

**OHIO-KENTUCKY-INDIANA
REGIONAL COUNCIL OF GOVERNMENTS**

**Financial Statements
and
Supplementary Information**

for the years ended June 30, 2007 and 2006



Mary Taylor, CPA
Auditor of State

Executive Committee
Ohio-Kentucky-Indiana Regional Council of Governments
720 E. Pete Rose Way, Suite 420
Cincinnati, OH 45202

We have reviewed the *Independent Auditor's Report* of the Ohio-Kentucky-Indiana Regional Council of Governments, Hamilton County, prepared by Foxx & Company, for the audit period July 1, 2006 through June 30, 2007. 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 Ohio-Kentucky-Indiana Regional Council of Governments is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

July 31, 2008

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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ACRONYMS

CMAQ	Congestion Mitigation and Air Quality
FHWA	Federal Highway Administration
KYTC	Kentucky Transportation Cabinet
MIS	Major Investment Study
ODOT	Ohio Department of Transportation
OEPA	Ohio Environmental Protection Agency
OKI	Ohio-Kentucky-Indiana Regional Council of Governments
SNK	Surface Transportation Planning (Northern Kentucky)
STP	Surface Transportation Planning (Ohio)
UPWP	Unified Planning Work Program
TCSP	Transportation Community System Preservation
INDOT	Indiana Department of Transportation



Executive Committee
Ohio-Kentucky-Indiana Regional
Council of Governments
Cincinnati, Ohio

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheet of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of June 30, 2007 and 2006, and the related statement of revenues, expenditures and changes in net assets, and of cash flows for the years then ended. These financial statements are the responsibility of OKI's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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, the financial statements referred to above present fairly, in all material respects, the financial position of OKI as of June 30, 2007 and 2006, and the changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2007 on our consideration of OKI'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.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedules 1 - 3 and statements of cumulative revenues and expenditures for completed programs and programs in progress are presented for purposes of additional analysis and are not a required part of the financial statements of OKI. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements of OKI. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Management's Discussion and Analysis on pages 3 through 10 is not a required part of the financial statements but is supplemental information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Fox & Company". The signature is written in black ink and is positioned in the lower-left quadrant of the page.

Cincinnati, Ohio
October 29, 2007

Ohio-Kentucky-Indiana
Regional Council of Governments

MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2007

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) offers this narrative overview and analysis of OKI's financial performance during the fiscal year ending June 30, 2007. Please read it in conjunction with OKI's financial statements, which follow this section.

OKI OVERVIEW

OKI is a council of local governments, business organizations and community groups committed to developing collaborative strategies that will improve the quality of life and the economic vitality of the region.

Formed in 1964, OKI has spent 43 years cultivating partnerships and alliances that range from the federal government to local councils. Its 117 members represent governmental, social and civic groups from 198 communities in the eight-county, three-state region.

Together OKI works to solve interstate dilemmas, create far-reaching development plans, break through political bureaucracy, provide services to the public and advocate for federal funding.

OKI has final authority over all federal dollars spent on transportation in the region. This past year, OKI approved more than \$35 million in funding for projects in this region.

OKI PROGRAMS AND ACTIVITIES

While OKI's primary mission has been transportation, OKI is not confined to just highways and pavement.

- OKI has been actively helping communities develop *Land Use and Greenspace strategies*. An emerging toolbox, including sample ordinances, a fiscal impact model and urban forest software, will aid local decisions that maintain the region's vitality for future generations.
- OKI continues to work on water quality issues with a number of groups including the *Mill Creek Watershed Council of Communities*. The Mill Creek is a vital but much abused waterway in the very center of the OKI community.

- Also, OKI's work with the *Regional Ozone Coalition*, has received statewide recognition in leading the fight for cleaner air. OKI is the recipient of two Ohio governor's awards for outstanding achievement in pollution prevention.

Along with its work on clean air, water and land use, OKI continues its efforts toward improving the region's transportation systems.

- ***Homeland Defense:*** OKI is working with emergency responders and others to assess regional capabilities in the case of disaster.
- ***Brent Spence Bridge Cooperative:*** OKI is working closely with the business community, the Kentucky Transportation Cabinet and Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.
- ***RideShare:*** For more than 25 years, OKI's RideShare program has offered Tri-State commuters alternatives to driving alone to and from work. RideShare helps commuters save money and time and reduces stress by forming carpools and vanpools.
- ***The Dixie Fix: Envisioning the Future of Dixie Highway:*** Dixie Highway has been called the most heavily traveled and congested arterial in Kenton County. In partnership with the Northern Kentucky Area Planning Commission, *The Dixie Fix* identified transportation planning and design solutions.
- ***Southeastern Indiana Transportation Gateway: U.S. 50 Corridor Transportation and Land Use Plan:*** This study will create a new vision for the U.S. 50 corridor in Dearborn County, improving mobility and safety for residents, commuters and freight and establishing a development plan that improves the economic potential of the region. Access management is a key recommendation of the study.
- ***I-471 Corridor Study:*** This study will develop, evaluate, and prioritize transportation improvements by addressing mobility, connectivity, accessibility, safety, congestion management and air quality from the north by the Ohio River and the south by Northern Kentucky University and the Technology Commercialization Triangle.
- ***Geographic Information System (GIS):*** OKI has partnered with local, state, and federal agencies to develop a regional GIS which serves as a support tool for transportation and environmental planners.
- ***The Uptown Transportation Study:*** This critical study investigated improvements to, from and within the Uptown area which is home to 60,000 employees and 70,000 residents. The recommendations of the study include more than \$190 million in improvements to this thriving area.
- ***The Western Corridor Transportation Study:*** OKI initiated a major investment study of the western portion of Hamilton County. The study focused on improving mobility and safety for residents, commuters, visitors, and freight. The study produced a list of 100 conceptual

recommendations ranging from roadway and intersection to bicycle, transit, and pedestrian improvements. From these, six Regional Corridor Project Priorities were identified.

By focusing the collective strength of organizations from the region, OKI has accomplished more in terms of growth, development and quality of life improvements than any other entity in the Tri-State. The impact is seen and felt in nearly every major project being undertaken in the region. These projects continue to support OKI's mission of promoting regional cooperation and growth.

FINANCIAL HIGHLIGHTS

OKI adopted the provisions of GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* as of July 1, 2003. Statement 34 established standards for external financial reporting for all state and local governmental entities which includes a balance sheet, statement of revenues, expenses, and changes in fund net assets and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt, restricted, and unrestricted.

During fiscal year 2007, OKI replaced an aging color copier with a new color copier that had networking and project costing capabilities at a capital cost of \$27,078. OKI removed \$62,015 of computer equipment from its books. This equipment was five to nine years old and was no longer compatible with the technology used in current operations. The equipment was either disposed of or donated to local schools.

In anticipation of toll revenue credits no longer being available for use as match for Ohio Surface Transportation Program funds in FY09, OKI began executing partnership agreements with advertising outlets to provide value added services as match for the Ozone and RideShare programs. During FY07 the value of these services was used as match for the Kentucky share of these programs. OKI plans to further develop these partnerships in anticipation of the additional match that will be needed in FY09. During FY07 the RideShare program received \$26,580 in contributed services and the Ozone program received \$76,065 in contributed services.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report includes management's discussion and analysis report, the independent auditor's report and the basic financial statements of OKI. The financial statements also include notes and individual project reports that explain in more detail some of the information in the financial statements.

REQUIRED FINANCIAL STATEMENTS

The financial statements report information of OKI and its component activities using accounting methods similar to those used by private sector companies and offer short- and long-term financial information about the current fiscal year 2007 activities. The Statement of Net Assets includes all assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for evaluating the capital structure of OKI and assessing liquidity and financial flexibility.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Change in Net Assets. This statement measures the success of operations over the past year and can be used to determine whether OKI has successfully recovered all the costs through member contribution, federal, state of Ohio and state of Kentucky and local reimbursements, and other revenues.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash disbursements, and net changes in cash resulting from operations, investing, and financial activities and provides answers to such questions as where did the cash come from, what was cash used for, and what was the net change in the cash balance during the reporting period.

