9,315	76	19,574	3,744	9,657	47,856	50,522
Excess of Revenue over (under) Expenditures	(58)	384	1,537	741	26	(5)	2,902	180	5,707	2,782
Other Financing Sources (Uses)										
Operating Transfers In	19	286				5		259	569	455
Operating Transfers (Out)					(30)			(100)	(130)	(1,720)
Total Other Financing Sources (Uses)	19	286	0		(30)	5		159	439	(1,265)
Excess of Revenue and Other Sources over (under) Expenditures and Other Uses	(39)	670	1,537	741	(4)		2,902	339	6,146	1,517
Fund Balances, January 1	616	2,867	2,771	6,404	94		1,128	6,525	20,405	18,888
Fund Balances, December 31	\$ 577	\$ 3,537	\$ 4,308	\$ 7,145	\$ 90	\$	\$ 4,030	\$ 6,864	\$ 26,551	\$ 20,405

**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 2000	Actual 2000	Variance Favorable (Unfavorable)
HEALTH SERVICES FUND			
Revenue			
Charges for Current Services	\$ 2,900	\$ 2,794	\$ (106)
TOTAL REVENUE	2,900	2,794	(106)
Expenditures			
Department of Public Health			
Division of Primary Care - Special Programs			
Personal Services	268	226	42
Non-Personal Services	659	633	26
Capital Outlay	60	11	49
Total Division of Primary Care - Special Programs	987	870	117
Division of Primary Care - Health Centers			
Personal Services	626	503	123
Non-Personal Services	1,129	1,129	
Total Division of Primary Care - Health Centers	1,755	1,632	123
Total Department of Health	2,742	2,502	240
Nondepartmental Accounts			
Contribution to City Pension System	63	61	2
Employee Hospital Care	97	54	43
Dental and Vision Care	16	10	6
Medicare Tax	8	8	
Public Employee Assistance	2	1	
Workers' Compensation Insurance	53	27	26
Life Insurance	2		2
General Fund Overhead Charge	108	106	2
Total Nondepartmental Accounts	349	267	81
TOTAL EXPENDITURES	3,091	2,769	321
Excess of Revenue over (under) Expenditures	(191)	25	216
Cancellation of Prior Years Encumbrances		95	95
Fund Balance, January 1	1,347	1,347	
Fund Balance, December 31	\$ 1,156	\$ 1,467	\$ 311

**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 2000	Actual 2000	Variance Favorable (Unfavorable)
<b>STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND</b>			
Revenue			
Intergovernmental Revenue			
Motor Vehicle License	\$ 2,500	\$ 2,715	\$ 215
Gasoline	5,200	4,974	(226)
Miscellaneous	400	454	54
<b>TOTAL REVENUE</b>	<b>8,100</b>	<b>8,143</b>	<b>43</b>
Expenditures			
Department of Public Services			
Division of Highway Maintenance			
Personal Services	4,721	4,615	106
Non-Personal Services	2,075	2,046	29
Capital Outlay	55	38	17
<b>Total Division of Highway Maintenance</b>	<b>6,851</b>	<b>6,699</b>	<b>152</b>
Division of Solid Waste Services			
Non-Personal Services	504	430	74
<b>Total Division of Solid Waste Services</b>	<b>504</b>	<b>430</b>	<b>74</b>
<b>Total Department of Public Services</b>	<b>7,355</b>	<b>7,129</b>	<b>226</b>
Nondepartmental Accounts			
Contribution to City Pension System	498	408	90
Employee Hospital Care	586	504	82
Dental and Vision Care	105	79	26
Medicare Tax	57	36	21
Workers' Compensation Insurance	142	124	18
Life Insurance	5	4	1
<b>Total Nondepartmental Accounts</b>	<b>1,393</b>	<b>1,155</b>	<b>238</b>
<b>TOTAL EXPENDITURES</b>	<b>8,748</b>	<b>8,284</b>	<b>464</b>
Excess of Revenues over (under) Expenditures	(648)	(141)	507
Cancellation of Prior Years Encumbrances		118	118
Fund Balance, January 1	2,004	2,004	
Fund Balance, December 31	\$ 1,356	\$ 1,981	\$ 625

**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 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
<b>PARKING METER FUND</b>			
Revenue			
Miscellaneous	\$ 870	\$ 850	\$ (20)
<b>TOTAL REVENUE</b>	<b>870</b>	<b>850</b>	<b>(20)</b>
Expenditures			
Department of Economic Development			
Non-Personal Services	<u>81</u>	<u>75</u>	<u>6</u>
Total Department of Economic Development	81	75	
Department of Public Services			
Division of Traffic Operations			
Non-Personal Services	<u>505</u>	<u>322</u>	<u>183</u>
Total Department of Public Services	505	322	183
Downtown Special Improvements District			
Non-Personal Services	<u>144</u>	<u>39</u>	<u>105</u>
Total Miscellaneous Accounts	144	39	105
<b>TOTAL EXPENDITURES</b>	<b><u>730</u></b>	<b><u>436</u></b>	<b><u>294</u></b>
Excess of Revenue over Expenditures	140	414	274
Cancellation of Prior Years Encumbrances		20	20
Fund Balance, January 1	<u>1,372</u>	<u>1,372</u>	
Fund Balance, December 31	<u><u>\$ 1,512</u></u>	<u><u>\$ 1,806</u></u>	<u><u>\$ 294</u></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 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
CABLE T.V. FUND			
Revenue			
Licenses and Permits	\$ 2,050	\$ 2,207	\$ 157
Miscellaneous	<u>50</u>	<u>119</u>	<u>69</u>
TOTAL REVENUE	2,100	2,326	226
Expenditures			
Department of Public Safety			
Division of Police			
Non-Personal Services	<u>498</u>	<u>474</u>	<u>24</u>
Total Department of Public Safety	498	474	24
Division of Cable Communications			
Personal Services	242	187	55
Non-Personal Services	224	220	4
Capital Outlay	<u>200</u>	<u>200</u>	
Total Division of Cable Communications	666	607	59
Regional Computer Center			
Personal Services	195	191	4
Non-Personal Services	<u>162</u>	<u>149</u>	<u>13</u>
Total Regional Computer Center	<u>357</u>	<u>340</u>	<u>17</u>
Total Department of General Services	1,023	947	76
Department of Public Services			
Division of Highway Maintenance			
Non-Personal Services	<u>29</u>	<u>27</u>	<u>2</u>
Total Division of Highway Maintenance	<u>29</u>	<u>27</u>	<u>2</u>
Total Department of Public Services	29	27	2
Nondepartmental Accounts			
Contribution to City Pension System	66	53	13
Employee Hospital Care	52	37	15
Dental and Vision Care	10	10	
Medicare Tax	11	11	
Workers' Compensation Insurance	9	9	
Life Insurance	1	1	
General Fund Overhead Charge	<u>33</u>	<u>30</u>	<u>3</u>
Total Nondepartmental Accounts	<u>182</u>	<u>151</u>	<u>31</u>
TOTAL EXPENDITURES	<u>1,732</u>	<u>1,599</u>	<u>133</u>
Other Financing(Uses)			
Operating Transfers Out		<u>(1,573)</u>	<u>1,573</u>
TOTAL OTHER FINANCING (USES)		(1,573)	1,573

(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)

	Budget 2000	Actual 2000	Variance Favorable (Unfavorable)
CABLE T.V. FUND (Continued)			
Excess of Revenues over (under)			
Expenditures and other Financing Uses	368	(846)	(1,214)
Cancellation of Prior Years Encumbrances		11	11
Fund Balance, January 1	<u>2,348</u>	<u>2,348</u>	
Fund Balance, December 31	<u>\$ 2,716</u>	<u>\$ 1,513</u>	<u>\$ (1,203)</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 2000	Actual 2000	Variance Favorable (Unfavorable)
<b>INCOME TAX INFRASTRUCTURE FUND</b>			
Revenue			
Taxes			
City Income Tax	\$ 11,955	\$ 11,809	\$ (146)
Miscellaneous	445	252	(193)
<b>TOTAL REVENUE</b>	<b>12,400</b>	<b>12,061</b>	<b>(339)</b>
Expenditures			
Office of the City Manager			
Office of Environmental Management			
Personal Services	156	156	
Non-Personal Services	60	51	9
<b>Total Office of Environmental Management</b>	<b>216</b>	<b>207</b>	<b>9</b>
Office of Contract Compliance and Administrative Hearings			
Personal Services	26		26
Non-Personal Services	25	25	
<b>Total Office of Contract Compliance and Administrative Hearings</b>	<b>51</b>	<b>25</b>	<b>26</b>
<b>Total Office of the City Manager</b>	<b>267</b>	<b>232</b>	<b>35</b>
Department of Law			
Division of Legal Services			
Personal Services	146	113	33
Non-Personal Services	9	9	
<b>Total Department of Law</b>	<b>155</b>	<b>122</b>	<b>33</b>
Department of Personnel			
Personal Services	146	137	9
<b>Total Department of Personnel</b>	<b>146</b>	<b>137</b>	<b>9</b>
Department of Finance			
Division of Budget & Evaluation			
Personal Services	51	50	1
Non-Personal Services	9	6	3
<b>Total Division of Budget &amp; Evaluation</b>	<b>60</b>	<b>56</b>	<b>4</b>
Division of Accounts and Audits			
Personal Services	96	96	
Non-Personal Services	3	2	1
<b>Total Division of Accounts and Audits</b>	<b>99</b>	<b>98</b>	

(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 2000	Actual 2000	Variance Favorable (Unfavorable)
Division of Purchasing			
Personal Services	\$ 170	\$ 154	\$ 16
Non-Personal Services	48	47	1
Total Division of Purchasing	<u>218</u>	<u>201</u>	<u>17</u>
Total Department of Finance	377	355	22
Department of Public Recreation			
Division of Maintenance and Technology			
Personal Services	<u>226</u>	<u>226</u>	
Total Department of Public Recreation	226	226	
Department of Parks			
Division of Operations			
Personal Services	<u>777</u>	<u>777</u>	
Total Department of Parks	777	777	
Department of Buildings & Inspections			
Division of Building Construction Inspection			
Personal Services	<u>40</u>	<u>40</u>	
Total Department of Buildings & Inspection	40	40	
Department of Transportation & Engineering			
Office of the Director			
Personal Services	<u>35</u>	<u>30</u>	<u>5</u>
Total Office of the Director	35	30	5
Division of Transportation Planning			
Personal Services	213	128	85
Non-Personal Services	<u>26</u>	<u>25</u>	<u>1</u>
Total Division of Transportation Planning	239	153	86
Division of Engineering			
Personal Services	1,733	1,732	1
Non-Personal Services	<u>433</u>	<u>319</u>	<u>114</u>
Total Division of Engineering	<u>2,166</u>	<u>2,051</u>	<u>115</u>
Total Department of Transportation & Engineering	2,440	2,234	206
Department of General Services			
Division of Facility Management			
Personal Services	609	606	3
Non-Personal Services	<u>823</u>	<u>820</u>	<u>3</u>
Total Division of Facility Management	1,432	1,426	6
Regional Computer Center			
Non-Personal Services	<u>498</u>	<u>374</u>	<u>124</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 2000	Actual 2000	Variance Favorable (Unfavorable)
Total Regional Computer Center	\$ 498	\$ 374	\$ 124
Total Department of General Services	1,930	1,800	130
Department of Public Services			
Office of the Director			
Personal Services	123	120	3
Non-Personal Services	39	23	16
Total Office of the Director	162	143	19
Division of Highway Maintenance			
Personal Services	300	300	
Non-Personal Services	1,144	1,144	
Total Division of Highway Maintenance	1,444	1,444	
Division of Traffic Operations			
Personal Services	742	700	
Non-Personal Services	191	185	2
Total Division of Traffic Operations	933	885	48
Total Department of Public Services	2,539	2,472	67
Nondepartmental Accounts			
Contribution to City Pension System	485	395	90
Employee Hospital Care	447	355	92
Dental and Vision Care	78	69	9
Medicare Tax	57	52	5
Public Employee Assistance	7	4	3
Workers' Compensation Insurance	172	114	58
State Unemployment Compensation	40	31	9
Life Insurance	8	7	1
General Fund Overhead	420	367	53
Reserve for Contingencies	368		368
Total Nondepartmental Accounts	2,082	1,394	688
TOTAL EXPENDITURES	10,979	9,789	1,190
Other Financing (Uses)			
Operating Transfers Out	(1,038)	(1,651)	613
TOTAL OTHER FINANCING (USES)	(1,038)	(1,651)	613
Excess of Revenue over Expenditures and Other Financing (Uses)	383	621	238
Cancellation of Prior Years Encumbrances		52	52
Fund Balance, January 1	7,025	7,025	
Fund Balance, December 31	\$ 7,408	\$ 7,698	\$ 290