FINANCIAL ANALYSIS OF OKI

One of the most important questions asked is: "Is OKI as a whole better off or worse off as result of this year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about OKI's activities in a way that will help answer this question. These two statements report the net assets of OKI, the changes in them, and measure the financial health or financial position of OKI. Increases or decreases in OKI's net assets are one indicator of whether its financial position is improving or deteriorating. However, in addition to the results of operating activities, one needs to consider other non-financial factors such as prevailing economic conditions, growth or decline in population, and new or changed legislation as contributing to the net change in assets.

NET ASSETS

Table A-1
Condensed Statement of Net Assets (\$ in Thousands)

	<u>Current Year</u>	<u>Last Year</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Current assets	\$ 1,586	\$ 1,857	\$ (271)	\$ (14.6)
Capital assets, net	<u>105</u>	<u>115</u>	<u>(10)</u>	<u>(8.7)</u>
Total assets	<u>\$ 1,691</u>	<u>\$ 1,972</u>	<u>\$ (281)</u>	<u>\$ (23.3)</u>
Current liabilities	678	1,042	(364)	(34.9)
Noncurrent liabilities	<u>108</u>	<u>103</u>	<u>5</u>	<u>4.9</u>
Total liabilities	<u>786</u>	<u>1,145</u>	<u>(359)</u>	<u>(30.1)</u>
Invested in capital assets, net of debt	105	115	(10)	(8.7)
Unrestricted	<u>800</u>	<u>712</u>	<u>88</u>	<u>12.4</u>
Total net assets	<u>\$ 905</u>	<u>\$ 827</u>	<u>\$ 78</u>	<u>\$ 3.7</u>

Current assets decreased by \$271k or 14.6% over last year due to higher receivables associated with the year-end finalization of fringe and indirect rates and a decrease in cash and investments due to the quicker payment of payables and spending deferred revenues associated with the Uptown study.

Capital assets decreased by \$10k or 8.7% due to the disposition of obsolete computer equipment.

Current liabilities decreased by \$364k or 34.9% due to decrease in level of open payables associated with expedited payments and decrease in deferred revenues associated with the completion of the Uptown study.

Noncurrent liabilities increased by \$5k or 4.9% due to salary increases and a general slowing in vacation usage resulting in higher unused balances at the end of the fiscal year, increasing the long-term compensated leave liabilities.

Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints or legal requirements – increased by \$88k or 12.4% due to effective management of 100% local projects (General & Administrative and Regional Planning) combined with timing of current transportation projects.

BUDGET VS ACTUAL

Table A-2
Condensed Statement of Budget Verses Actual (\$ In Thousands)
For the year ended June 30, 2007

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating revenues			
Federal and State Funded Grants	\$ 4,545	\$ 5,355	\$ (810)
Local Government Contracts	1,204	1,068	136
Other Revenues	43	14	29
Contributed Outside Services Revenue	<u>187</u>	<u>322</u>	<u>(135)</u>
Total operating revenues	<u>5,979</u>	<u>6,759</u>	<u>780</u>
Operating expenses			
Salaries and wages	2,080	2,243	(163)
Fringe benefits	666	796	(130)
Travel, subsistence and professional development	100	137	(37)
Printing, marketing, and contractual	2,123	2,407	(284)
Other expenses	770	842	(72)
Contributed Outside Services	<u>162</u>	<u>322</u>	<u>(160)</u>
Total operating expenses	<u>5,901</u>	<u>6,747</u>	<u>(846)</u>
Operating income	78	12	66
Non-operating loss disposal of assets	<u>-</u>	<u>-</u>	<u>-</u>
Increase in net assets	<u>78</u>	<u>12</u>	<u>66</u>
Change in net assets			
Net assets, July 1 as previously reported	\$ 827	\$ 827	\$ -
Prior years' adjustment	-	-	-
Changes due to FY 2007 Operations	<u>78</u>	<u>12</u>	<u>66</u>
Net assets, end of year	<u>\$ 905</u>	<u>\$ 839</u>	<u>\$ 66</u>

Revenues were lower than budget due to timing and change in activities of several projects. The 319 Mill Creek project encountered difficulties obtaining easements which slowed the project. These revenues have shifted to FY08. The Ozone program changed focus from new campaign materials to modified materials, shifting activities into FY08.

Expenses were lower than budget due to staffing, health insurance savings, and timing of projects. During FY07 OKI had four budgeted positions open. Two of them open for almost the entire year. Lower staffing combined with the introduction of a High Deductible Health Plan and Health Savings Accounts resulted in more than \$100,000 savings on health insurance costs.

Travel and professional development expenses were below budget due to staffing and efforts to participate in only the most value added development events. The difficulties encountered by the 319 Mill Creek project shifted professional services and contributed services expenses from FY07 into FY08. The Ozone program was originally budgeted to create a new ad campaign. At the recommendation of the Federal Highway Administration, OKI modified another agency's ad and saved money. The savings and timing shifted marketing expenses into the next fiscal year. Other expenditures were less than budget due to savings on long distance, Internet access, postage, and anticipated meeting expense.

In FY07, OKI was able to exercise operational controls and was under budget in the areas of Regional Planning and General and Administrative activities for an increase to net assets of \$44,000. Project timing contributed an additional increase to net assets of \$34,000 – this amount will be used during FY08 to match projects.

CAPITAL ASSETS

Capital assets declined during FY07. This was due to the disposition of obsolete computer equipment. OKI purchased a new color copier to replace an aging color copier and to provide the benefits of updated technology.

LONG-TERM DEBT

The council continues to maintain an \$850,000 bank line of credit if needed. The line of credit was not used during FY07. At the end of FY07 OKI has a balance of \$5,533 on the capital lease agreement with Pitney Bowes for Postage Equipment. The lease is for five years with 20 quarterly payments of \$585 with 15 payments remaining. The payment includes maintenance and postage meter rental at \$188.15 per quarter as well as the equipment lease at \$396.85 per quarter at 3.715%.

ECONOMIC CONDITIONS

OKI considered many factors when setting the fiscal year 2007 budget, including funding from federal and state agencies, the eight counties supporting the council and program demands from the member agencies.

OKI continues to rely on federal and state grants, local program grants, corridor studies, and other local projects to fund its many programs. At present, federal and state funding sources are secure; however, legislative action can affect both revenue streams. The eight counties that comprise the region are contributing funding for the council's administrative costs based on each county's population at a per capita rate of \$0.33.

- The region's population has remained steady in recent years, but there are many developments occurring throughout the counties. Additionally, the region is directly impacted by the Ohio River and the need for transportation services to link the region's

counties and the nation. The focal point of that linkage is the *Brent Spence Bridge Cooperative*; OKI is working closely with the business community, the Kentucky Transportation Cabinet, and the Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.

The federal SAFETEA-LU legislation passed in August 2005. This legislation reauthorizes the funding levels for Metropolitan Planning Organization's and other transportation related organizations at a slightly higher rate than previous bills. However, looking at the anticipated project trends, it is prudent for OKI to develop its operating plan based on level funding.

CONTACTING OKI

This financial report is designed to provide federal and state oversight agencies, taxpayers, and creditors with a general overview of OKI's finances and to demonstrate OKI's accountability for the money it receives. Additional financial information can be obtained by contacting the Director of Finance, Ohio-Kentucky-Indiana Regional Council of Governments, 720 E. Pete Rose Way, Suite 420, Cincinnati, OH 45202.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF NET ASSETS
June 30, 2007 and 2006

	2007	2006
ASSETS		
Current assets		
Cash and cash equivalents (Note 2)	\$ 547,065	\$ 1,002,389
Accounts receivable (Note 3)	1,023,888	841,757
Prepaid Expenses	15,429	13,296
Total current assets	1,586,382	1,857,442
 Noncurrent assets:		
Capital assets, net (Note 4)	104,596	114,797
Total noncurrent assets	104,596	114,797
Total assets	1,690,978	1,972,239
 LIABILITIES		
Current liabilities		
Accounts payable	247,245	538,703
Accrued expenses	253,614	212,892
Deferred revenue	177,312	290,826
Total current liabilities	678,171	1,042,421
 Noncurrent liabilities		
Compensated absences	108,225	102,987
Total noncurrent liabilities	108,225	102,987
Total liabilities	786,396	1,145,408
 NET ASSETS		
Invested in capital assets	104,596	114,797
Unrestricted	799,986	712,035
Total net assets	\$ 904,582	\$ 826,832

The accompanying notes are an integral part of these financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET ASSETS
for the years ended June 30, 2007 and 2006

	2007	2006
Operating revenues		
Federal and state grants	\$ 4,545,031	\$ 4,025,885
Local grants	750,508	1,078,550
Local matching funds	683,864	777,882
Total operating revenue	5,979,403	5,882,317
 Operating expenses		
Direct expenses		
Personnel	1,275,226	1,308,157
Fringe benefits	667,877	682,541
Travel, subsistence and professional	67,572	57,351
Printing, marketing and contractual services	2,076,176	2,120,456
Other direct expenses	258,173	218,442
Indirect costs	1,556,629	1,419,346
Total operating expenses	5,901,653	5,806,293
Increase in net assets	77,750	76,024
Net assets, beginning of year	826,832	750,808
Net assets, end of year	\$ 904,582	\$ 826,832

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

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CASH FLOWS
for the years ended June 30, 2007 and 2006

	2007	2006
Cash flow from operating activities		
Receipts from Federal and state grants	\$ 4,313,885	\$ 4,531,187
Receipts from local grants and matching funds	1,371,414	1,307,425
Payments to employees	(1,271,884)	(1,313,096)
Payments to consultants	(1,520,098)	(1,628,278)
Payment to vendors	(1,796,482)	(1,676,922)
Payment for indirect services	(1,525,081)	(1,409,335)
Net cash provided by operating activities	\$ (428,246)	\$ (189,019)
 Cash Flow from Capital Financing Activities		
Purchase of fixed assets	(27,078)	(31,011)
Sales proceeds from disposal of fixed assets	-	-
Net cash used by capital financing activities	(27,078)	(31,011)
 Net increase (decrease) in cash	(455,324)	(220,030)
 Cash and cash equivalents, beginning of year	1,002,389	1,222,419
 Cash and cash equivalents, end of year	\$ 547,065	\$ 1,002,389
 Reconciliation of operating income to net cash provided by operating activities:		
Operating Income	77,750	76,024
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	37,279	33,205
Changes in assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	(182,132)	389,529
Prepaid expenses	(2,134)	(2,722)
Increase (Decrease) in:		
Accounts payable	(291,458)	(247,558)
Accrued expenses	40,724	(26,315)
Deferred revenue	(113,513)	(433,737)
Compensated absences	5,238	22,555
Net cash provided by operating activities	\$ (428,246)	\$ (189,019)

The accompanying notes are an integral part of these financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
for the years ended June 30, 2007 and 2006

1. Description of Reporting Entity and Summary of Significant Accounting Policies

Organization

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), organized under Chapter 167 of the Ohio Revised Code, assists in coordinating area-wide planning of transportation, economic development, water and air quality, and other aspects of regional development. In addition, OKI coordinates a regional ridesharing program totally funded by federal and county funds.

OKI also acts as the area-wide review agency on state and local applications for U.S. Government financial assistance on projects located in the regional area comprised of Butler, Clermont, Hamilton, and Warren Counties in Ohio; Boone, Campbell, and Kenton Counties in Kentucky; and Dearborn County in Indiana.

Funds are provided primarily by Federal, state, and local government agencies.

Basis of Accounting

OKI uses the accrual basis of accounting to prepare its financial statements and maintains subsidiary ledgers to identify revenues and expenses by detailed program. Activities not specifically related to a program are classified as general and administrative transactions. The statement of Revenues, Expenses and Changes in Fund Net Assets reflect activities by major program category.

Revenue Recognition

Authorizations under U.S. Government and state and local agency grants or contracts are obtained by requisitioning such agencies for reimbursement of eligible costs incurred up to the maximum amounts specified under the grants or contract commitments. OKI recognizes program grant revenue at the time eligible costs are incurred.

Local matching funds, including member county supporting contributions and in-kind contributions from other agencies, are generally recognized as revenues to the extent required to fund eligible program costs and/or to meet program matching requirements.

Contributed services, included in local matching funds, are valued at the equivalent OKI hourly pay rate for such services for the amount of hours spent by individuals involved. In-kind contributions are valued at the fair market price on the date of receipt. Such contributed services are accounted for as revenue and as program expenses.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
for the years ended June 30, 2007 and 2006

Indirect Costs

Indirect costs and fringe benefits are charged to individual programs based on provisional rates. Differences in amounts billed and actual costs incurred are adjusted to actual costs at year end. Indirect costs and fringe benefits in the Statement of Revenues, Expenses, and Changes in Net Fund Assets represent the application of actual indirect and fringe benefit rates.

Capital Assets

Capital assets are recorded at cost and are depreciated on the straight-line method over the asset's estimated useful life. OKI's capital assets consist primarily of office furniture and computers. OKI depreciates office furniture and equipment over a ten year period with one-half year depreciation taken in the year of purchase and disposal.

Income Taxes

OKI is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. Cash and Cash Equivalents

Statutes authorize OKI to invest in obligations of the U.S. Treasury and U.S. agencies, the State Treasurer's (Ohio) investment pool, repurchase agreements, certificates of deposit, and other instruments authorized by Section 135 of the Ohio Revised Code.

OKI's cash and temporary investments at June 30, 2007 and 2006 consisted of:

	<u>2007</u>	<u>2006</u>
Demand Deposits	\$ 14,924	\$ 80,078
Business Money Savings	<u>532,141</u>	<u>922,311</u>
	<u>\$ 547,065</u>	<u>\$ 1,002,389</u>

The account values were collateralized by U.S. Government securities held by the Federal Reserve Bank of Cleveland, Cincinnati Branch, as trustee for OKI.

For purposes of the Statement of Cash Flows, OKI considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
for the years ended June 30, 2007 and 2006

3. Accounts Receivable

Accounts receivable are from federal, state and local governmental agencies. Amounts reported are as follows:

	<u>2007</u>	<u>2006</u>
Receivables Under Contracts and Grants		
Ohio	\$ 643,463	\$ 563,758
Kentucky	253,325	97,489
Indiana	7,385	11,779
Local	118,175	168,731
Receivables Other		
Due from employees	1,540	-
Total Receivables	<u>\$ 1,023,888</u>	<u>\$ 841,757</u>

4. Capital Assets

Changes in capital assets for the year that ended June 30, 2007 are summarized below:

<u>Description</u>	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2007</u>
Office furniture and equipment	\$ 673,115	\$ 27,078	\$ 110,583	\$ 589,610
Less accumulated depreciation	<u>558,318</u>	<u>37,279</u>	<u>110,583</u>	<u>485,014</u>
Furniture and equipment, net	<u>\$ 114,797</u>	<u>\$ (10,201)</u>	<u>\$ -</u>	<u>\$ 104,596</u>

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
for the years ended June 30, 2007 and 2006

Changes in capital assets for the year that ended June 30, 2006 are summarized below:

<u>Description</u>	<u>Balance July 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2006</u>
Office furniture and equipment	\$ 641,563	\$ 36,421	\$ 4,869	\$ 673,115
Less accumulated depreciation	<u>524,572</u>	<u>38,615</u>	<u>4,869</u>	<u>558,318</u>
Furniture and equipment, net	<u>\$ 116,991</u>	<u>\$ (2,194)</u>	<u>\$ -</u>	<u>\$ 114,797</u>

5. Bank Line of Credit

OKI has a line of credit available of \$850,000. When used, the line of credit is collateralized by the working capital of OKI and bears interest at the prime rate. At June 30, 2007 and 2006, OKI had no borrowings against this line of credit.

6. Lease Commitment

OKI has entered into operating lease agreements for office facilities and a photocopy machine. Rental expense was \$472,625 and \$448,052 for the year that ended June 30, 2007 and 2006 respectively. On April 17, 2003, OKI entered into a 10 year lease for office facilities at a new location. The lease which became effective July 1, 2004 included office facilities and furniture, fixtures, and equipment. After the fifth year of the lease, OKI may terminate the lease and pay the lessor \$250,000 and return the furniture, fixtures and equipment to the lessor. If OKI continues the lease for a ten year period, the furniture, fixtures and equipment become the property of OKI at the end of the 10 year period.