**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 2000	Actual 2000	Variance Favorable (Unfavorable)
<b>INCOME TAX TRANSIT FUND</b>			
Revenue			
Taxes			
City Income Tax	\$ 35,860	\$ 35,426	\$ (434)
Use of Money and Property	500	413	(87)
<b>TOTAL REVENUE</b>	<u>36,360</u>	<u>35,839</u>	<u>(521)</u>
Expenditures			
SORTA			
Operations	<u>37,400</u>	<u>37,400</u>	
Total SORTA	37,400	37,400	
Office of the City Manager			
Division of Employment and Training			
Non Personal Services	<u>69</u>	<u>69</u>	
Total Division of Employment and Training	69	69	
Total Office of the City Manager	69	69	
Department of Finance			
Division of Budget and Evaluation			
Personal Services	52	47	5
Non Personal Services	<u>36</u>	<u>27</u>	<u>9</u>
Total Division of Budget and Evaluation	88	74	14
Division of Income Tax			
Non Personal Services	<u>649</u>	<u>649</u>	
Total Department of Finance	737	723	14
Department Transportation and Engineering			
Personal Services	<u>436</u>	<u>416</u>	<u>20</u>
Total Department Transportation and Engineering	436	416	20
Nondepartmental Accounts			
Contribution to City Pension System	4	2	2
Employee Hospital Care	4	2	2
Dental and Vision Care	1		1
Medicare Tax	1	1	
Workers' Compensation Insurance	1	1	
General Fund Overhead	<u>4</u>	<u>4</u>	
Total Nondepartmental Accounts	<u>15</u>	<u>10</u>	<u>5</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 2000	Actual 2000	Variance Favorable (Unfavorable)
TOTAL EXPENDITURES	<u>\$ 38,657</u>	<u>\$ 38,618</u>	<u>\$ 39</u>
Other Financing (Uses)			
Operating Transfers Out	<u>                    </u>	<u>(85)</u>	<u>85</u>
TOTAL OTHER FINANCING (USES)	<u>                    </u>	<u>(85)</u>	<u>85</u>
Excess of Revenue over (under)			
Expenditures and Other Financing (Uses)	(2,297)	(2,864)	(567)
 Fund Balance, January 1	 <u>11,365</u>	 <u>11,365</u>	 <u>                    </u>
Fund Balance, December 31	<u>\$ 9,068</u>	<u>\$ 8,501</u>	<u>\$ (567)</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 2000</u>	<u>Actual 2000</u>	<u>Variance Favorable (Unfavorable)</u>
<b>MOTOR VEHICLE LICENSE FUND</b>			
Revenue			
Licenses and Permits	\$ 2,990	\$ 2,840	\$ (150)
Miscellaneous	10	10	
<b>TOTAL REVENUE</b>	<u>3,000</u>	<u>2,850</u>	<u>(150)</u>
Expenditures			
Department of Transportation & Engineering			
Division of Engineering			
Non-Personal Services	<u>315</u>	<u>315</u>	
Total Division of Engineering	<u>315</u>	<u>315</u>	
Total Department of Transportation & Engineering	315	315	
Department of Public Service			
Division of Highway Maintenance			
Personal Services	1,374	1,314	60
Non-Personal Services	<u>1,119</u>	<u>1,119</u>	
Total Division of Highway Maintenance	<u>2,493</u>	<u>2,433</u>	<u>60</u>
Total Department of Public Service	2,493	2,433	60
Nondepartmental Accounts			
Contribution to City Pension System	100	82	18
Employee Hospital Care	71	71	
Dental and Vision Care	12	12	
Medicare Tax	12	8	4
Workers' Compensation Insurance	49	28	21
General Fund Overhead	<u>106</u>	<u>91</u>	<u>15</u>
Total Nondepartmental Accounts	<u>350</u>	<u>292</u>	<u>58</u>
<b>TOTAL EXPENDITURES</b>	<u>3,158</u>	<u>3,040</u>	<u>118</u>
Excess of Revenue over (under)			
Expenditures	(158)	(190)	(32)
Cancellation of Prior Year Encumbrances		11	11
Fund Balance, January 1	<u>666</u>	<u>666</u>	
Fund Balance, December 31	<u>\$ 508</u>	<u>\$ 487</u>	<u>\$ (21)</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 2000	Actual 2000	Variance Favorable (Unfavorable)
<b>SPECIAL RECREATION FUND</b>			
Revenue			
Use of Money and Property	\$ 314	\$ 318	\$ 4
Charges for Current Services	3,633	3,485	(148)
Miscellaneous	3	37	34
<b>TOTAL REVENUE</b>	<b>3,950</b>	<b>3,840</b>	<b>(110)</b>
Expenditures			
Department of Recreation			
Community Activities - Region 1			
Personal Services	228	194	34
Non-Personal Services	211	203	8
Total Community Activities - Region 1	439	397	42
Community Activities - Region 2			
Personal Services	339	317	22
Non-Personal Services	159	137	22
Total Community Activities - Region 2	498	454	44
Community Activities - Region 3			
Personal Services	305	275	30
Non-Personal Services	236	223	13
Total Community Activities - Region 3	541	498	43
Community Activities - Region 4			
Personal Services	425	385	40
Non-Personal Services	137	112	25
Total Community Activities - Region 4	562	497	65
Seniors & Special Populations			
Personal Services	24	22	2
Non-Personal Services	101	91	10
Total Seniors & Special Populations	125	113	12

(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 2000	Actual 2000	Variance Favorable (Unfavorable)
Division of Athletics			
Personal Services	\$ 203	\$ 203	\$
Non-Personal Services	268	252	16
Total Division of Athletics	471	455	16
Division of Waterfront			
Personal Services	411	228	183
Non-Personal Services	722	633	89
Capital Outlay	23		23
Total Division of Waterfront	1,156	861	295
Division of Administration			
Personal Services			
Non-Personal Services	78	64	14
Total Division of Administration	78	64	14
Total Department of Recreation	3,870	3,339	531
Nondepartmental Accounts			
Contribution to City Pension	75	58	17
Hospital Care	16	9	7
Dental & Vision Care	3	2	1
Medicare Tax	25	22	3
Workers' Compensation Insurance	46	39	7
General Fund Overhead	126	126	
Total Nondepartmental Accounts	291	256	35
TOTAL EXPENDITURES	4,161	3,595	566
Other Financing (Uses)			
Operating Transfers Out		(300)	
TOTAL OTHER FINANCING (USES)		(300)	
Excess of Revenue over (under) Expenditures and Other Financing (Uses)	(211)	(55)	156
Cancellation of Prior Years Encumbrances		84	84
Fund Balance, January 1	1,237	1,237	
Fund Balance, December 31	<u>\$ 1,026</u>	<u>\$ 1,266</u>	<u>\$ 240</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.

**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 2000	December 31 1999
<u>Assets</u>					
Cash and Equivalents	\$ 33,920 *	\$ 1,095	\$ 111,974	\$ 146,989	\$ 9,050
Equity in City Treasury Cash Investments					94,086
Receivables:					15,197
Taxes	4,783			4,783	2,034
Accounts, Net	5		2,245	2,250	2
Special Assessments	42			42	239
Accrued Interest	102		18	120	114
Due from Other Funds	80		3,123	3,203	3,190
Inventory			740	740	1,038
Total Assets	\$ 38,932	\$ 1,095	\$ 118,100	\$ 158,127	\$ 124,950
<u>Liabilities and Fund Equity</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 271	\$	\$ 13,402	\$ 13,673	\$ 13,415
Due to Other Funds			765	765	604
Due to Other Governmental Agencies			14,069	14,069	9,056
Deferred Revenue	2,695		2	2,697	240
Advances from Other Funds			10,517	10,517	9,996
Estimated Liability for Unpaid Claims			4,613	4,613	4,160
Total Liabilities	2,966		43,368	46,334	37,471
Fund Equity					
Fund Balances:					
Reserved for Encumbrances	332		51,145	51,477	33,993
Reserved for Capital Projects	35,634	1,095	22,847	59,576	52,448
Reserved for Inventory			740	740	1,038
Total Fund Equity	35,966	1,095	74,732	111,793	87,479
Total Liabilities and Fund Equity	\$ 38,932	\$ 1,095	\$ 118,100	\$ 158,127	\$ 124,950

\*Includes the City's Working Capital Reserve of \$18,245,000, established pursuant to City Council Ordinance #63-1992 and Resolution #50-1984.

**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 2000			December 31 1999
<u>Revenue</u>				
Taxes	\$ 20,714			\$ 20,714
Use of Money and Property	1,624	1		1,970
Special Assessments	219		345	219
Intergovernmental Revenue			1,300	1,300
Federal Grants			76,688	76,688
State Grants and Subsidies			16,644	16,644
Miscellaneous	33		1,139	1,172
Total Revenue	<u>22,590</u>	<u>1</u>	<u>96,116</u>	<u>118,707</u>
<u>Expenditures</u>				
Capital Outlay	2,225	712	203,697	206,634
Total Expenditures	<u>2,225</u>	<u>712</u>	<u>203,697</u>	<u>206,634</u>
Excess of Revenues over (under) Expenditures	20,365	(711)	(107,581)	(87,927)
Other Financing Sources (Uses)				
Capital Lease Agreements			9	9
Bond and Note Proceeds		142,202		142,202
Operating Transfers In	3,616	5,170	160,641	169,427
Operating Transfers (Out)	(24,285)	(146,332)	(28,780)	(199,397)
Total Other Financing Sources (Uses)	<u>(20,669)</u>	<u>1,040</u>	<u>131,870</u>	<u>112,241</u>
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(304)	329	24,289	(19,391)
Fund Balances, January 1	<u>36,270</u>	<u>766</u>	<u>50,443</u>	<u>87,479</u>
Fund Balances, December 31	<u>\$ 35,966</u>	<u>\$ 1,095</u>	<u>\$ 74,732</u>	<u>\$ 111,793</u>
				<u>\$ 87,479</u>

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## **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.

**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	December 31 2000	December 31 1999
<b>Assets</b>								
Cash and Equivalents	\$ 44,314	\$ 72	\$ 3,438	\$ 1,675	\$ 7	\$ 4,082	\$ 79	\$ 36
Equity in City Treasury Cash		4,503			1,520		59,532	63,343
Receivables:								
Accounts, Net	13,819	183	163	22	1	1,407	15,595	17,892
Accrued Interest	1,013	66		19	32	125	1,255	1,055
Due from Other Funds	210		3			163	376	114
Due from Other Governments	11,702			744			12,446	10,158
Prepaid Items	71		37		2	1	111	224
Inventory	4,826						4,826	4,598
Advances to Other Funds	411	1,915	630	228	761	5,357	9,302	7,993
Restricted Assets:								
Cash and Cash Equivalents	15,706	8		26			15,740	6,000
Equity in City Treasury Cash								13,099
Investments								10,047
Land	2,509	4,368	778	13,228	1,337	3,028	25,248	25,124
Buildings	135,555	26,708	73,488	2,914	1,342	2,100	242,107	242,065
Accumulated Depreciation	(41,748)	(13,823)	(40,790)	(1,872)	(868)	(2,100)	(101,201)	(94,331)
Improvements	228,496	7,742	2,517	12,576	9,550	75,953	336,834	324,352
Accumulated Depreciation	(41,882)	(2,236)	(385)	(5,849)	(3,641)	(58,558)	(112,551)	(108,426)
Machinery and Equipment	119,364	908	1,019	718	2,159	10,351	134,519	126,782
Accumulated Depreciation	(62,187)	(676)	(789)	(501)	(1,983)	(9,511)	(75,647)	(70,207)
Construction in Progress	90,878	3,631	1,462	3,558	472	11,910	111,911	85,648
Property Acquired under Capital Leases	190				447		637	190
Accumulated Amortization	(92)						(92)	(18)
<b>Total Assets</b>	<b>\$ 523,155</b>	<b>\$ 33,369</b>	<b>\$ 41,571</b>	<b>\$ 27,486</b>	<b>\$ 11,138</b>	<b>\$ 44,308</b>	<b>\$ 681,027</b>	<b>\$ 665,738</b>

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 2000	December 31 1999
<u>Liabilities and Fund Equity</u>								
<u>Liabilities</u>								
Accounts Payable	\$ 2,469	\$ 2	\$ 52	\$ 44	\$ 189	\$ 31	\$ 2,787	\$ 2,891
Due to Other Funds	797	38	85	788	5	53	1,766	2,376
Due to Other Governmental Agencies	1,203						1,203	3,137
Accrued Payroll	1,920	161	164	33	8	41	2,327	2,108
Accrued Liabilities		243		56	6		305	304
Accrued Interest	456	12			17	24	509	560
Current Obligation Capital Leases	62			15	166		228	57
Deposits Payable		72	129				15	16
Deferred Revenue							201	178
Estimated Liability for Compensated Absences	5,010	471	383	96	16	133	6,109	6,292
Estimated Liability for Unpaid Claims	73	2	2			4	81	73
Non Current Obligation Capital Lease Payable from Restricted Assets:	55				216		271	117
Construction Contracts	3,223						3,223	4,266
Deposits Payable	786						786	828
Advances from Other Governments								93
General Obligation Bonds Payable	96,500	2,100			2,614	6,075	107,289	123,770
<b>Total Liabilities</b>	<b>112,554</b>	<b>3,101</b>	<b>815</b>	<b>1,032</b>	<b>3,237</b>	<b>6,361</b>	<b>127,100</b>	<b>147,066</b>
<u>Fund Equity</u>								
Contributed Capital	35,872	10,626	64,928	27,573	1,290	2,348	142,637	130,535
Retained Earnings (Deficit):	11,697	8		25			11,730	24,052
Reserved for Restricted Assets Unreserved	363,032	19,634	(24,172)	(1,144)	6,611	35,599	399,560	364,085
<b>Total Fund Equity</b>	<b>410,601</b>	<b>30,268</b>	<b>40,756</b>	<b>26,454</b>	<b>7,901</b>	<b>37,947</b>	<b>553,927</b>	<b>518,672</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 523,155</b>	<b>\$ 33,369</b>	<b>\$ 41,571</b>	<b>\$ 27,486</b>	<b>\$ 11,138</b>	<b>\$ 44,308</b>	<b>\$ 681,027</b>	<b>\$ 665,738</b>