At June 30, 2007, the minimum future rentals under the non-cancelable leases are due as follows for fiscal years ended June 30:

2008	\$ 497,410
2009	489,324
2010	489,324
2011	488,155
2012	486,985
2013 and beyond	<u>486,985</u>
	<u>\$ 2,938,183</u>

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
for the years ended June 30, 2007 and 2006

7. Employee Retirement and Fringe Benefit Plans

The OKI Employees Retirement Plan is a trustee, contributory, defined contribution retirement plan covering all permanent, full-time employees. Contributions to the plan include a contribution by OKI of 6.9 percent of the participant's wages and a mandatory contribution by the participant of 5 percent of his or her wages. An additional employer contribution of 6.20 percent is required on wages in excess of the FICA ceiling. Pension expense was \$139,170 and \$127,034 for the years ended June 30, 2007 and 2006, respectively. Forfeitures reduce the current contributions of OKI to the plan.

Employee contributions are 100 percent vested at date of contribution. Employer contributions vest as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5	100%

8. Contingent Liabilities

Project work performed under grants and contracts is subject to final acceptance by the grantor and contracting agencies. Costs claimed for work performed under grants and contracts which are not acceptable to the grantor or contracting agency may be subject to recovery by the grantor or contracting agency. The management of OKI believes that project work has been satisfactorily performed.

SUPPLEMENTARY INFORMATION

SCHEDULE 1

**OHIO-KENTUCKY-INDIAN REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES AND EXPENSES BY ACTIVITY
for the year ended June 30, 2007
(with comparative summary totals for 2006)**

	General & Administrative Activities	Environmental Planning Activities	Regional Planning	Ridesharing Implementation	Transportation Planning Activities	Total 2007	Total 2006
Revenues:							
Federal & State grants	\$ -	\$ 87,426	\$ -	\$ 265,555	\$ 4,192,050	\$ 4,545,031	\$ 4,025,885
Local Grants	-	36,088	250,900	26,580	436,941	750,508	1,078,550
Local Matching Funds	<u>138,022</u>	<u>67,989</u>	<u>151,826</u>	<u>1,450</u>	<u>324,577</u>	<u>683,864</u>	<u>777,882</u>
Total Revenues	<u>138,022</u>	<u>191,503</u>	<u>402,726</u>	<u>293,585</u>	<u>4,953,568</u>	<u>5,979,403</u>	<u>5,882,317</u>
Expenses:							
Direct Costs							
Personnel	4,954	50,160	62,262	23,458	1,134,782	1,275,615	1,308,157
Fringe Benefits	2,389	26,255	32,589	12,279	593,976	667,488	682,541
Travel, subsistence, and professional development	24,226	2,246	368	86	40,647	67,572	57,351
Printing, marketing, and contractual services	5,609	44,701	230,913	227,676	1,729,373	2,238,272	2,120,456
Other direct expenses	17,523	6,913	593	1,452	69,597	96,077	218,442
Indirect costs	<u>5,571</u>	<u>61,229</u>	<u>76,001</u>	<u>28,634</u>	<u>1,385,194</u>	<u>1,556,629</u>	<u>1,419,346</u>
Total Operating Expenses	<u>60,272</u>	<u>191,503</u>	<u>402,726</u>	<u>293,585</u>	<u>4,953,568</u>	<u>5,901,653</u>	<u>5,806,293</u>
Operating Income / (Deficit)	<u>\$ 77,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,750</u>	<u>\$ 76,024</u>

SCHEDULE 2

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF FRINGE BENEFIT COST RATES
for the year ended June 30, 2007**

	Budget	Actual
Fringe benefit costs:		
Holidays	83,605	77,807
Sick Leave	64,494	64,559
Vacation	125,722	157,435
Administrative	11,438	12,561
Retirement	174,739	163,112
Group Health	435,300	303,658
FICA	166,059	149,816
Workers Comp	4,700	4,409
Unemployment	3,000	-
Employee Incentives	7,500	7,863
Total fringe benefit costs	1,076,557	941,220
Allocation base: Direct and indirect personnel	1,960,792	1,798,188
Fringe benefit cost rate	54.90%	52.34%

Notes:

1. Approval of the provisional fringe benefit cost rate for the year ended June 30, 2007 was obtained from ODOT.
2. A provisional fringe benefit rate of 54.90 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the fiscal year.
3. There were no questioned costs in the fringe benefit cost pool or the direct and indirect personnel allocation base.
4. The provisional rate was utilized during fiscal year 2007 for grant application purposes. The final 2007 fringe benefit rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Change in Fund Net Assets reflect the application of actual rates. Individual program costs presented on pages 22 to 41 reflect the application of provisional rates adjusted to actual.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

STATEMENT OF INDIRECT COST RATES

for the year ended June 30, 2007

	<u>Budget</u>	<u>Actual</u>
Indirect costs:		
Personnel	503,020	522,962
Fringe Benefits	276,179	273,732
Auto Allowance	6,300	6,300
Travel and Professional Development	21,000	16,146
Memberships	15,000	15,655
Meetings	1,000	-
Printing	7,400	1,904
Repairs and Maintenance	15,130	12,876
Equipment Lease	2,500	-
Office Supplies	41,600	44,758
Postage	24,000	5,250
Rent	445,000	461,401
Telephone	14,500	9,076
Subscriptions	1,200	1,105
Legal and Audit	63,000	51,911
Reproduction	12,000	8,397
Insurance	27,500	24,850
Professional Services	53,500	40,559
Advertising	2,000	7,536
Depreciation & Loss on Disposal of Assets	45,000	37,280
Payroll Processing	4,800	3,998
Internet	7,200	5,587
Web Site Management	15,000	75
Retirement Plan Admin & Education Fees	2,850	3,025
Other	3,500	2,007
Interest - Capital Lease	1,000	237
Total indirect costs	<u>1,611,179</u>	<u>1,556,627</u>
Allocation base: Direct personnel	<u>1,457,772</u>	<u>1,275,226</u>
Indirect cost rate applied	<u>110.52%</u>	<u>122.07%</u>

Notes:

1. Approval of the provisional indirect cost rate for the year ended June 30, 2007 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional indirect cost rate of 110.52 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the fiscal year.
3. There were no questioned costs in the indirect cost pool or the direct personnel allocation base.
4. The provisional rate was utilized during fiscal year 2007 for grant application purposes. The final 2007 indirect cost rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Change in Fund Net Assets reflect the application of actual rates. Individual program costs presented on pages 22 to 41 reflect the provisional rates adjusted to actual.

STATEMENTS OF CUMULATIVE REVENUES AND EXPENDITURES

COMPLETED PROGRAMS

FHWA Transportation Planning

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Local Planning Activities

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2006 TRANSPORTATION PLANNING
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Ohio: ODOT (HPR-PL Funds)	\$ 2,189,316	\$ 1,461,708	\$ 727,607	\$ 2,189,315
Kentucky: KYTC (HPR-PL Funds)	359,479	272,836	87,850	360,686
Kentucky: KYTC (FTA Funds)	100,347	76,162	24,524	100,686
Indiana: (Trans PL Funds)	10,219	5,261	-	5,261
Local Matching Funds	331,782	218,909	102,479	321,388
In-kind funds (NKAPC)	-	12,004	-	12,004
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 2,991,143</u>	<u>\$ 2,046,880</u>	<u>\$ 942,460</u>	<u>\$ 2,989,340</u>
Expenditures:				
Direct Personnel	\$ 933,468	\$ 750,625	\$ 249,561	\$ 1,000,186
Fringe Benefits	508,595	348,617	137,009	485,626
Indirect	1,078,690	810,269	275,815	1,086,084
Travel, subsistence & professional development	-	20,962	6,588	27,550
Printing, marketing & contractual	470,390	84,267	257,575	341,842
Other Expenditures	-	32,140	15,912	48,052
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 2,991,143</u>	<u>\$ 2,046,880</u>	<u>\$ 942,460</u>	<u>\$ 2,989,340</u>
Tasks:				
Short range planning	\$ 402,000	\$ 333,089	\$ 108,883	\$ 441,972
Surveillance	1,228,758	966,462	279,642	1,246,104
Traffic counts combined	315,946	-	248,040	248,040
Traffic Counts Ohio only	125,000	38,219	84,484	122,703
Long range planning	627,000	458,595	179,049	637,644
Public involvement	85,000	68,200	23,046	91,246
INDOT exclusive	10,219	6,576	-	6,576
KYTC exclusive	121,220	122,635	-	122,635
Transportation Summary	10,000	9,962	-	9,962
Air quality program	66,000	43,142	19,316	62,458
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Tasks	<u>\$ 2,991,143</u>	<u>\$ 2,046,880</u>	<u>\$ 942,460</u>	<u>\$ 2,989,340</u>