**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 2000	December 31 1999
<u>Operating Revenue:</u>								
Charges for Services	\$ 81,725	\$ 7,624	\$ 3,300	\$ 1,491	\$ 6,677	\$ 7,199	\$ 108,016	\$ 109,815
Miscellaneous Income	1,861	559	221		1		2,642	2,076
Total Operating Revenue	83,586	8,183	3,521	1,491	6,678	7,199	110,658	111,891
<u>Operating Expenses:</u>								
Personal Services	28,409	2,852	2,844	582	167	621	35,475	35,081
Contractual Services	7,688	807	792	120	4,408	1,495	15,310	12,989
Maintenance and Repairs	3,207	169	283	107	3	346	4,115	2,870
Materials and Supplies	5,063	136	298	86	84	10	5,677	5,814
Utilities	6,532	257	991	160	338	53	8,331	8,679
Insurance	91	23	66	12		2	194	181
Taxes	20	258	41	54			373	227
Rent	328	142	14	5	124	73	686	955
Other Expense	354	107	8	2	2	94	567	356
Impairment of Fixed Asset								1,769
Depreciation and Amortization	12,217	1,368	3,019	591	443	1,067	18,705	17,353
Bad Debt Expense	297						297	139
Total Operating Expenses	64,206	6,119	8,356	1,719	5,569	3,761	89,730	86,413
Operating Income (Loss)	19,380	2,064	(4,835)	(228)	1,109	3,438	20,928	25,478



	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 2000	December 31 1999
<u>Non-Operating Revenue (Expenses):</u>								
Interest Revenue	\$ 4,534	\$ 336	\$	\$ 93	\$ 142	\$ 508	\$ 5,613	\$ 4,513
Interest Expense	(4,792)	(181)			(172)	(332)	(5,477)	(5,540)
Occupancy Tax Receipts			1,181				1,181	1,126
(Loss) on Disposal of Assets	(176)	(75)		(10)			(261)	(343)
Total Non-Operating Revenue (Expenses)	(434)	80	1,181	83	(30)	176	1,056	(244)
Income (Loss) before Operating Transfers	18,946	2,144	(3,654)	(145)	1,079	3,614	21,984	25,234
Operating Transfers In				1		3	4	3
Operating Transfers (Out)		(637)					(637)	(843)
Net Income (Loss)	18,946	1,507	(3,654)	(144)	1,079	3,617	21,351	24,394
Add depreciation on contributed assets acquired with capital grants	358	50	1,145	249			1,802	1,700
Change in Retained Earnings	19,304	1,557	(2,509)	105	1,079	3,617	23,153	26,094
Retained Earnings (Deficit), January 1	355,425	18,085	(21,663)	(1,224)	5,532	31,982	388,137	362,043
Retained Earnings (Deficit), December 31	\$ 374,729	\$ 19,642	\$ (24,172)	\$ (1,119)	\$ 6,611	\$ 35,599	\$ 411,290	\$ 388,137

**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	December 31 2000	December 31 1999
<b>Cash Flow from Operating Activities:</b>								
Operating Income (Loss)	\$ 19,380	\$ 2,064	\$ (4,835)	\$ (228)	\$ 1,109	\$ 3,438	\$ 20,928	\$ 25,478
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:								
Depreciation and Amortization	12,217	1,368	3,019	591	443	1,067	18,705	17,353
Bad Debt Expense	297						297	139
Occupancy Tax Receipts	(93)	(1)	1,181	19	5	(97)	1,181	1,126
Change in Liability for Compensated Absences		(25)	132				(183)	62
Capitalized Assets Expensed							107	
Changes in Assets and Liabilities:								
(Increase) Decrease in:								
Receivables	1,620	4	143	17	(7)	23	1,800	(3,461)
Due from Other Funds	(156)	4	(3)			(107)	(262)	427
Due from Other Governments	(1,693)			(595)			(2,288)	1,086
Inventory	(228)						(228)	(205)
Prepaid Items	117	3	(6)			(1)	113	118
Increase (Decrease) in:								
Accounts Payable	(92)	(22)	5	3	18	(16)	(104)	500
Deposits Payable	(42)			(1)			(43)	223
Due to Other Funds	(380)	(181)	(659)	623		(13)	(610)	(2,529)
Due to Other Governmental Agencies	(1,934)						(1,934)	(2,321)
Accrued Payroll	185	1	33			(18)	219	309
Accrued Liabilities		14		5			1	(163)
Current Obligation Capital Lease	5						5	57
Accrued Interest	(69)	(3)			(3)	24	(51)	23
Deferred Revenue		20	7			(4)	23	(180)
Estimated Liability for Unpaid Claims	16	(1)	(2)		(5)		8	(4)
<b>Total Adjustments</b>	<b>9,770</b>	<b>1,181</b>	<b>3,834</b>	<b>662</b>	<b>451</b>	<b>858</b>	<b>16,756</b>	<b>12,560</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>29,150</b>	<b>3,245</b>	<b>(1,001)</b>	<b>434</b>	<b>1,560</b>	<b>4,296</b>	<b>37,684</b>	<b>38,038</b>
<b>Cash Flow from Non-Capital Financing Activities:</b>								
Repayment of Advances Made To Other Funds	35			233		493	761	280
Repayment of Advances Received From Other Funds		(867)	(566)		(637)		(2,070)	(400)
Advances To Other Funds		(637)					(637)	(563)
Operating Transfers to Other Funds				1		3	4	(843)
Operating Transfers from Other Funds								
<b>Net Cash Provided (Used) by Non Capital Financing</b>	<b>\$ 35</b>	<b>\$ (1,504)</b>	<b>\$ (566)</b>	<b>\$ 234</b>	<b>\$ (637)</b>	<b>\$ 496</b>	<b>\$ (1,942)</b>	<b>\$ (1,526)</b>

	Water Works	Parking Facilities	Convention Center	General Aviation	Municipal Golf	Stormwater Management	December 31 2000	December 31 1999
<b>Total</b>								
Cash Flow from Capital and Related Financing Activities:								
Capital Contributed by Other Funds			630				630	
Capital Contributed by Other Sources	3,136		728	884			4,748	2,875
Proceeds from the Sale of Fixed Assets	76						76	49
Proceeds from the Sale of Bonds and Notes							31,600	31,600
Acquisition of Property, Plant and Equipment	(2,333)	(29)	(8)	(43)		(1,016)	(3,429)	(2,884)
Repayment of Advance from Other Governments						(93)	(93)	(48)
Interest Paid on Bonds and Notes	(4,792)	(181)			(172)	(332)	(5,477)	(5,539)
Principal Paid on Bonds and Notes	(14,440)	(585)			(531)	(925)	(16,481)	(14,348)
Payments on Long Term Capital Lease Obligations	(62)				(65)		(127)	117
Additions to Construction in Progress	(34,188)	(194)	(119)	(1,527)	(468)	(1,880)	(38,376)	(38,229)
Net Cash Provided (Used) by Capital and Related Financing Activities	(52,603)	(989)	1,231	(686)	(1,236)	(4,246)	(58,529)	(26,407)
Cash Flow from Investing Activities:								
Interest and Dividends on Investments	4,534	336		93	142	508	5,613	4,513
Acquisitions of Investments								(10,047)
Proceeds from Sale of Investments	10,047						10,047	14,434
Net Cash Provided by Investing Activities	14,581	336		93	142	508	15,660	8,900
Net Increase (Decrease) in Cash and Cash Equivalents	(8,837)	1,088	(336)	75	(171)	1,054	(7,127)	19,005
Cash and Cash Equivalents at Beginning of Year	68,857	3,495	3,774	1,626	1,698	3,028	82,478	63,473
Cash and Cash Equivalents at End of Year	\$ 60,020	\$ 4,583	\$ 3,438	\$ 1,701	\$ 1,527	\$ 4,082	\$ 75,351	\$ 82,478
Schedule of Noncash Investing, Capital and Financing Activities:								
Acquisition of Equipment under Capital Leases	\$	\$	\$	\$	\$ 447	\$	\$ 447	\$
Acquisition of Property, Plant and Equipment from Contributed Capital	6,455	2,006		65			8,526	3,493
Total Noncash Investing, Capital and Financing Activities	\$ 6,455	\$ 2,006	\$	\$ 65	\$ 447	\$	\$ 8,973	\$ 3,493

Cash Flow from Capital and Related Financing Activities:

Capital Contributed by Other Funds  
Capital Contributed by Other Sources  
Proceeds from the Sale of Fixed Assets  
Proceeds from the Sale of Bonds and Notes  
Acquisition of Property, Plant and Equipment  
Repayment of Advance from Other Governments  
Interest Paid on Bonds and Notes  
Principal Paid on Bonds and Notes  
Payments on Long Term Capital Lease Obligations  
Additions to Construction in Progress  
Net Cash Provided (Used) by Capital and Related Financing Activities

Cash Flow from Investing Activities:

Interest and Dividends on Investments  
Acquisitions of Investments  
Proceeds from Sale of Investments  
Net Cash Provided by Investing Activities  
Net Increase (Decrease) in Cash and Cash Equivalents  
Cash and Cash Equivalents at Beginning of Year  
Cash and Cash Equivalents at End of Year

Schedule of Noncash Investing, Capital and Financing Activities:

Acquisition of Equipment under Capital Leases  
Acquisition of Property, Plant and Equipment from Contributed Capital  
Total Noncash Investing, Capital and Financing Activities

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# 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.

**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 2000	December 31 1999
<u>Assets</u>									
Equity in City Treasury Cash	\$ 147	\$ 833	\$ 471	\$ 311	\$ 21,167	\$ 55,181	\$ 7,031	\$ 85,141	\$ 80,873
Receivables:									
Accounts, Net	10	6	1	74	292	3,565	1,791	5,447	2,353
Accrued Interest					1,256	753	37	1,082	893
Due from Other Funds	57	930	106		366		1,534	3,883	3,469
Prepaid Items		2					60	428	64
Inventory	43	1,237	64					1,344	1,108
Advances to Other Funds							1,626	1,626	2,449
Deposits					575			575	92
Land								133	133
Buildings								272	272
Accumulated Depreciation								(242)	(236)
Improvements								3,381	133
Accumulated Depreciation								(156)	(58)
Machinery and Equipment	436	1,614	6	60			24,867	26,983	26,448
Accumulated Depreciation	(284)	(1,172)	(2)	(60)			(13,995)	(15,513)	(13,314)
Property Acquired under									
Capital Leases	124						1,960	2,084	2,085
Accumulated Amortization	(74)						(1,053)	(1,127)	(743)
<b>Total Assets</b>	<b>\$ 459</b>	<b>\$ 6,812</b>	<b>\$ 646</b>	<b>\$ 385</b>	<b>\$ 23,656</b>	<b>\$ 59,499</b>	<b>\$ 23,884</b>	<b>\$ 115,341</b>	<b>\$ 106,021</b>

	Purchasing Reproduction and Printing	Municipal Garage	Purchasing General Stores	Property Management	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total December 31 2000	December 31 1999
<u>Liabilities and Fund Equity</u>									
<u>Liabilities</u>									
Accounts Payable	\$ 54	\$ 349	\$ 1	\$ 2	\$ 3,064	\$ 7	\$ 1,533	\$ 5,010	\$ 3,423
Due to Other Funds	6	1,525		76			20	1,627	1,617
Accrued Payroll	24	244	4	9			600	881	894
Accrued Liabilities						4,585		4,585	5,535
Current Obligations under Capital Leases	30						545	575	754
Deferred Revenue				61			957	1,018	1,251
Estimated Liability for Compensated Absences	50	584	9	32			1,633	2,308	2,489
Estimated Liability for Unpaid Claims					6,000	19,190		25,190	23,452
Advances from Other Funds		411	125	177				713	748
Advances from Other Governments		20						20	20
Non-Current Obligations under Capital Leases	27						477	504	1,077
Total Liabilities	191	3,133	139	357	9,064	23,782	5,765	42,431	41,260
<u>Fund Equity</u>									
Contributed Capital	25	4,384	5				21,624	26,038	24,112
Retained Earnings (Deficit) Unreserved	243	(705)	502	28	14,592	35,717	(3,505)	46,872	40,649
Total Fund Equity	268	3,679	507	28	14,592	35,717	18,119	72,910	64,761
Total Liabilities and Fund Equity	\$ 459	\$ 6,812	\$ 646	\$ 385	\$ 23,656	\$ 59,499	\$ 23,884	\$ 115,341	\$ 106,021