NOTES:

1. The grant period for FY 2006 Transportation Planning was July 1, 2005 through October 31, 2006.
2. FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with a UPWP
3. In accordance with the agreement, Federal and State grant funds do not exceed the matching requirements established in the FY 2006 overall work program.
4. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2006 SURFACE TRANSPORTATION PROGRAM (STP)
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Ohio: ODOT (STP)	\$ 300,000	\$ 291,654	\$ 8,346	\$ 300,000
Kentucky: (STP)	44,424	43,188	1,236	44,424
Indiana: (STP)	16,000	7,362	8,626	15,988
Local Matching Funds	<u>15,106</u>	<u>12,637</u>	<u>2,466</u>	<u>15,103</u>
Total Revenues	<u>\$ 375,530</u>	<u>\$ 354,841</u>	<u>\$ 20,674</u>	<u>\$ 375,515</u>
Expenditures:				
Direct Personnel	\$ 128,043	\$ 130,039	\$ 6,885	\$ 136,924
Fringe Benefits	69,763	60,037	3,780	63,817
Indirect	147,963	140,033	7,609	147,642
Travel, subsistence & professional development	-	4,391	5	4,396
Printing, marketing & contractual	29,761	9,545	2,394	11,939
Other Expenditures	-	10,796	2	10,798
Total Expenditures	<u>\$ 375,530</u>	<u>\$ 354,841</u>	<u>\$ 20,675</u>	<u>\$ 375,516</u>
Tasks:				
Transportation Improvement	\$ 125,530	\$ 129,500	\$ -	\$ 129,500
Land Use Planning	230,000	216,138	9,892	226,030
INDOT	<u>20,000</u>	<u>9,203</u>	<u>10,783</u>	<u>19,986</u>
Total Tasks	<u>\$ 375,530</u>	<u>\$ 354,841</u>	<u>\$ 20,675</u>	<u>\$ 375,516</u>

NOTES:

1. The grant for the Surface Transportation Program agreement began July 1, 2005.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. This program is funded with STP funds at a rate of 100 percent for Ohio share. Kentucky SNK funds are 80 percent Federal and 20 percent local match.
4. As of June 30, 2007, no costs subject to audit have been questioned

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FY 2006 RIDESHARE
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Ohio:	\$ 253,143	\$ 213,951	\$ 39,194	\$ 253,145
Kentucky: RIDeshare SNK	37,486	31,681	5,804	37,485
Local Revenue	9,371	7,920	1,450	9,370
Total Revenues	<u>\$ 300,000</u>	<u>\$ 253,552</u>	<u>\$ 46,448</u>	<u>\$ 300,000</u>
Expenditures:				
Direct Personnel	\$ 35,180	\$ 21,559	\$ 6,775	\$ 28,334
Fringe Benefits	19,168	10,139	3,719	13,858
Indirect	40,652	23,391	7,487	30,878
Travel, subsistence & professional development	-	216	37	253
Printing, marketing & contractual	205,000	195,012	28,186	223,198
Other Expenditures	-	3,235	244	3,479
Total Expenditures	<u>\$ 300,000</u>	<u>\$ 253,552</u>	<u>\$ 46,448</u>	<u>\$ 300,000</u>
Task:				
Marketing	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

NOTES:

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
 - a. ODOT agreement for the period July 1, 2005 through October 31, 2006 for \$253,143 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWPKYTC agreement for the period July 1, 2005 through October 31, 2006 for \$37,486 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY03-05 finding agreement.

2. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2006 OZONE AWARENESS
as of June 30, 2007

	Budget	Cumulative Revenues and Expenditures as of June 30, 2006	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2007
Revenues:				
Federal and state				
Ohio: ODOT/CMAQ	\$ 717,239	\$ 369,409	\$ 347,832	\$ 717,241
Kentucky: SNK	106,209	54,702	51,507	106,209
Local Matching Funds	26,552	13,675	12,875	26,550
Total Revenues	\$ 850,000	\$ 437,786	\$ 412,214	\$ 850,000
Expenditures:				
Direct Personnel	\$ 85,913	\$ 54,990	\$ 15,201	\$ 70,191
Fringe Benefits	46,808	25,312	8,346	33,658
Indirect	99,279	59,144	16,800	75,944
Travel, subsistence & professional development	-	472	99	571
Printing, marketing & contractual	618,000	293,937	370,095	664,032
Other Expenditures	-	3,931	1,673	5,604
Total Expenditures	\$ 850,000	\$ 437,786	\$ 412,214	\$ 850,000
Task:				
Ozone awareness program	\$ 850,000	\$ 437,786	\$ 412,214	\$ 850,000

NOTES:

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
 - a. ODOT agreement for the period July 1, 2005 through October 31, 2006 for \$717,239 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC funds for the period July 1, 2005 through October 31, 2006 for \$106,209 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY03-05 funding agreement.
2. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
WESTERN HAMILTON COUNTY CORRIDOR STUDY
as of June 30, 2007**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Ohio:	\$ 762,500	\$ 365,632	\$ 330,259	\$ 695,891
Total Revenues	<u>\$ 762,500</u>	<u>\$ 365,632</u>	<u>\$ 330,259</u>	<u>\$ 695,891</u>
Expenditures:				
Direct Personnel	\$ 92,984	\$ 53,514	\$ 46,177	99,691
Fringe Benefits	47,864	25,531	24,171	49,702
Indirect	106,292	58,432	56,367	114,799
Travel, subsistence & professional development	515,360	429	204	633
Printing, marketing & contractual	-	220,468	187,848	408,316
Other Expenditures	-	7,260	15,492	22,752
Total Expenditures	<u>\$ 762,500</u>	<u>\$ 365,634</u>	<u>\$ 330,259</u>	<u>\$ 695,893</u>
Task:				
Western Hamilton County Corridor Study	<u>\$ 762,500</u>	<u>\$ 365,634</u>	<u>\$ 330,259</u>	<u>\$ 695,893</u>

NOTES:

1. Funding provided is by congressional earmark issued August 7, 2003.
2. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
UPTOWN TRANSPORTATION STUDY
as of June 30, 2007

	Budget	Cumulative Revenues and Expenditures as of June 30, 2006	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2007
Revenues				
Federal and state				
Ohio	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
Local: STP	125,000	125,000	-	125,000
Local Matching Funds	1,250,000	923,748	312,340	1,236,088
Contributed Services	100,000	47,100	23,363	70,463
Total Revenues	<u>\$ 1,975,000</u>	<u>\$ 1,595,848</u>	<u>\$ 335,703</u>	<u>\$ 1,931,551</u>
Expenditures				
Direct Personnel	\$ 172,176	\$ 124,094	\$ 42,624	166,718
Fringe Benefits	92,598	61,366	22,310	83,676
Indirect	198,550	137,499	52,030	189,529
Travel, subsistence & professional development	230	234	115	349
Printing, marketing & contractual	1,401,142	1,217,572	186,404	1,403,976
Other Expenditures	10,304	7,983	8,857	16,840
Contributed Services	100,000	47,100	23,363	70,463
Total Expenditures	<u>\$ 1,975,000</u>	<u>\$ 1,595,848</u>	<u>\$ 335,703</u>	<u>\$ 1,931,551</u>
Task:				
Uptown Transportation Study	<u>\$ 1,975,000</u>	<u>\$ 1,595,848</u>	<u>\$ 335,703</u>	<u>\$ 1,931,551</u>

NOTES:

1. The grant for the Uptown Transportation Study began July 1, 2003.
2. STP funds are received under an agreement for the Uptown Transportation major investment study. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. In accordance with the STP Federal grant, revenues do not exceed 80 percent of expenditures incurred.
4. Local match for this project provided by SORTA, Uptown Consortium, City of Cincinnati, and the AMOS Group.
5. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
DEARBORN COUNTY US-50 STUDY
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Local Funds	\$ 400,000	\$ 115,335	\$ 250,900	\$ 366,235
Total Revenues	<u>\$ 400,000</u>	<u>\$ 115,335</u>	<u>\$ 250,900</u>	<u>\$ 366,235</u>
Expenditures:				
Direct Personnel	\$ -	\$ 4,462	7,235	11,697
Fringe Benefits	-	2,099	3,787	5,886
Indirect	-	4,841	8,831	13,672
Travel, subsistence & professional development	-	68	106	174
Printing, marketing & contractual	-	102,713	230,913	333,626
Other Expenditures	-	1,152	28	1,180
Total Expenditures	<u>\$ -</u>	<u>\$ 115,335</u>	<u>\$ 250,900</u>	<u>\$ 366,235</u>
Task:				
Dearborn County US-50	<u>\$ 400,000</u>	<u>\$ 115,335</u>	<u>\$ 250,900</u>	<u>\$ 366,235</u>

NOTES:

1. The Dearborn County US-50 Study began September 19, 2005.
2. Funding is provided by Dearborn County at 100 percent.
3. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
TRAFFIC WORKSHOP
as of June 30, 2007

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Federal and state			
Ohio:	\$ 2,500	\$ 258	\$ 258
Total Revenues	<u>\$ 2,500</u>	<u>\$ 258</u>	<u>\$ 258</u>
Expenditures:			
Direct Personnel	\$ -	\$ -	\$ -
Fringe Benefits	-	-	-
Indirect	-	-	-
Travel, subsistence & professional development	-	-	-
Printing, marketing & contractual	-	-	-
Other Expenditures	<u>2,500</u>	<u>258</u>	<u>258</u>
Total Expenditures	<u>\$ 2,500</u>	<u>\$ 258</u>	<u>\$ 258</u>
Task:			
Traffic Workshop	<u>\$ 2,500</u>	<u>\$ 258</u>	<u>\$ 258</u>

NOTES:

1. The grant period for the Traffic Workshop began July 1, 2006.
2. Workshop funding was 100% STP provided by ODOT.
3. In accordance with the Federal grant, revenues do not exceed 100% of expenditures incurred.
4. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
GREAT MIAMI RUNOFF REDUCTION
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal & State				
Ohio:	\$ 65,000	\$ 56,439	\$ 8,561	\$ 65,000
Local Match	-	893	378	1,271
In-Kind Match/Contributed Services	<u>33,000</u>	<u>36,546</u>	<u>4,247</u>	<u>40,793</u>
Total Revenues	<u>\$ 98,000</u>	<u>\$ 93,878</u>	<u>\$ 13,186</u>	<u>\$ 107,064</u>
Expenditures:				
Direct Personnel	\$ 11,290	\$ 4,325	\$ 894	\$ 5,219
Fringe Benefits	2,710	2,173	468	2,641
Indirect	-	4,834	1,092	5,926
Travel, subsistence & professional development	324	176	46	222
Printing, marketing & contractual	45,516	43,006	3,995	47,001
Other Expenditures	7,160	2,819	2,444	5,263
Contributed services	<u>31,000</u>	<u>36,546</u>	<u>4,247</u>	<u>40,793</u>
Total Expenditures	<u>\$ 98,000</u>	<u>\$ 93,879</u>	<u>\$ 13,186</u>	<u>\$ 107,065</u>
Task:				
Great Miami Watershed	<u>\$ 98,000</u>	<u>\$ 93,879</u>	<u>\$ 13,186</u>	<u>\$ 107,065</u>

NOTES:

- Ohio EPA 319 funds are received under an agreement for the Great Miami Runoff Reduction Program which began May 10, 2004 under separate agreement with the Miami Conservatory District.
- As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FY 2007 WATER QUALITY PLANNING - STATE 604B CONTRACT (OHIO)
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Federal and state			
Ohio: OEPA (EPA Funds)	\$ 33,197	\$ 33,197	\$ 33,197
Local Matching Funds	<u>22,131</u>	<u>23,031</u>	<u>23,031</u>
Total Revenues	<u><u>55,328</u></u>	<u><u>56,228</u></u>	<u><u>56,228</u></u>
Expenditures:			
Direct Personnel	\$ 20,007	\$ 20,032	\$ 20,032
Fringe Benefits	11,004	10,486	10,486
Indirect	22,182	24,453	24,453
Travel, subsistence & professional development	1,225	616	616
Printing, marketing & contractual	-	193	193
Other Expenditures	<u>910</u>	<u>448</u>	<u>448</u>
Total Expenditures	<u><u>\$ 55,328</u></u>	<u><u>\$ 56,228</u></u>	<u><u>\$ 56,228</u></u>
Task:			
Program coordination	<u><u>\$ 55,328</u></u>	<u><u>\$ 56,228</u></u>	<u><u>\$ 56,228</u></u>

NOTES:

1. The grant period under the OEPA FY 2007 State 604B Contract is September 12, 2006 to June 30, 2007. This grant agreement provides for state revenues to be earned on adequate completion of products rather than cost reimbursement.
2. In accordance with the State OEPA contract, state grant revenues were not to exceed \$33,197 as set forth in the grant budget and the local matching funds of \$23,031 would be provided by OKI.
3. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
LOCAL REGIONAL PLANNING
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Local Revenue	\$ 162,000	\$ 151,827	\$ 151,827
Total Revenues	<u>162,000</u>	<u>151,827</u>	<u>151,827</u>
Expenditures:			
Direct Personnel	\$ 60,082	\$ 55,027	\$ 55,027
Fringe Benefits	33,046	28,803	28,803
Indirect	66,614	67,170	67,170
Travel, subsistence & professional development	500	263	263
Printing, marketing & contractual	500	-	-
Other Expenditures	1,258	564	564
Total Expenditures	<u>\$ 162,000</u>	<u>\$ 151,827</u>	<u>\$ 151,827</u>
Task:			
Local Regional Planning	<u>\$ 162,000</u>	<u>\$ 151,827</u>	<u>\$ 151,827</u>

NOTES:

1. The grant period for the Local Comprehensive Regional Planning Program was July 1, 2006 to June 30, 2007.
2. Budget amounts were derived from FY 2007 Overall Agency Budget.
3. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
LOCAL WATER QUALITY PLANNING PROJECT - 2007
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Local Revenue	\$ 38,965	\$ 43,476	\$ 43,476
Total Revenues	<u>38,965</u>	<u>43,476</u>	<u>43,476</u>
Expenditures:			
Direct Personnel	\$ 13,433	\$ 14,635	\$ 14,635
Fringe Benefits	7,389	7,660	7,660
Indirect	14,893	17,865	17,865
Travel, subsistence & professional development	2,935	940	940
Printing, marketing & contractual	-	534	534
Other Expenditures	<u>315</u>	<u>1,842</u>	<u>1,842</u>
Total Expenditures	<u>\$ 38,965</u>	<u>\$ 43,476</u>	<u>\$ 43,476</u>
Task:			
Local water quality planning	<u>\$ 38,965</u>	<u>\$ 43,476</u>	<u>\$ 43,476</u>

NOTES:

1. Budget amounts were derived from fiscal 2007 overall agency budget.
2. As of June 30, 2007, no costs subject to audit have been questioned.

STATEMENTS OF CUMULATIVE REVENUES AND EXPENDITURES

PROGRAMS IN PROGRESS

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2007 TRANSPORTATION PLANNING
as of June 30, 2007

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Federal and state			
Ohio: ODOT (HPR-PL funds)	\$ 1,988,412	\$ 1,319,624	\$ 1,319,624
Kentucky: KYTC (HPR-PL funds)	368,187	184,428	184,428
Kentucky: KYTC (FTA Funds)	102,777	51,481	51,481
Indiana: (Trans PL Funds)	9,696	9,686	9,686
Local Matching Funds	<u>196,729</u>	<u>194,937</u>	<u>194,937</u>
Total Revenues	<u>\$ 2,665,801</u>	<u>\$ 1,760,156</u>	<u>\$ 1,760,156</u>
Expenditures:			
Direct Personnel	\$ 941,262	\$ 613,222	\$ 613,222
Fringe Benefits	500,277	314,595	314,595
Indirect	1,126,889	777,358	777,358
Travel, subsistence & professional development	39,970	26,045	26,045
Printing, marketing & contractual	9,400	10,600	10,600
Other Expenditures	<u>48,003</u>	<u>18,336</u>	<u>18,336</u>
Total Expenditures	<u>\$ 2,665,801</u>	<u>\$ 1,760,156</u>	<u>\$ 1,760,156</u>
Tasks:			
Short range planning	\$ 350,001	\$ 236,127	\$ 236,127
TIP	180,000	130,100	130,100
Surveillance	1,113,295	751,798	751,798
Long range planning	815,000	516,554	516,554
Public involvement	100,000	63,897	63,897
INDOT	12,580	12,580	12,580
KY	34,925	9,925	9,925
Air quality program	<u>60,000</u>	<u>39,177</u>	<u>39,177</u>
Total Tasks	<u>\$ 2,665,801</u>	<u>\$ 1,760,158</u>	<u>\$ 1,760,158</u>

NOTES:

1. The grant period for FY 2007 Transportation Planning was July 1, 2006 through October 31, 2007.
2. FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
3. In accordance with the agreement, Federal and State grant funds do not exceed the matching requirements established in the FY 2007 UPWP.
4. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC/INDOT
FY 2007 SURFACE TRANSPORTATION PROGRAM (STP)
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Federal and state			
Ohio: ODOT (STP)	\$ 300,000	\$ 253,039	\$ 253,039
Kentucky: (SNK funds)	44,424	37,470	37,470
Indiana: (STP)	16,000	9,805	9,805
Local Matching Funds	<u>15,106</u>	<u>11,820</u>	<u>11,820</u>
Total Revenues	<u>\$ 375,530</u>	<u>\$ 312,134</u>	<u>\$ 312,134</u>
Expenditures:			
Direct Personnel	\$ 132,504	\$ 105,075	\$ 105,075
Fringe Benefits	72,519	54,823	54,823
Indirect	146,702	129,058	129,058
Travel, subsistence & professional development	8,027	7,502	7,502
Printing, marketing & contractual	12,806	12,806	12,806
Other Expenditures	<u>2,972</u>	<u>2,870</u>	<u>2,870</u>
Total Expenditures	<u>\$ 375,530</u>	<u>\$ 312,134</u>	<u>\$ 312,134</u>
Task:			
Land use planning	\$ 355,530	\$ 299,878	\$ 299,878
INDOT	<u>20,000</u>	<u>12,256</u>	<u>12,256</u>
Total Tasks	<u>\$ 375,530</u>	<u>\$ 312,134</u>	<u>\$ 312,134</u>

NOTES:

1. The grant for the Surface Transportation Program agreement began July 1, 2006 through October 31, 2007.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year.
3. This program is funded with Ohio STP funds at a rate of 100 percent. Kentucky SNK funds are 80 percent Federal and 20 percent local match. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
4. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2007 OZONE
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues			
Federal and state			
Ohio: ODOT/CMAQ	\$ 850,000	\$ 156,624	\$ 156,624
Kentucky: SNK	125,868	28,991	28,991
Contributed services match	<u>31,467</u>	<u>76,065</u>	<u>76,065</u>
Total Revenues	<u>\$ 1,007,335</u>	<u>\$ 261,680</u>	<u>\$ 261,680</u>
Expenditures			
Direct Personnel	\$ 62,458	\$ 25,551	\$ 25,551
Fringe Benefits	34,345	12,985	12,985
Indirect	69,260	32,945	32,945
Travel, subsistence & professional development	3,585	35	35
Printing, marketing & contractual	789,190	109,744	109,744
Other Expenditures	17,045	4,355	4,355
Contributed services	<u>31,452</u>	<u>76,065</u>	<u>76,065</u>
Total Expenditures	<u>\$ 1,007,335</u>	<u>\$ 261,680</u>	<u>\$ 261,680</u>
Task:			
Ozone awareness program	<u>\$ 1,007,335</u>	<u>\$ 261,680</u>	<u>\$ 261,680</u>

NOTES:

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
 - a. ODOT agreement for the period July 1, 2006 through October 31, 2007 for \$850,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC funding for the period July 1, 2006 through October 31, 2007 for \$125,868 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY03-05 funding agreement.
2. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2007 RIDESHARE
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Federal and state			
Ohio: Ozone CMAQ	\$ 300,000	\$ 186,109	\$ 186,109
Kentucky: Rideshare SNK	44,424	34,448	34,448
Contributed Services Match	<u>11,106</u>	<u>26,580</u>	<u>26,580</u>
Total Revenues	<u>\$ 355,530</u>	<u>\$ 247,137</u>	<u>\$ 247,137</u>
Expenditures:			
Direct Personnel	\$ 34,363	\$ 16,683	\$ 16,683
Fringe Benefits	18,871	8,559	8,559
Indirect	38,054	21,147	21,147
Travel, subsistence & professional development	477	49	49
Printing, marketing & contractual	250,945	172,910	172,910
Other Expenditures	1,626	1,208	1,208
Contributed services	<u>11,194</u>	<u>26,580</u>	<u>26,580</u>
Total Expenditures	<u>\$ 355,530</u>	<u>\$ 247,136</u>	<u>\$ 247,136</u>
Task:			
Marketing	<u>\$ 355,530</u>	<u>\$ 247,137</u>	<u>\$ 247,137</u>

NOTES:

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
 - a. ODOT agreement beginning July 1, 2006 for \$300,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC agreement beginning July 1, 2006 for \$44,424 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY03-05 finding agreement.
2. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
I-471 TRANSPORTATION STUDY
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Kentucky: CMAQ	\$ 750,000	\$ 693	\$ 452,166	\$ 452,859
Total Revenues	<u>\$ 750,000</u>	<u>\$ 693</u>	<u>\$ 452,166</u>	<u>\$ 452,859</u>
Expenditures:				
Direct Personnel	\$ 40,496	271	\$ 30,485	\$ 30,756
Fringe Benefits	22,347	128	15,956	16,084
Indirect	44,830	294	37,211	37,505
Travel, subsistence & professional development	200	-	55	55
Printing, marketing & contractual	638,557	-	366,618	366,618
Other Expenditures	<u>3,570</u>	<u>-</u>	<u>1,841</u>	<u>1,841</u>
Total Expenditures	<u>\$ 750,000</u>	<u>\$ 693</u>	<u>\$ 452,166</u>	<u>\$ 452,859</u>
Task:				
I-471 Corridor Study	<u>\$ 750,000</u>	<u>\$ 693</u>	<u>\$ 452,166</u>	<u>\$ 452,859</u>

NOTES:

1. The grant for the I-471 Corridor Study began May 30, 2006.
2. CMAQ funds from Kentucky Transportation Cabinet are reimbursed at 100 percent.
3. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
HAMILTON COUNTY TID-PART B
as of June 30, 2007**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:			
Federal and stste			
Ohio:	\$ 308,796	\$ 100,690	\$ 100,690
In-kind matching funds	<u>77,199</u>	<u>25,173</u>	<u>25,173</u>
Total Revnues	<u>\$ 385,995</u>	<u>\$ 125,863</u>	<u>\$ 125,863</u>
Expenditures:			
Direct Personnel	\$ -	\$ -	\$ -
Fringe Benefits	-	-	-
Indirect	-	-	-
Travel, subsistence & professional development	-	-	-
Printing, marketing & contractual	308,796	100,690	100,690
Other Expenditures	-	-	-
Contributed Services	<u>77,199</u>	<u>25,173</u>	<u>25,173</u>
Total Expenditures	<u>\$ 385,995</u>	<u>\$ 125,863</u>	<u>\$ 125,863</u>
Task:			
Eastern Corridor - Hamilton County TID Part B	<u>\$ 385,995</u>	<u>\$ 125,863</u>	<u>\$ 125,863</u>

NOTES:

2. The grant for the Hamilton County TID began July 1, 2002.
2. SPT/ODOT funds are received under an agreement with the Ohio Department of Transportation at a participation rate of 80 percent. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FY 2006 WATER QUALITY PLANNING - DRINKING WATER
as of June 30, 2007