**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 2000
								December 31 1999
<u>Operating Revenue:</u>								
Charges for Services	\$ 1,226	\$ 11,833	\$ 1,199	\$ 1,488	\$ 35,038	\$ 6,196	\$ 23,483	\$ 78,975
Miscellaneous Income								1,488
Total Operating Revenue	<u>1,226</u>	<u>11,833</u>	<u>1,199</u>	<u>1,488</u>	<u>35,038</u>	<u>6,196</u>	<u>23,483</u>	<u>80,463</u>
<u>Operating Expenses:</u>								
Personal Services	375	4,219	75	234			10,962	15,865
Contractual Services	573	249	30	76		227	4,292	5,447
Maintenance and Repairs	84	810	1	2			1,744	2,641
Materials and Supplies	166	6,229	974	3			2,291	9,663
Utilities	4	148	4				641	797
Insurance	1	10			38,241		38	38,290
Rent	67	31	1	1			523	623
Interest	9	10					90	109
Other Expense	1			2			64	67
Depreciation and Amortization	68	174	1	10			2,679	2,932
Total Operating Expenses	<u>1,348</u>	<u>11,880</u>	<u>1,086</u>	<u>328</u>	<u>38,241</u>	<u>227</u>	<u>23,324</u>	<u>76,434</u>
Operating Income (Loss)	(122)	(47)	113	1,160	(3,203)	5,969	159	4,029
								5,947



	Purchasing Reproduction and Printing	Municipal Garage	Purchasing General Stores	Property Management	Self Insurance Medical	Self Insurance Workers' Compensation	Regional Computer Center	Total December 31 2000	December 31 1999
<u>Non-Operating Revenue (Expenses):</u>									
Interest Revenue (Expense)		(85)			1,225	3,505	99	4,744	2,956
(Loss) on Disposal of Assets		(35)					(50)	(85)	(559)
Total Non-Operating Revenue (Expenses)		(120)			1,225	3,505	49	4,659	2,397
Income (Loss) before Operating Transfers	(122)	(167)	113	1,160	(1,978)	9,474	208	8,688	8,344
Operating Transfers (Out)				(1,205)		(2,200)		(3,405)	(506)
Net Income (Loss)	(122)	(167)	113	(45)	(1,978)	7,274	208	5,283	7,838
Add depreciation on contributed assets acquired with capital grants							940	940	940
Change in Retained Earnings	(122)	(167)	113	(45)	(1,978)	7,274	1,148	6,223	8,778
Retained Earnings (Deficit), January 1	365	(538)	389	73	16,570	28,443	(4,653)	40,649	31,871
Retained Earnings (Deficit), December 31	\$ 243	\$ (705)	\$ 502	\$ 28	\$ 14,592	\$ 35,717	\$ (3,505)	\$ 46,872	\$ 40,649

**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 2000	December 31 1999
Cash Flow from Operating Activities:									
Operating Income (Loss)	\$ (122)	\$ (47)	\$ 113	\$ 1,160	\$ (3,203)	\$ 5,969	\$ 159	\$ 4,029	\$ 5,947
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:									
Depreciation and Amortization	68	174	1	10			2,679	2,932	3,057
Change in Liability for Compensated Absences	(2)	(71)	(1)	(1)			(106)	(181)	(65)
Capitalized Assets Expensed									56
Changes in Assets and Liabilities:									
(Increase) Decrease in:									
Receivables	3	(1)		24	6	(3,741)	426	(3,283)	(640)
Due from Other Funds	(16)	11	6		148		(563)	(414)	(992)
Inventory	(9)	(260)	33					(236)	(282)
Prepaid Items		5			(366)		(3)	(364)	146
Deposits					(483)			(483)	
Increase (Decrease) in:									
Accounts Payable	(13)	217	1		242	7	1,133	1,587	(623)
Due to Other Funds	6	(14)	(1)	23	(11)		7	10	1,490
Accrued Payroll	3	(13)	1				(4)	(13)	110
Accrued Liabilities						(950)	(207)	(950)	1,553
Deferred Revenue								(207)	89
Estimated Liability for Unpaid Claims						1,738		1,738	(1,134)
Total Adjustments	40	48	40	30	(464)	(2,946)	3,362	110	2,765
Net Cash Provided (Used) by Operating Activities	(82)	1	153	1,190	(3,667)	3,023	3,521	4,139	8,712
Cash Flow from Non Capital Financing Activities:									
Repayment of Advances From other Funds									(32)
Repayment of Advances to Other Funds		(35)					823	823	108
Operating Transfers to Other Funds								(3,405)	(506)
Net Cash Provided (Used) by Non-Capital Financing Activities	\$	\$ (35)	\$	\$ (1,205)	\$	\$ (2,200)	\$ 823	\$ (2,617)	\$ (430)

(Continued)

(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 2000	December 31 1999
<u>Cash Flow from Capital and Related Financing Activities:</u>									
Capital Contributed by Other Funds	\$	\$	\$	\$	\$	\$	\$	1,666	\$ 2,351
Proceeds from the Sale of Fixed Assets								0	11
Acquisition of Property, Plant and Equipment	(4)	(98)					(2,810)	(2,912)	(5,042)
Interest paid on Debt		(85)						(85)	
Payments on Long Term Capital Leases	(26)						(726)	(752)	(679)
Net Cash (Used) by Capital and Related Financing Activities	(30)	(183)					(1,870)	(2,083)	(3,359)
<u>Cash Flow from Investing Activities:</u>									
Interest and Dividends on Investments					1,225	3,505	99	4,829	2,956
Net Cash Provided by Investing Activities					1,225	3,505	99	4,829	2,956
Net Increase (Decrease) in Cash and Cash Equivalents	(112)	(217)	153	(15)	(2,442)	4,328	2,573	4,268	7,879
Cash and Cash Equivalents at Beginning of Year	259	1,050	318	326	23,609	50,853	4,458	80,873	72,994
Cash and Cash Equivalents at End of Year	\$ 147	\$ 833	\$ 471	\$ 311	\$ 21,167	\$ 55,181	\$ 7,031	\$ 85,141	\$ 80,873
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>									
Property Plant and Equipment Contributed by Other Funds	\$	\$ 1,200	\$	\$	\$	\$	\$	\$ 1,200	\$ 107
Total Noncash Investing, Capital and Financing Activities	\$	\$ 1,200	\$	\$	\$	\$	\$	\$ 1,200	\$ 107

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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.

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

**External Investment Pool** - Used to account for the Metropolitan Sewer District Fund portion of the City's pool of cash and investments.

**CITY OF CINCINNATI, OHIO**  
 Combining Balance Sheet  
**Fiduciary Funds - Trust and Agency**  
 December 31  
 (Amounts in Thousands)

	Expendable Trust	Non-expendable Trust	Pension Trust	Agency	External Investment Pool	Total	
						December 31 2000	December 31 1999
<b>Assets</b>							
Cash and Equivalents	\$ 7	\$ 157	\$ 80,474	\$ 13,276	\$ 24,668	\$ 80,638	\$ 87,044
Equity in City Treasury Cash Investments, at fair value	1,161	7,895	2,670,534	165,078		2,844,668	42,975
Receivables:							2,771,822
Taxes							
Accounts, Net			112,027	2,018		2,018	51,824
Accrued Interest and Dividends		12	12,041	2,165		130,006	10,818
Due from Other Funds			24	410		434	242
Due from Other Governments			196			196	240
Prepaid Items				8		8	14
Inventory				869		869	908
Loans Receivable			22,008			22,008	22,850
Improvements		75				75	75
Accumulated Depreciation Machinery and Equipment		(20)	1,122			(20)	(16)
Accumulated Depreciation			(18)			1,122	27
Total Assets	\$ 1,168	\$ 8,946	\$ 2,898,408	\$ 201,803	\$ 24,668	\$ 3,134,993	\$ 2,988,809
<b>Liabilities and Fund Equity</b>							
<b>Liabilities</b>							
Accounts Payable	\$	\$	\$ 329,805	\$ 6,694	\$	\$ 336,499	\$ 153,697
Withholding and Other Deposits			1,256	1,415		1,415	1,253
Due to Other Funds				886		2,142	1,640
Due to Other Governmental Agencies				175,602		175,602	144,414
Accrued Payroll			27			27	34
Accrued Liabilities			6,405	1,922		8,327	7,682
Deposits Payable				15,284		15,284	10,925
Deferred Revenue			23			23	61
Estimated Liability for Compensated Absences			87			87	73
Total Liabilities			337,603	201,803		539,406	319,779
<b>Fund Equity</b>							
Fund Balance					24,668	24,668	31,706
Reserved for External Investment Pool			1,762,899			1,762,899	1,815,570
Reserved for Employees' Pension Benefits							810,823
Reserved for Employees' Postemployment Healthcare Benefits			797,906			797,906	10,519
Reserved in Accordance with Trusts Unreserved	1,168	8,547				9,715	412
Total Fund Equity	1,168	8,946	2,560,805	201,803	24,668	2,595,587	2,669,030
Total Liabilities and Fund Equity	\$ 1,168	\$ 8,946	\$ 2,898,408	\$ 201,803	\$ 24,668	\$ 3,134,993	\$ 2,988,809

**CITY OF CINCINNATI, OHIO**  
 Combining Balance Sheet  
**Nonexpendable Trust Funds**  
 December 31  
 (Amounts in Thousands)

	Grosbeck	Schmidlapp	Joanna	W. M. Ampt	Crosley	Yeatman's	Park	Total
	Endowment Fund	Park Music Fund	Peters Bequest	Music Fund	Field Trust	Cove Park Trust	Board Fund	December 31 2000
Cash and Equivalents	\$ 38	\$ 52	\$ 79	\$ 89	\$ 62	\$ 507	\$ 157	\$ 157
Equity in City Treasury Cash Investments, at fair value	527	1	4	114	589		6,660	827
Receivables:								7,895
Accrued Interest	1	1	1		1	8		12
Improvements					23	52		75
Accumulated Depreciation					(1)	(19)		(20)
Total Assets	\$ 566	\$ 54	\$ 84	\$ 203	\$ 589	\$ 548	\$ 6,817	\$ 8,946

Fund Equity

Fund Balance	566	54	84	203	225	548	6,817	8,547	9,051
Reserved in Accordance with Trusts Unreserved					364			399	412
Total Fund Equity	566	54	84	203	589	548	6,817	8,946	9,463
Total Fund Equity	\$ 566	\$ 54	\$ 84	\$ 203	\$ 589	\$ 548	\$ 6,817	\$ 8,946	\$ 9,463

**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)

	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	December 31 2000	December 31 1999
<u>Operating Revenue:</u>										
Earnings (losses) from Investments	\$ (18)	\$ 4	\$ 6	\$ (18)	\$ 4	\$ 4	\$ 39	\$ (264)	\$ (243)	\$ 561
Total Operating Revenue	(18)	4	6	(18)	4	4	39	(264)	(243)	561
<u>Operating Expenses:</u>										
Contractual Services					1	1	50	28	79	55
Depreciation and Amortization							2		3	2
Total Operating Expenses					1	1	52	28	82	57
Income (Loss) before Operating Transfers	(18)	4	6	(18)	3	3	(13)	(292)	(325)	504
Operating Transfers (Out)	(6)	(2)		(4)	(19)			(161)	(192)	(226)
Net Income (Loss)	(24)	2	6	(22)	(16)	3	(13)	(453)	(517)	278
Fund Balance, January 1	590	52	78	225	605	82	561	7,270	9,463	9,185
Fund Balance, December 31	\$ 566	\$ 54	\$ 84	\$ 203	\$ 589	\$ 85	\$ 548	\$ 6,817	\$ 8,946	\$ 9,463



**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	
	4	4	6	(18)	3	3	3	(292)	December 31 2000	December 31 1999
\$	(18)	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flow from Operating Activities:										
Operating Income (Loss)										
Adjustments to Reconcile Operating Income to Net Cash (Used) by Operating Activities:										
Depreciation and Amortization										
Earnings (losses) from Investments	18	(4)	(6)	18	(4)	(4)	2	264	3	2
Changes in Liabilities:										
Increase in Accounts Receivable	(1)	(1)	(1)				(8)		(11)	(7)
Total Adjustments	17	(5)	(7)	18	(4)	(3)	(45)	264	235	(566)
Net Cash (Used) by Operating Activities	(1)	(1)	(1)		(1)		(58)	(28)	(90)	(62)
Cash Flow from Non Capital Financing Activities:										
Operating Transfers to Other Funds	(6)	(2)		(4)	(19)			(161)	(192)	(226)
Net Cash (Used) by Non Capital Financing Activities	(6)	(2)		(4)	(19)			(161)	(192)	(226)
Cash Flow from Capital and Related Financing Activities:										
Acquisition of Property, Plant & Equipment										(23)
Net Cash (Used) for Capital and Related Financing Activities										(23)
Cash Flow from Investing Activities:										
Earnings from Investments	7	3	4	5	20	4	41	187	271	273
Acquisition of Investments								(4,458)	(4,458)	(7,140)
Proceeds from Sale of Investments	34	50	75	84			(1)	4,593	4,835	7,102
Net Cash Provided by Investing Activities	41	53	79	89	20	4	40	322	648	235
Net Increase (Decrease) in Cash and Cash Equivalents	34	50	78	85		4	(18)	133	366	(76)
Cash and Cash Equivalents at Beginning of Year	4	2	1	4		58	525	24	618	694
Cash and Cash Equivalents at End of Year	\$ 38	\$ 52	\$ 79	\$ 89	\$	\$ 62	\$ 507	\$ 157	\$ 984	\$ 618

**CITY OF CINCINNATI, OHIO**  
Combining Statement of Changes in Assets and Liabilities  
**All Agency Funds**  
For the year ended December 31, 2000  
(Amounts in Thousands)

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
<u>PREPAID TAXES ON PURCHASED PROPERTY</u>				
ASSETS				
Equity in City Treasury Cash	\$ 127	\$ 59	\$ 118	\$ 68
LIABILITIES				
Deposits Payable	\$ 127	\$ 116	\$ 175	\$ 68
<u>BOND RETIREMENT DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$	\$ 79	\$ 79	\$
LIABILITIES				
Deposits Payable	\$	\$ 163	\$ 163	\$
<u>UNDISTRIBUTED CITY INCOME TAX</u>				
ASSETS				
Equity in City Treasury Cash	\$	\$ 260,151	\$ 260,151	\$
LIABILITIES				
Deposits Payable	\$	\$ 268,720	\$ 268,720	\$
<u>OHIO SALES TAX DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 6	\$ 172	\$ 171	\$ 7
LIABILITIES				
Due to Other Governmental Agencies	\$ 6	\$ 90	\$ 89	\$ 7
<u>TOWING CHARGES - PRIVATE OPERATORS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 29	\$ 405	\$ 410	\$ 24
LIABILITIES				
Deposits Payable	\$ 29	\$ 660	\$ 665	\$ 24
<u>FOOD SERVICE OPERATION DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 41	\$ 35	\$ 34	\$ 42
LIABILITIES				
Due to Other Governmental Agencies	\$ 41	\$ 69	\$ 68	\$ 42

(Continued)

**CITY OF CINCINNATI, OHIO**  
Combining Statement of Changes in Assets and Liabilities  
**All Agency Funds**  
For the year ended December 31, 2000  
(Amounts in Thousands)

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
(Continued)				
<u>ADMISSION TAX BONDS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 21	\$ 4	\$ 2	\$ 23
LIABILITIES				
Deposits Payable	\$ 21	\$ 4	\$ 2	\$ 23
<u>EMPLOYEE WITHHOLDINGS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 1,253	\$ 88,645	\$ 88,483	\$ 1,415
LIABILITIES				
Withholding and Other Deposits	\$ 1,253	\$ 115,251	\$ 115,089	\$ 1,415
<u>STATE CHILD ABUSE DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 12	\$ 193	\$ 193	\$ 12
LIABILITIES				
Deposits Payable	\$ 12	\$ 386	\$ 386	\$ 12
<u>ENGINEERING DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 1,483	\$ 1,213	\$ 957	\$ 1,739
Accounts Receivable	1	15	16	
Due From Other Funds	2	21	2	21
Total Assets	\$ 1,486	\$ 1,249	\$ 975	\$ 1,760
LIABILITIES				
Deposits Payable	\$ 1,486	\$ 1,600	\$ 1,326	\$ 1,760
<u>SURETY DEPOSITS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 875	\$ 7,354	\$ 7,397	\$ 832
LIABILITIES				
Deposits Payable	\$ 875	\$ 13,247	\$ 13,290	\$ 832

(Continued)

**CITY OF CINCINNATI, OHIO**  
Combining Statement of Changes in Assets and Liabilities  
**All Agency Funds**  
For the year ended December 31, 2000  
(Amounts in Thousands)

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
(Continued)				
<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	\$ 358	\$ 794	\$ 813	\$ 339
Accrued Interest Receivable	2	2	2	2
Total Assets	\$ 360	\$ 796	\$ 815	\$ 341
LIABILITIES				
Deposits Payable	\$ 360	\$ 1,609	\$ 1,628	\$ 341
<u>METROPOLITAN SEWER DISTRICT</u>				
ASSETS				
Investments	\$ 130,934	\$ 83,894	\$ 50,856	\$ 163,972
Accounts Receivable	17,662	17,979	17,662	17,979
Accrued Interest Receivable	1,045	1,838	1,045	1,838
Due From Other Funds	208	389	208	389
Prepaid Items	14	8	14	8
Inventory	908	604	643	869
Total Assets	\$ 150,771	\$ 104,712	\$ 70,428	\$ 185,055
LIABILITIES				
Accounts Payable	\$ 4,466	\$ 6,694	\$ 4,466	\$ 6,694
Vouchers Payable		101,264	101,264	
Due to Other Funds	236	886	236	886
Due to Other Governmental Agencies	144,367	175,553	144,367	175,553
Accrued Liabilities	1,702	1,922	1,702	1,922
Total Liabilities	\$ 150,771	\$ 286,319	\$ 252,035	\$ 185,055

(Continued)

**CITY OF CINCINNATI, OHIO**  
Combining Statement of Changes in Assets and Liabilities  
**All Agency Funds**  
For the year ended December 31, 2000  
(Amounts in Thousands)

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
(Continued)				
<u>DEBT SERVICE TRUSTEE FUND</u>				
ASSETS				
Equity in City Treasury Cash	\$ 6,981	\$ 4,655	\$ 2,861	\$ 8,775
Investments	1,034	1,267	1,195	1,106
Taxes Receivable		2,018		2,018
Accrued Interest Receivable		325		325
Total Assets	\$ 8,015	\$ 8,265	\$ 4,056	\$ 12,224
LIABILITIES				
Deposits Payable	\$ 8,015	\$ 9,055	\$ 4,846	\$ 12,224
 <u>TOTAL AGENCY FUNDS</u>				
ASSETS				
Equity in City Treasury Cash	\$ 11,186	\$ 363,777	\$ 361,687	\$ 13,276
Investments	131,968	85,161	52,051	165,078
Receivables:				
Taxes		2,018		2,018
Accounts, Net	17,663	17,994	17,678	17,979
Accrued Interest Receivable	1,047	2,165	1,047	2,165
Due from Other Funds	210	410	210	410
Prepaid - Other Governments	14	8	14	8
Inventory	908	604	643	869
Total Assets	\$ 162,996	\$ 472,137	\$ 433,330	\$ 201,803
LIABILITIES				
Accounts Payable	\$ 4,466	\$ 6,694	\$ 4,466	\$ 6,694
Vouchers Payable		101,264	101,264	
Withholding and Other Deposits	1,253	115,251	115,089	1,415
Due to Other Governmental Agencies	144,414	175,712	144,524	175,602
Due to Other Funds	236	886	236	886
Accrued Liabilities	1,702	1,922	1,702	1,922
Deposits Payable	10,925	295,578	291,219	15,284
Total Liabilities	\$ 162,996	\$ 697,307	\$ 658,500	\$ 201,803

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## **ACCOUNT GROUPS**

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

	<u>2000</u>	<u>1999</u>
General Fixed Assets		
Land	\$ 137,814	\$ 136,033
Buildings	138,684	129,820
Improvements	206,139	199,797
Machinery and Equipment	61,278	59,031
Construction in Progress	<u>450,479</u>	<u>288,566</u>
Total General Fixed Assets	<u>\$ 994,394</u>	<u>\$ 813,247</u>
Investment in General Fixed Assets	<u>\$ 994,394</u>	<u>\$ 813,247</u>

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

	<u>2000</u>	<u>1999</u>
Investment in General Fixed Assets from:		
Permanent Improvement Fund or General Obligation Bonds	\$ 613,026	\$ 534,941
Federal Grants	29,479	11,557
State Grants	142,689	90,905
County Grants	22,643	15,522
General Fund Revenues	14,694	11,390
Special Revenue Funds	7,611	6,198
Gifts	4,292	3,651
Other and Undifferentiated	<u>159,960</u>	<u>139,083</u>
Total from All Sources	<u>\$ 994,394</u>	<u>\$ 813,247</u>



# CITY OF CINCINNATI, OHIO

## Schedule of General Fixed Assets by Function and Activity

As of December 31, 2000

(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	709		194		515
Law	93				93
Personnel	238				238
Finance	420				420
Economic Development	45,302	45,255			47
Neighborhood Services	6,381	3,454	2,173	746	8
City Planning	29				29
Recreation	65,976	7,198	17,090	38,598	3,090
Parks	35,061	11,306	9,765	11,344	2,646
Buildings and Inspections	319				319
Public Safety	41,807	1,352	5,458	7,078	27,919
Transportation & Engineering	28,857	10,505	5,464	11,646	1,242
General Services	6,454	880		2,359	3,215
Public Services	23,503	331	2,632	1,229	19,311
Public Health	9,461	237	2,722	4,561	1,941
Pooled, Unassigned Equipment	138				138
Southern Railway Improvement	83,224			83,224	
General Government					
Land	57,296	57,296			
Buildings	93,186		93,186		
Improvements	45,354			45,354	
Total General Fixed Assets Allocated by Function	543,915	<u>\$ 137,814</u>	<u>\$ 138,684</u>	<u>\$ 206,139</u>	<u>\$ 61,278</u>
Construction in Progress	<u>450,479</u>				
Total General Fixed Assets	<u>\$ 994,394</u>				

**CITY OF CINCINNATI, OHIO**  
Schedule of Changes in General Fixed Assets  
By Function and Activity  
For the Year Ended December 31, 2000  
(Amounts in Thousands)

	General Fixed Assets 1/1/2000	Additions	Deletions	General Fixed Assets 12/31/2000
Mayor and Council	\$ 107	\$	\$	\$ 107
City Manager	1,016	52	359	709
Law	93			93
Personnel	229	9		238
Finance	492	168	240	420
Economic Development	44,829	473		45,302
Neighborhood Services	6,426	14	59	6,381
City Planning	41	6	18	29
Recreation	55,533	10,785	342	65,976
Parks	33,355	2,459	753	35,061
Buildings and Inspections	300	19		319
Public Safety	41,451	1,918	1,562	41,807
Transportation & Engineering	28,588	319	50	28,857
General Services	4,455	2,314	315	6,454
Public Services	23,271	2,275	2,043	23,503
Public Health	9,586	348	473	9,461
Pooled, Unassigned Equipment		138		138
Southern Railway Improvement	83,224			83,224
General Government				
Land	56,485	811		57,296
Buildings	92,945	756	515	93,186
Improvements	42,255	3,099		45,354
Construction in Progress	288,566	201,320	39,407	450,479
Total General Fixed Assets	<u>\$ 813,247</u>	<u>\$ 227,283</u>	<u>\$ 46,136</u>	<u>\$ 994,394</u>

## CITY OF CINCINNATI, OHIO

### Comparative Schedule of General Long-Term Obligations

December 31

(Amounts in Thousands)

	2000	1999
<u>Amounts Available and to be Provided for the Retirement of General Long-Term Obligations</u>		
Amount Available in Debt Service Funds	\$ 25,359	\$ 16,467
Amount to be Provided	316,310	289,854
Total Available and to be Provided	\$ 341,669	\$ 306,321
 <u>General Long-Term Obligations Payable</u>		
General Long-Term Debt:		
Tax-Supported	\$ 217,153	\$ 134,354
Self-Supported	52,866	39,669
Revenue	12,346	12,779
Total General Long-Term Debt	282,365	186,802
Estimated Liability for Compensated Absences	56,174	57,489
Estimated Liability for Unpaid Claims	3,056	3,419
Current Obligations under Capital Leases	26	39
Non-Current Obligations under Capital Leases	48	67
Police and Fire Prior Service Cost*	58,505	58,505
Total General Long-Term Obligations	\$ 341,669	\$ 306,321

\*Refunded with \$42,000,00 of tax-supported General Obligation debt on March 1, 2000. See Footnote 17.