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Ohio: OEPA (EPA Funds)	\$ 69,000	19,830	\$ 18,757	\$ 38,587
Local Matching Funds	2,000	413	589	1,002
In-kind/contributed services	48,000	16,451	12,683	29,134
Total Revenues	<u>\$ 119,000</u>	<u>\$ 36,694</u>	<u>\$ 32,029</u>	<u>\$ 68,723</u>
Expenditures:				
Direct Personnel	\$ 12,826	6,148	\$ 6,209	\$ 12,357
Fringe Benefits	6,402	2,891	3,250	6,141
Indirect	14,770	6,671	7,579	14,250
Travel, subsistence & professional development	1,000	289	278	567
Printing, marketing & contractual	28,000	-	-	-
Other Expenditures	8,002	4,244	2,030	6,274
Contributed services	48,000	16,451	12,683	29,134
Total Expenditures	<u>\$ 119,000</u>	<u>\$ 36,694</u>	<u>\$ 32,029</u>	<u>\$ 68,723</u>
Task:				
State 319 Drinking Water	<u>\$ 119,000</u>	<u>\$ 36,694</u>	<u>\$ 32,029</u>	<u>\$ 68,723</u>

NOTES:

1. Ohio EPA 319 funds are received under an agreement for Expanded Drinking Water Source Protection in the Lower Great Miami Watershed which began September 30, 2005.
2. As of June 30, 2007, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FY 2006 WATER QUALITY PLANNING - MILLCREEK HEADWATERS
as of June 30, 2007**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2006</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>
Revenues:				
Federal and state				
Ohio: OEPA (EPA Funds)	\$ 497,920	\$ 19,893	\$ 26,912	\$ 46,805
Local Matching Funds	3,090	364	514	878
In-kind	<u>469,900</u>	<u>10,275</u>	<u>19,158</u>	<u>29,433</u>
Total Revenues	<u>\$ 970,910</u>	<u>\$ 30,532</u>	<u>\$ 46,584</u>	<u>\$ 77,116</u>
Expenditures:				
Direct Personnel	\$ 38,859	\$ 7,785	\$ 8,389	\$ 16,174
Fringe Benefits	20,853	3,661	4,391	8,052
Indirect	44,071	8,447	10,241	18,688
Travel, subsistence & professional development	3,278	280	366	646
Printing, marketing & contractual	401,510	-	3,890	3,890
Other Expenditures	2,164	84	149	233
Contributed services	<u>459,875</u>	<u>10,275</u>	<u>19,158</u>	<u>29,433</u>
Total Expenditures	<u>\$ 970,610</u>	<u>\$ 30,532</u>	<u>\$ 46,584</u>	<u>\$ 77,116</u>
Task:				
State 319 Mill Creek Headwaters	<u>\$ 970,610</u>	<u>\$ 30,532</u>	<u>\$ 46,584</u>	<u>\$ 77,116</u>

NOTES:

1. Ohio EPA 319 funds are received under an agreement for the Mill Creek Headwaters TMDL Implementation Project which began December 19, 2005.
2. As of June 30, 2007, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended June 30, 2007

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	Federal Award Amount	Total Project Budget	Total Federal Expenditures for the year ended June 30, 2007	Cumulative Federal Expenditures as of June 30, 2007
FHWA Transportation Planning					
Passed through State Department of Transportation (Ohio, Kentucky & Indiana)					
FHWA Highway Planning					
FY 2006 Transportation Planning	20.205	2,659,361	2,991,143	839,981	2,655,948
FY 2007 Transportation Planning	20.205	2,469,072	2,665,801	1,565,219	1,565,219
FY 2006 Surface Transportation Program	20.205	360,424	375,530	18,208	360,412
FY 2007 Surface Transportation Program	20.205	360,424	375,530	300,314	300,314
Ozone Awareness Program - 2006	20.205	823,448	850,000	399,339	823,450
Ozone Awareness Program - 2007	20.205	975,868	1,007,335	185,616	185,616
Western Hamilton County Corridor Study	20.205	762,500	762,500	330,259	695,891
FY 2006 Project Rideshare	20.205	290,629	300,000	44,998	290,631
FY 2007 Project Rideshare	20.205	344,424	355,530	220,557	220,557
Uptown Transportation Study	20.205	500,000	2,100,000	-	500,000
I-471 Transportation Study	20.205	750,000	750,000	452,166	452,859
Hamilton County TID - Part B	20.205	308,796	385,995	100,690	100,690
Traffic Workshop	20.205	2,500	2,500	258	258
		<u>10,607,446</u>	<u>12,921,864</u>	<u>4,457,605</u>	<u>8,151,845</u>
Total FHWA Transportation Planning					
U.S. Environmental Protection Agency					
Passed through State Environmental Protection Agency					
Great Miami Runoff Reduction Project	66.419	65,000	98,000	8,561	65,000
FY 2006 Drinking Water - Water Quality Planning Project	66.419	69,020	119,000	18,757	38,587
FY 2006 Millcreek Headwaters - Water Quality Planning Project	66.419	498,010	970,610	26,912	46,805
FY 2007 604B Water Quality Planning Project	66.419	33,197	55,328	33,197	33,197
		<u>665,227</u>	<u>1,242,938</u>	<u>87,427</u>	<u>183,589</u>
Total U.S. Environmental Protection Agency					
TOTAL		<u>\$ 11,272,673</u>	<u>\$ 14,164,802</u>	<u>\$ 4,545,032</u>	<u>\$ 8,335,434</u>

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended June 30, 2007

1. The supplementary schedule of expenditures of Federal awards was prepared using the accrual basis of accounting.
2. OKI receives certain Federal awards as pass-through awards from various states (Ohio and Kentucky). The amounts received are Federal and non Federal funds that are combined by the states and expenditures cannot be separately identified. The total amount of such pass-through awards is included in the supplemental Schedule of Expenditures of Federal Awards.
3. Expenditures for fringe benefits and indirect costs included in the Schedule of Expenditures of Federal Awards reflect the application of provisional rates adjusted to actual.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

Executive Committee
Ohio-Kentucky-Indiana Regional
Council of Governments
Cincinnati, Ohio

We have audited the financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the year ended June 30, 2007, and have issued our report thereon dated October 29, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the OKI's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OKI's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect OKI's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of OKI's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by OKI's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether OKI's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that we are required to report under *Government Auditing Standards*.

This report is intended for the information and use of management, the Executive Committee, and 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.

A handwritten signature in cursive script that reads "Fox & Company". The signature is written in black ink and is positioned above the typed name and date.

Cincinnati, Ohio
October 29, 2007



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Executive Committee
Ohio-Kentucky-Indiana Regional
Council of Governments
Cincinnati, Ohio

Compliance

We have audited the compliance of Ohio-Kentucky-Indiana Regional Council of Governments (OKI) 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 June 30, 2007. OKI's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs are the responsibility of OKI's management. Our responsibility is to express an opinion on OKI's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about OKI'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 OKI's compliance with those requirements.

In our opinion, OKI 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 June 30, 2007.

Internal Control Over Compliance

The management of OKI 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 OKI's internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operations of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance we consider to be material weaknesses, as defined above.

This report is intended for the information of management, the Executive Committee, the Ohio Auditor of State, others within the entity, and 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.

A handwritten signature in black ink that reads "Fox & Company". The signature is written in a cursive, flowing style.

Cincinnati, Ohio
October 29, 2007

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2007**

Section 1. SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unqualified
(d) (1) (ii)	Were there any significant deficiencies or material weaknesses reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Was there any reported material non-compliance as the financial statement level (GAGAS)?	No
(d) (1) (iv)	Was there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unqualified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Programs (list):	Federal Highway Planning CFDA No. 20.205
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: \$300,000 or more Type B: All others
(d) (1) (ix)	Low Risk Auditee?	Yes

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

None were noted.

Section 3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None were noted.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2007**

There were no prior audit findings or questioned costs relative to Federal awards for the audit of the Ohio-Kentucky-Indiana Regional Council of Government for the year ended June 30, 2006.



Mary Taylor, CPA
Auditor of State

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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 12, 2008**