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## **SCHEDULES**

**CITY OF CINCINNATI, OHIO**  
**Outstanding Bonds and Notes**  
December 31, 2000

Year	~General Obligation Bonds and Notes	#Municipal Income Tax Bonds and Notes	@Water Works Bonds	@Expressway Bonds	Revenue* Bonds	@Police & Fire Pension Bonds
1991	\$144,545,000	\$ 5,535,000	\$ 68,855,000	\$1,407,000	\$ 5,870,000	\$
1992	138,640,000	20,600,000	67,165,000	896,000	7,462,000	
1993	138,600,000	17,000,000	67,040,000	466,000	5,167,000	
1994	135,320,000	13,300,000	68,315,000	150,000	3,899,000	
1995	133,580,000	11,800,000	69,790,000	50,000	1,104,000	
1996	126,825,000	10,300,000	73,290,000	----	11,410,000	
1997	126,000,000	8,800,000	79,160,000	----	11,368,000	
1998	124,185,000	21,003,000	93,780,000	----	13,123,000	
1999	123,050,000	22,953,000	110,940,000	----	12,779,000	
2000	164,800,000	25,563,000	96,500,000	----	12,346,000	41,050,000

Year	++Urban Development Taxable Bonds	@University Dormitory and Improvement Bonds	@Recreational Facility Bonds & Notes	@Off-Street Parking Facilities Bonds	@Urban Renewal Bonds
1991	\$ ----	\$2,625,000	\$ 5,540,000	\$8,515,000	\$ 8,800,000
1992	----	2,275,000	6,455,000	7,780,000	12,055,000
1993	----	1,925,000	6,105,000	7,045,000	13,110,000
1994	----	1,575,000	8,245,000	6,310,000	12,520,000
1995	----	1,200,000	10,770,000	5,575,000	17,930,000
1996	----	800,000	9,880,000	4,840,000	14,840,000
1997	----	400,000	8,980,000	4,055,000	15,735,000
1998	7,200,000	----	8,065,000	3,270,000	11,620,000
1999	7,200,000	----	7,080,000	2,685,000	13,990,000
2000	7,000,000	----	14,975,000	2,100,000	16,450,000

Year	@Stormwater Bonds and Notes	@Urban Redevelopment Bonds	Gross Tax Supported Debt	Gross Revenue Supported Debt	Gross Total Debt
1991	\$ ----	\$ ----	\$144,545,000	\$107,147,000	\$251,692,000
1992	----	----	138,640,000	124,688,000	263,328,000
1993	----	----	138,600,000	117,858,000	256,458,000
1994	2,000,000	----	135,320,000	116,314,000	251,634,000
1995	2,000,000	3,250,000	133,580,000	123,469,000	257,049,000
1996	1,800,000	3,170,000	126,825,000	130,330,000	257,155,000
1997	6,600,000	3,085,000	126,000,000	138,183,000	264,183,000
1998	5,900,000	2,995,000	124,185,000	166,956,000	291,141,000
1999	7,000,000	2,895,000	123,050,000	187,522,000	310,572,000
2000	6,075,000	2,795,000	164,800,000	224,854,000	389,654,000

- ~ Supported by general tax levy or special assessment levy.
- # Supported by Municipal Income Tax, but have property tax support if necessary.
- @ Supported by current revenue, but have property tax support if necessary.
- \* Supported by current revenue, no tax support pledged.
- ++ Supported by current revenue, but have property tax support if necessary-taxable.

**CITY OF CINCINNATI, OHIO  
SCHEDULE OF ANNUAL DEBT SERVICE  
DECEMBER 31, 2000**

PROPERTY TAX-SUPPORTED

SELF-SUPPORTED

<u>Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>Year</u>
2000				\$164,800,000				\$186,945,000	2000
2001	\$23,155,000	\$8,481,636	\$31,636,636	141,645,000	\$30,480,000	\$9,823,375	\$40,303,375	156,465,000	2001
2002	20,385,000	7,352,106	27,737,106	121,260,000	21,005,000	8,142,625	29,147,625	135,460,000	2002
2003	17,585,000	6,362,681	23,947,681	103,675,000	19,935,000	7,062,215	26,997,215	115,525,000	2003
2004	14,620,000	5,505,261	20,125,261	89,055,000	17,360,000	6,030,949	23,390,949	98,165,000	2004
2005	12,160,000	4,777,871	16,937,871	76,895,000	14,330,000	5,161,879	19,491,879	83,835,000	2005
2006	11,160,000	4,178,334	15,338,334	65,735,000	12,065,000	4,448,728	16,513,728	71,770,000	2006
2007	9,840,000	3,630,296	13,470,296	55,895,000	9,930,000	3,864,083	13,794,083	61,840,000	2007
2008	8,120,000	3,136,379	11,256,379	47,775,000	6,170,000	3,392,185	9,562,185	55,670,000	2008
2009	6,770,000	2,710,811	9,480,811	41,005,000	3,240,000	3,102,780	6,342,780	52,430,000	2009
2010	4,480,000	2,344,481	6,824,481	36,525,000	3,310,000	2,947,545	6,257,545	49,120,000	2010
2011	4,480,000	2,091,731	6,571,731	32,045,000	3,390,000	2,784,186	6,174,186	45,730,000	2011
2012	4,480,000	1,838,981	6,318,981	27,565,000	3,360,000	2,618,181	5,978,181	42,370,000	2012
2013	4,480,000	1,586,231	6,066,231	23,085,000	3,435,000	2,454,474	5,889,474	38,935,000	2013
2014	4,480,000	1,329,131	5,809,131	18,605,000	3,330,000	2,285,149	5,615,149	35,605,000	2014
2015	4,500,000	1,067,681	5,567,681	14,105,000	1,620,000	2,118,084	3,738,084	33,985,000	2015
2016	3,370,000	805,181	4,175,181	10,735,000	1,415,000	2,025,390	3,440,390	32,570,000	2016
2017	3,370,000	602,006	3,972,006	7,365,000	1,500,000	1,940,903	3,440,903	31,070,000	2017
2018	2,370,000	395,869	2,765,869	4,995,000	1,590,000	1,851,183	3,441,183	29,480,000	2018
2019	2,370,000	268,481	2,638,481	2,625,000	1,680,000	1,755,283	3,435,283	27,800,000	2019
2020	2,625,000	141,094	2,766,094	0	1,145,000	1,663,438	2,808,438	26,655,000	2020
						1,215,000	2,810,883	25,440,000	2021
						1,285,000	2,808,590	24,155,000	2022
						1,360,000	2,807,133	22,795,000	2023
						1,445,000	2,811,213	21,350,000	2024
						1,530,000	2,810,235	19,820,000	2025
						1,620,000	2,809,200	18,200,000	2026
						1,715,000	2,807,000	16,485,000	2027
						1,820,000	2,809,100	14,665,000	2028
						1,930,000	2,809,900	12,735,000	2029
						2,045,000	2,809,100	10,690,000	2030
						2,170,000	2,811,400	8,520,000	2031
						2,300,000	2,811,200	6,220,000	2032
						2,435,000	2,808,200	3,785,000	2033
						2,580,000	2,807,100	1,205,000	2034
						1,205,000	1,277,300	0	2035

MUNICIPAL INCOME TAX-SUPPORTED

<u>Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>Year</u>
2000				\$25,563,000				\$389,654,000	2000
2001	\$3,280,000	\$1,398,951	\$4,678,951	22,283,000	2,045,000	764,100	2,809,100	10,690,000	2030
2002	9,683,000	1,242,851	10,925,851	12,600,000	2,170,000	641,400	2,811,400	8,520,000	2031
2003	2,380,000	713,675	3,093,675	10,220,000	2,300,000	511,200	2,811,200	6,220,000	2032
2004	5,780,000	605,750	6,385,750	4,440,000	2,435,000	373,200	2,808,200	3,785,000	2033
2005	280,000	232,350	512,350	4,160,000	2,580,000	227,100	2,807,100	1,205,000	2034
2006	280,000	218,000	498,000	3,880,000	1,205,000	72,300	1,277,300	0	2035
2007	280,000	203,650	483,650	3,600,000					
2008	280,000	189,300	469,300	3,320,000					
2009	280,000	173,900	453,900	3,040,000					
2010	280,000	158,500	438,500	2,760,000					
2011	280,000	144,500	424,500	2,480,000					
2012	280,000	130,500	410,500	2,200,000					
2013	280,000	116,500	396,500	1,920,000					
2014	280,000	102,150	382,150	1,640,000					
2015	280,000	87,450	367,450	1,360,000	\$57,442,000	\$20,662,410	78,104,410	332,212,000	2001
2016	280,000	72,750	352,750	1,080,000	51,640,000	17,656,702	69,296,702	280,572,000	2002
2017	280,000	58,050	338,050	800,000	40,517,000	15,011,465	55,528,465	240,055,000	2003
2018	280,000	43,000	323,000	520,000	38,428,000	12,964,759	51,392,759	201,627,000	2004
2019	280,000	27,950	307,950	240,000	27,488,000	10,940,554	38,428,554	174,139,000	2005
2020	240,000	12,900	252,900	0	24,275,000	9,554,998	33,829,998	149,864,000	2006
					20,887,000	8,348,190	29,235,190	128,977,000	2007
					15,480,000	7,304,267	22,784,267	113,497,000	2008
					11,258,000	6,504,371	17,762,371	102,239,000	2009
					8,949,000	5,891,610	14,840,610	93,290,000	2010
					8,890,000	5,395,726	14,285,726	84,400,000	2011
					8,920,000	4,903,147	13,823,147	75,480,000	2012
					9,060,000	4,407,699	13,467,699	66,420,000	2013
					9,025,000	3,896,430	12,921,430	57,395,000	2014
2001	\$527,000	\$958,448	\$1,485,448	11,819,000	7,410,000	3,377,015	10,787,015	49,985,000	2015
2002	567,000	919,120	1,486,120	11,252,000	5,600,000	2,924,721	8,524,721	44,385,000	2016
2003	617,000	872,894	1,489,894	10,635,000	5,150,000	2,600,959	7,750,959	39,235,000	2017
2004	668,000	822,799	1,490,799	9,967,000	4,240,000	2,290,052	6,530,052	34,995,000	2018
2005	718,000	768,454	1,486,454	9,249,000	4,330,000	2,051,714	6,381,714	30,665,000	2019
2006	770,000	709,936	1,479,936	8,479,000	4,010,000	1,817,432	5,827,432	26,655,000	2020
2007	837,000	650,161	1,487,161	7,642,000	1,215,000	1,595,883	2,810,883	25,440,000	2021
2008	910,000	586,403	1,496,403	6,732,000	1,285,000	1,523,590	2,808,590	24,155,000	2022
2009	968,000	516,880	1,484,880	5,764,000	1,360,000	1,447,133	2,807,133	22,795,000	2023
2010	879,000	441,084	1,320,084	4,885,000	1,445,000	1,366,213	2,811,213	21,350,000	2024
2011	740,000	375,309	1,115,309	4,145,000	1,530,000	1,280,235	2,810,235	19,820,000	2025
2012	800,000	315,485	1,115,485	3,345,000	1,620,000	1,189,200	2,809,200	18,200,000	2026
2013	865,000	250,494	1,115,494	2,480,000	1,715,000	1,092,000	2,807,000	16,485,000	2027
2014	935,000	180,000	1,115,000	1,545,000	1,820,000	989,100	2,809,100	14,665,000	2028
2015	1,010,000	103,800	1,113,800	535,000	1,930,000	879,900	2,809,900	12,735,000	2029
2016	535,000	21,400	556,400	0	2,045,000	764,100	2,809,100	10,690,000	2030
					2,170,000	641,400	2,811,400	8,520,000	2031
					2,300,000	511,200	2,811,200	6,220,000	2032
					2,435,000	373,200	2,808,200	3,785,000	2033
					2,580,000	227,100	2,807,100	1,205,000	2034
					1,205,000	72,300	1,277,300	0	2035

REVENUE

<u>Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>Maturing</u>	<u>Interest Cost</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End of Year</u>	<u>Year</u>
2000				\$12,346,000				\$389,654,000	2000
2001	\$527,000	\$958,448	\$1,485,448	11,819,000	7,410,000	3,377,015	10,787,015	49,985,000	2015
2002	567,000	919,120	1,486,120	11,252,000	5,600,000	2,924,721	8,524,721	44,385,000	2016
2003	617,000	872,894	1,489,894	10,635,000	5,150,000	2,600,959	7,750,959	39,235,000	2017
2004	668,000	822,799	1,490,799	9,967,000	4,240,000	2,290,052	6,530,052	34,995,000	2018
2005	718,000	768,454	1,486,454	9,249,000	4,330,000	2,051,714	6,381,714	30,665,000	2019
2006	770,000	709,936	1,479,936	8,479,000	4,010,000	1,817,4			

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
									Grantor Local
<b>1 U.S. Department of Agriculture</b>									
* 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	(242)	1,682		1,924		(119)
* Hamilton County WIC Program	391	10.557	31-2-001-1-CL-01	(373)	551		432		(250)
Total for CFDA No. 10.557					2,233		2,356		
Findlay Market Improvements	980	10.601	12-25-A-3532	(57)			19		(1)
Total for CFDA No 10.601				(57)			19		(1)
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>									
				(430)	2,233		2,375		(37)
<b>2 U.S. Department of Commerce</b>									
Findlay Market Phase III	980		06-01-04417			1,912	1	(1,471)	(440)
Total for CFDA No. _____						1,912	1	(1,471)	(440)
<b>TOTAL DEPARTMENT OF COMMERCE</b>									
						1,912	1	(1,471)	(440)
<b>3 U.S. Department of Health and Human Service</b>									
* Homeless Health Care Program	448	93.151	Contract #55X9035	(6)					(6)
* Homeless Health Care Program	448	93.151	Contract #65X9084	6					6
* Homeless Health Care Program	448	93.151	Contract #75X9005	(52)					(52)
* Homeless Health Care Program	448	93.151	Contract #75-9105	(4)					(4)
* Homeless Health Care Program	448	93.151	Contract #05-9044	(56)	254		254		(56)
Total for CFDA No. 93.151					254		254		
* 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	(28)					(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)					(6)
* Regional Lead Poisoning Prevention	380	93.197	31-2-01-P-BP-387	(107)	86		66		(20)
Total for CFDA No. 93.197					86		66		(127)
* Cincinnati Health Network	446	93.224	Contract #55X9034	(56)					(56)
* Cincinnati Health Network	446	93.224	Contract #65X9085	(13)					(13)
* Cincinnati Health Network	446	93.224	Contract #75-9104	(11)					(11)
* Cincinnati Health Network	446	93.224	Contract #05-9043	(80)	331		313		(18)
Total for CFDA No. 93.224					331		313		(98)



Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
									Local
* 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 Special	415	93.268	1240-HCT-PHS-SP-IAP	(96)					(96)
* Immunization Action Plan Special	415	93.268	31-02-01-P-A2-392	(7)	213		298		78
Total for CFDA No. 93.268				(156)	213		298		(71)
Avondale Career Program	433	93.561		(5)	(97)				108
Total for CFDA No. 93.561				(5)	(97)		16		108
* WIA 2001 Allocation	463	93.558		(383)	2,770		423		(2,347)
* Temporary Assistance to Families TANF	463	93.558	Contract # 95x8002		351				(734)
* WIA	464	93.558	Administration		250		124		(126)
* SFY 2001 WIA Adult	464	93.558	WIA Adult		100		142		42
* SFY 2001 WIA Youth	464	93.558	WIA Youth		100		63		(37)
* SFY 2001 WIA Dislocated	464	93.558	WIA Disc Wkr		50		42		(8)
* IT Allocation	464	93.558	C-99C0000		50		82		32
* WIA Planning	464	93.558	WIA Planning		319		58		(260)
* TANF	471	93.558	WIA TANF Allocation	(383)	555		934		(555)
Total for CFDA No. 93.558				(383)	4,545		934		(3,993)
* 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	1	10		9		(2)
Total for CFDA No. 93.917				(1)	10		9		(2)
* Federal AIDS Prevention	378	93.940	31-2-01-P-AS-392	212	787		332		(244)
* 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)					(1)
* State AIDS Community Based Care	378	93.940	137-AB	(137)			332		(138)
* STD Diagnosis and Treatment	378	93.940	31-2-01-F-DL-SE1	6	787				(451)
Total for CFDA No. 93.940				6	787		332		(451)
* 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	137-18	(30)	24		41		(13)
* STD Control Program	378	93.977	31-2-01-P-BX-392	(94)	24		41		(77)
Total for CFDA No. 93.977				(94)	24		41		(77)

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000	
									Grantor	Local
* 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	45					45	
STD/HIV Prevention Training Centers	379	93.978	R30/CCR500925-15	(2)	510		496		(2)	
STD/HIV Prevention Training Centers	379	93.978	R30/CCR516650-03		510		496		(13)	
Total for CFDA No. 93.978				47						34
* 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	12	145		126		12	
* Heart Health in Hamilton County	425	93.991	31-2-01-P-BP-387	(95)	145		126		(19)	
Total for CFDA No. 93.991				(924)	6,808		2,885		(4,847)	
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>										
4 U.S. Department of Housing & Urban Development										
Community Development Block Grant	304	14.218	B98-MC390003	(367)	1,198		1,564		(550)	
Community Development Block Grant	304	14.218	B99-MC390003	(367)	11,607	4,741	15,651	(147)	(550)	
Total for CFDA No. 14.218					12,805	4,741	17,215	(147)	(550)	
Emergency Shelter Grant	445	14.231	S-99-MC-39-0003		407		408			
Emergency Shelter Grant	445	14.231	S-00-MC-39-0003		248		248			
Total for CFDA No. 14.231					655		656			
HOME-Shelter Plus Care	410	14.238	OH16C93-1093	(11)	387		387	(11)		
HOME-Shelter Plus Care	410	14.238	OH16C95-0132		357		357			
HOME-Shelter Plus Care	410	14.238	OH16C96-0002	11	217		217	11		
HOME-Shelter Plus Care	410	14.238	OH16C97-0013		104		103			
HOME-Shelter Plus Care	410	14.238	OH16C800-0003		194		194			
Total for CFDA No. 14.238					1,259		1,258			
HOME	411	14.239	M-98-MC-39-0213	(169)	1,197		1,367			
HOME	411	14.239	M-99-MC-39-0213		54		54			
HOME	411	14.239	M-00-MC-39-0213		664	761	945		(480)	
Total for CFDA No. 14.239				(169)	1,915	761	2,366		(480)	
Housing Opportunities For People With Aids	465	14.241	OH16H99F001		390		390			
Housing Opportunities For People With Aids	465	14.241	OH16H00F001		54		54			
Total for CFDA No. 14.241					444		444			
Cincinnati Lead Abatement Program	381	14.900	OHLAG0022-94	(803)	1,080		1,162		(288)	(433)
Total for CFDA No. 14.900				(803)	1,080		1,162		(288)	(433)
Empowerment Zone	386	14.244	EZ99OH0009		175		175			
Total for CFDA No. 14.244					175		175			

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
				As of 1/1/00	Received	Revenue	Expenditures	(Repayments) or Adjustments	Grantor Local
Hope VI Implementation Grant	980	14.866			200		138	178	(131)
Total for CFDA No. 14.866					200		138	178	(131)
<b>TOTAL DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>				<b>(1,339)</b>	<b>18,533</b>	<b>5,502</b>	<b>23,414</b>	<b>31</b>	<b>(1,449)</b>
5 U.S. Department of the Interior Cincinnati Historic Properties	338	15.904	490297	(1)					(1)
Total for CFDA No. 15.904				(1)					(1)
* ODNR-Hooked on Fishing	324				10	3	10		(3)
Total for CFDA No. _____					10	3	10		(3)
<b>TOTAL DEPARTMENT OF THE INTERIOR</b>				<b>(1)</b>	<b>10</b>	<b>3</b>	<b>10</b>		<b>(4)</b>
6 U.S. Department of Justice									
Local Law Enforcement Block Grant	342	16.200	98-LB-VX-2740	(538)					(484)
Local Law Enforcement Block Grant	345	16.200	96-LB-VX-3472	(7)	(33)	2	65		81
Local Law Enforcement Block Grant	345	16.200	97-LB-VX-2740	(89)					(80)
Local Law Enforcement Block Grant	365	16.200	1999 LBVX 9040		701	27	107		(559)
Local Law Enforcement Block Grant	364	16.200	2000 LBBX 1630		452				(407)
Total for CFDA No. 16.200				(634)	1,120	29	172		(1,449)
Delinquency Collaboration	447	16.548	97-JV-T50-5013		22				(22)
Bloom Earn & Learn	447	16.548	99-JV-T50-5035		35				(35)
Title V-Juvenile Delinquency Prevention	447	16.548					13		13
Total for CFDA No. 16.548					57		13		(44)
Bushido	350	16.579	93-DG-B01-7362	2					2
Bulletproof Vest	368	16.579	99-00-0381		14		14		
Drug Abuse Resistance Education (D.A.R.E.)	368	16.579				85	85		
Law Enforcement Advocate (Byrne)	368	16.579	99-DG-D02-7356		32	15	46		(2)
Targeted Prevention (Byrne)	368	16.579	99-DG-B01-7355		39		39		1
Third Grade Safety Belt Program	368	16.579	H60208	(4)		8	11		(1)
Weed and Seed	368	16.579	1775			46	46		
One Stop Career Center	433	16.579	8800	(33)					(33)
One Stop Career Center	433	16.579	5700	(50)					(50)
Alcoholism Clinic	447	16.579	94-DG-F01-7374	18					18
Alcoholism Clinic	447	16.579	95-DG-F01-7374	(15)					(15)
Back on the Block	447	16.579	94-DG-B01-7367	(3)					(3)
Computer Cop	447	16.579	98-DG-B01-7352						
Computer Cop	447	16.579	99-DG-B01-7352		4				4
Delinquency Risk Reduction	447	16.579	98-DG-F02-7382	(17)					(17)
Family Violence Prevention	447	16.579	96-DG-B01-7379	(13)	17		34		14
Family Violence Project	447	16.579	96-DG-B01-7379	(9)	12		25		(9)
Family Violence Project	447	16.579	97-DG-B01-7379	14					14
Stay Center Life Skills	447	16.579	95-DG-F01-7381						
Stay Center Life Skills	447	16.579	98-DG-F01-7381	(17)			17		(17)
Victim Service Center	447	16.579	93-DG-D02-7358						
Youth Crime Prevention	447	16.579	98-DG-B01-7378	(12)			7		(5)

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
Youth Crime Prevention	447	16.579	97-DG-B01-7378	(18)	33		33		(18)
COPS More	452	16.579	95-CL-WX-0004	(157)	235	154	445		(101)
Total for CFDA No. 16.579									
* Violence Against Women	374	16.589	17WF-VAS-8586	(137)	(7)	3	133		
Total for CFDA No. 16.589				(137)	(7)	3	133		
School Community Oriented Police Efforts	368	16.710	97-JJ-CP1	(25)					(25)
School Community Oriented Police Efforts	368	16.710	1998JJCP10073	(25)		125	87		(38)
Total for CFDA No. 16.710				(25)		125	87		(63)
Troops to Cops	368	16.711	1999-TCWX-0174	(10)		3			(13)
Total for CFDA No. 16.711				(10)		3			(13)
<b>TOTAL DEPARTMENT OF JUSTICE</b>				<b>(963)</b>	<b>1,405</b>	<b>314</b>	<b>850</b>		<b>(1,670)</b>
7 U.S. Department of Labor					1,033		1,033		
Universal Hiring Program	346	17.207	97-JUL-WX-0034		1,033		1,033		
Total for CFDA No. 17.207					1,033		1,033		
* JTPA-Title II-A	431	17.250	0-99-08-00-01	(275)	329		619	(85)	100
JTPA-Title II-B	435	17.250	5-99-08-00-01	(41)	15		142	85	1
* JTPA-Title II-A	437	17.250	1-99-08-00-01	(16)	54		70		
* JTPA-Title III(EDWAAA)	438	17.250	B-99-08-00-01	27	239		111		(101)
* JTPA-Title III(EDWAAA)	438	17.250	A-99-08-00-01	(187)	318		662		157
* JTPA-Title III(EDWAAA)	438	17.250	N-7498-9-00-87-60	(145)	47		237		45
* JTPA-Title II-A	439	17.250	4-97-08-00-01		68		118		16
* JTPA-Title II-A	439	17.250	4-98-08-00-01	(34)					
* JTPA-Title II-C	443	17.250	Y-98-08-00-00	120	238		82		(36)
* JTPA-Title II-C	443	17.250	Y-99-08-00-00	(2)					(2)
* JTPA-Title II-A	444	17.250	3-97-08-00-00	(25)	20		9		(36)
* JTPA-Title II-A	444	17.250	3-98-08-00-00	(578)	1,328		2,050		144
Total for CFDA No. 17.250				(578)	2,361		3,083		144
<b>TOTAL DEPARTMENT OF LABOR</b>				<b>(578)</b>	<b>2,361</b>		<b>3,083</b>		<b>144</b>
8 U.S. Department of Transportation									
Lunken Airport Signal Upgrade	980-1801	20.106	3-39-0018-09	1					6
Lunken '97 FAA Grant Improvement	980-2115	20.106	3-39-0018-1195		289		1,435	(42)	834
Local Match Funds - FAA Projects	980-2267	20.106		1	289	445	1,435	(42)	840
Total for CFDA No. 20.106				1	289	445	1,435	(42)	840
Highway Planning and Construction	980-1953	20.205			489		720	110	231
Highway Planning and Construction	980-2295	20.205		(5,905)	23,096		29,001		
Highway Planning and Construction	980-2296	20.205		3,276	13,476		10,200		
Highway Planning and Construction	980-2298	20.205			8,997		8,997		
Highway Planning and Construction	980-2401	20.205			8,629		8,629		
Highway Planning and Construction	980-2161	20.205			82	511	437	723	83
Highway Planning and Construction	980-2162	20.205		(307)	223	210	740		27

Schedule of Expenditure of Federal Awards  
(Non-GAAP Budgetary Basis)  
For the year ended December 31, 2000  
(Amounts in Thousands)

Grantor/Program Title	Fund	CFDA #	Grant #	Grant and Contract Balance As of 1/1/00	Grant and Contract Revenue Received	Contributions and other Revenue	CFS Expenditures	Advances (Repayments) or Adjustments	Grant and Contract Balance December 31, 2000
Highway Planning and Construction	980-2504				15,691		15,691		
Highway Planning and Construction	980-2507				5,296		5,296		
Total for CFDA No. 20.205				(2,936)	75,979	721	79,711	833	341 (1,099)
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>				<b>(2,935)</b>	<b>76,268</b>	<b>1,166</b>	<b>81,146</b>	<b>791</b>	<b>1,181 (1,195)</b>
<i>9 Action</i>									
* Retired Senior Volunteer Program	324	72.002	440-3664-0	(88)	254	43	308		(77)
Total for CFDA No. 17.002				(88)	254	43	308		(77)
<b>TOTAL ACTION</b>				<b>(88)</b>	<b>254</b>	<b>43</b>	<b>308</b>		<b>(77)</b>
<i>10 Environmental Protection Agency</i>									
Brownfield Pilot Project	453	66.600	V985361-01-0	(2)	13		15		
Total for CFDA No. 66.600				(2)	13		15		
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>				<b>(2)</b>	<b>13</b>		<b>15</b>		
<i>11 Federal Emergency Management Agency</i>									
Emergency Response Outreach	343	83.010	X985730-01-0	(14)					(11) (3)
Total for CFDA No. 83.010				(14)					(11) (3)
FEMA Flood Control Grant	461	83.544	1164-DR-61-15000	(95)					(95)
FEMA Flood Control Grant	467	83.544	FEMA-DR-1164-OH	(380)	589	1	595		(375)
FEMA Flood Control Grant	637	83.548	1122-DR-61-15000	(49)					(49)
Total for CFDA No. 83.516				(524)	589	1	595		(519)
<b>TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY</b>				<b>(538)</b>	<b>589</b>	<b>1</b>	<b>595</b>		<b>(530) (3)</b>
<b>TOTAL FEDERAL GRANTS &amp; SUBSIDIES (Non-GAAP Basis)</b>				<b>(7,798)</b>	<b>108,474</b>	<b>8,941</b>	<b>114,682</b>	<b>(649)</b>	<b>(7,503) (2,379)</b>
Less Amount Recognized as Contributed Capital					(76,467)				
Less Accrual of Federal Grant & Subsidies at 12/31/99					(1,441)				
Plus Accrual of Federal Grant & Subsidies at 12/31/00					1,156				
Plus Deferral of Federal Grant & Subsidies at 12/31/99					406				
Less Deferral of Federal Grant & Subsidies at 12/31/00					(378)				
Amount Recognized as Federal Grants & Subsidies (GAAP Basis)					<u>31,750</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, 2000 totaled \$57,482,000

**CITY OF CINCINNATI, OHIO**  
**INFRASTRUCTURE INCOME TAX**

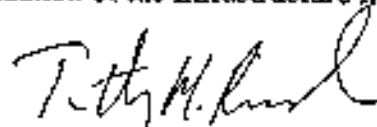
In accordance with the provisions of Chapter 311 of the Cincinnati Municipal Code, an additional earnings tax of .1% shall be levied for costs related to constructing, equipping, maintaining and repair of the City's infrastructure. Such tax shall remain in effect as long as the City appropriates at least 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 2000 and 1999.

**(AMOUNTS IN THOUSANDS)**

	<u>2000</u>	<u>1999</u>
Required Base Amount	\$56,760	\$56,607
Actual Appropriated Amount	\$86,531	\$79,232
Infrastructure Expenditures - As of December 31, 2000	\$51,859	\$59,933
Percentage of Expenditures to Base Amount	91.3654%	105.8756%

I hereby certify that the City of Cincinnati appropriated for 2000 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 2000 for the 1999 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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2000

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statistical SECTION

**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>Health</u>	<u>Benefits</u>	<u>Total</u>
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
2000	61,393	19,201	120,568	22,607	22,300	47,634	293,703

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>
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
2000	213,982	5,688	17,584	48,614	12,736	3,783	302,387



**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>
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
2000	59,878,090	56,587,823	94.51	2,281,771	58,869,594	98.32

**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>
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
2000	4,363,343,290	400,519,090	674,101,770	5,437,964,150

The current assessed valuation for 2000 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>
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
1995	10,116,241,171	2000	12,466,695,114

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

<u>Year</u>	<u>Year</u>	<u>City</u> <u>Levy</u>	<u>School</u> <u>Levy</u>	<u>County</u> <u>Levy</u>	<u>Total</u> <u>Levy</u>	<u>Effective</u> <u>Millage</u>	<u>Debt Service</u> <u>Included in</u>	
							<u>City Levy</u>	<u>Total Levy</u>
1990	for 1991	\$11.46	\$40.44	\$16.88	\$68.78	57.50	\$5.36	\$6.32
1991	“ 1992	11.46	50.04	17.50	79.00	63.27	5.36	6.18
1992	“ 1993	11.46	49.94	18.56	79.96	64.20	5.36	6.14
1993	“ 1994	11.46	48.75	18.33	78.54	59.07	5.36	6.03
1994	“ 1995	11.46	48.58	18.30	78.34	59.99	5.36	5.91
1995	“ 1996	11.46	53.52	18.30	83.28	65.33	5.36	5.88
1996	“ 1997	11.46	53.19	19.44	84.09	66.56	5.36	5.81
1997	“ 1998	11.46	53.13	19.01	83.60	66.38	5.36	5.71
1998	“ 1999	11.46	53.13	19.54	84.13	67.08	5.36	5.71
1999	“ 2000	10.90	51.94	20.83	83.67	63.10	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, 2000

	<u>Assessed</u> <u>Valuation</u> <u>(a)</u>	<u>Net General</u> <u>Tax Supported</u> <u>Debt</u>	<u>Percent</u> <u>Overlapping</u>	<u>Net Tax</u> <u>Supported</u> <u>Overall Debt</u>
<u>Direct:</u>				
City of Cincinnati	\$5,437,964,150	\$152,076,405	100%	\$152,076,405
<u>Overlapping:</u>				
Board of Education - Cincinnati City School District	6,120,062,620	81,635,000 (a)	89%	72,655,150
Hamilton County	17,314,249,360	<u>173,083,742</u> (b)	31%	<u>53,655,960</u>
Subtotal		<u>254,718,742</u>		<u>126,311,110</u>
Total		<u>\$406,795,147</u>		<u>\$278,387,515</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)

<u>Year</u>	<u>Billings</u>	<u>Collections</u>	<u>Year</u>	<u>Billings</u>	<u>Collections</u>
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
1995	1,918	2,344	2000	1,529	2,058

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>
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
2000	152,076,405	5,437,964,150	331,290	2.80	459

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

Note 2 - The 1991 - 2000 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>
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
2000	68,032	293,703	23.16

**CITY OF CINCINNATI, OHIO**  
**Legal Debt Margin**  
December 31

	<u>2000</u>	<u>1999</u>
Overall Debt Limitation - 10-1/2% of Assessed Valuation	\$570,986,236	\$505,424,487
Gross Indebtedness	\$389,654,000	
Less Debt Outside Limitations:		
Self-Supporting Debt	224,854,000	
Urban Redevelopment Bonds	<u>265,000</u>	
	<u>225,119,000</u>	
Net Debt Within 10-1/2% Limitation	<u>164,535,000</u>	<u>122,640,000</u>
Legal Debt Margin Within 10-1/2% Limitation	<u>\$406,451,236</u>	<u>\$382,784,487</u>

	<u>2000</u>	<u>1999</u>
Unvoted Debt Limitation - 5-1/2% of Assessed Valuation	\$299,088,028	\$264,746,160
Gross Indebtedness Authorized by Council	\$389,389,000	
Less Debt Outside Limitations:		
Municipal Income Tax Supported Bonds and Notes	25,563,000	
Off-Street Parking Facilities Bonds	2,100,000	
Police and Fire Pension Bonds	41,050,000	
Recreational Facilities Bonds and Notes	14,975,000	
Revenue Bonds	12,346,000	
Stormwater Management Bonds	6,075,000	
Urban Development Bonds	7,000,000	
Urban Redevelopment Bonds	2,795,000	
Urban Renewal Bonds	16,450,000	
Water Works Bonds	<u>96,500,000</u>	
	<u>224,854,000</u>	
Net Debt Within 5-1/2% Limitation	<u>164,535,000</u>	<u>122,640,000</u>
Legal Debt Margin Within 5-1/2% Limitation	<u>\$134,553,028</u>	<u>\$142,106,160</u>

TEN LARGEST AD VALOREM TAXPAYERS IN  
CITY OF CINCINNATI 2000

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	\$ 296,474,370	5.45%
The Procter & Gamble Co.	Consumer Goods Manufacturing	112,404,790	2.07
Cincinnati Bell Telephone, Inc.	Public Utility	76,617,190	1.41
Emery Realty	Real Estate Holdings	30,975,000	.57
Prudential Insurance	Real Estate Holdings	28,000,000	.51
Columbia Development	Real Estate Holdings	27,720,000	.51
Ohio Teachers Retirement System	Real Estate Holdings	26,775,000	.49
Kroger Company	Consumer Goods Retail	24,941,570	.46
Fifth Third Center	Real Estate Holdings	21,350,000	.39
Fath Properties Limited	Real Estate Holdings	18,803,980	.35
All Others		<u>4,773,902,250</u>	<u>87.79</u>
Total Taxable Valuation		<u>\$5,437,964,150(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 1999 for 2000 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
Hamilton County	County Government	6,000

Source: Greater Cincinnati Chamber of Commerce  
internet site April, 2001.

**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>
1996	4.3%
1997	3.8
1998	3.4
1999	3.3
2000	3.5

Source: Department of Job & Family Services, Bureau of Labor Market Information, State of Ohio

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

<b>Year</b>	<b><u>New Residential Construction(1)</u></b>		<b><u>New Non-Residential Construction(1)</u></b>		<b><u>Total Construction(1)</u></b>	
	<b><u>Number of Permits</u></b>	<b><u>Estimated Cost (in thousands)</u></b>	<b><u>Number of Permits</u></b>	<b><u>Estimated Cost (in thousands)</u></b>	<b><u>Number of Permits</u></b>	<b><u>Estimated Cost (in thousands)</u></b>
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
2000	169	30,170	567	250,681	10,483	540,208

<b>Year</b>	<b><u>Property Value (3)</u></b>		
	<b><u>Bank Deposits (2) (in thousands)</u></b>	<b><u>Residential (in thousands)</u></b>	<b><u>Non-Residential (in thousands)</u></b>
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
2000	84,005,830	7,165,094	5,301,602

Source: (1) The City's Department of Buildings and Inspections records.  
 (2) Greater Cincinnati Chamber of Commerce for the Hamilton County Area (1991-1998).  
 Federal Reserve Bank (1999 – 2000)  
 (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	\$59,470
Councilmember, other than Mayor	\$55,970
City Manager	\$157,100
Commissioner of Health	\$95,760 - \$129,280
Deputy City Manager	\$95,760 - \$129,280
City Solicitor	\$95,760 - \$129,280
Various Department Directors	\$81,960 - \$110,650

**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 (xx). 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>2000</u>	<u>1990</u>	<u>1980</u>	<u>1970</u>	<u>1960</u>
<b><u>Population</u></b>	331,285	364,040	385,457	452,524	502,550
<b><u>Age Distribution</u></b>					
0 - 4	n/a	30,595	28,781	38,520	56,316
5 - 19	n/a	73,156	82,125	119,261	118,827
20 - 64	n/a	209,563	218,839	235,884	268,796
65 - 99	n/a	50,726	55,712	58,859	58,611
<b><u>Race</u></b>					
White	175,492	220,285	251,144	325,394	392,865
Black	142,176	138,132	130,467	125,070	108,757
Other	13,617	5,623	3,846	2,060	928
<b><u>Employment</u></b>					
Labor Force	n/a	158,881	159,396	183,877	201,729
Male	n/a	79,866	85,303	105,618	127,816
Female	n/a	79,015	74,093	78,259	73,913
<b><u>Class of Worker</u></b>					
Private	n/a	126,181	122,095	139,737	156,827
Government	n/a	24,591	30,738	27,072	20,495
Self Employed	n/a	7,673	6,323	8,091	11,498
<b><u>Housing Units</u></b>					
Total Units	n/a	169,088	172,571	172,551	171,679
Units Occupied	n/a	154,342	157,677	159,838	161,827
Owner Occupied	n/a	59,172	60,673	61,504	65,355
Renter Occupied	n/a	95,170	97,004	98,334	96,472
<b><u>Persons Per Unit (Median)</u></b>					
All Units	n/a	1.9	1.9	2.2	2.4
Owner Occupied	n/a	2.3	2.4	2.7	2.9
Renter Occupied	n/a	1.6	1.6	1.9	2.3
<b><u>Education (In School)</u></b>					
Elementary	*27,280	*36,321	46,909	64,681	69,996
High School	*15,020	*20,000	21,049	26,575	22,145
College	33,300	33,105	29,397	22,494	10,650
<b><u>Income of Families</u></b>					
Median	n/a	\$ 26,774	\$ 16,800	\$ 8,894	\$ 5,701

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.

<b>Population</b>	<b>Census <u>2000</u></b>	<b>Census <u>1990</u></b>	<b>Census <u>1980</u></b>	<b>Census <u>1970</u></b>	<b>Census <u>1960</u></b>
Cincinnati - City .....	331,285	364,040	385,457	453,514	502,550
Hamilton County .....	845,303	866,228	873,224	925,944	864,121
Metropolitan Area .....	1,979,202	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.

**2000 City Data**

Miles of Street.....	2,820
Miles of Sewer Mains .....	2,900
Miles of Water Mains .....	2,800
Number of Water Customers .....	900,000
Number of Water Customer Accounts .....	225,000
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 .....	\$389,654,000
Gross Debt per Capita (331,285 population)	\$1,176.19

**Number of Municipal Employees, including three/quarter time**

Police	1,017	Service Maintenance	921
Fire	747	Technicians	434
Security	11	Professionals	1,269
Clerical	554	Para-Professionals	332
Skilled Crafts	308	Administrators	278





• PHOTOS COURTESY OF ARTWORKS  
• PICLETZANDER CALDER PHOTO  
COURTESY OF GCCVB, MARGARET  
PLOWDREY, PHOTOGRAPHER







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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Columbus, Ohio 43216-1140  
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800-282-0370  
Facsimile 614-466-4490

**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.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 28, 2001**