

TRANSPORTATION IMPROVEMENT DISTRICT

BUTLER COUNTY, OHIO

AUDIT REPORT

For the Year Ended December 31, 2011

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Dave Yost • Auditor of State

Board of Trustees
Transportation Improvement District of Butler County
1921 Fairgrove Avenue
Hamilton, Ohio 45011

We have reviewed the *Report of Independent Accountants* of the Transportation Improvement District of Butler County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 27, 2012

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**TRANSPORTATION IMPROVEMENT DISTRICT
BUTLER COUNTY, OHIO
AUDIT REPORT
For the Year Ended December 31, 2011**

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Transportation Improvement District of Butler County, Ohio
 Schedule of Federal Awards Expenditures
 For The Fiscal Year Ended December 31, 2011

Federal Grantor/Pass Through Grantor Program Title	Pass-Through Entity Number	CFDA Number	Federal Disbursements
FEDERAL HIGHWAY ADMINISTRATION			
<i>(Passed through Ohio Department of Transportation)</i>			
ARRA-Highway Planning and Construction	N/A	20.205	\$ 5,581,295
TOTAL FEDERAL HIGHWAY ADMINISTRATION			<u>5,581,295</u>
TOTAL FEDERAL ASSISTANCE			<u><u>\$ 5,581,295</u></u>

N/A - Not Available

See accompanying notes to the Schedule of Federal Awards Expenditures

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
Notes to the Schedule of Federal Awards Expenditures
For the Year Ended December 31, 2011

1. Significant Accounting Policies

The accompanying schedule of federal awards expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting. Consequently, certain expenditures are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred.

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Transportation Improvement District of Butler County
1921 Fairgrove Avenue
Hamilton, Ohio 45011

To the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Transportation Improvement District of Butler County, Ohio (District) as of and for the year ended December 31, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 8, 2012, wherein we noted the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". 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 Controls Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and timely corrected.

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

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, 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 we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management, the audit committee, the Board of Trustees, federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.

Charles E. Harris and Associates

Charles E. Harris and Associates, Inc.

May 8, 2012

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Transportation Improvement District of Butler County
1921 Fairgrove Avenue
Hamilton, Ohio 45011

To the Board of Trustees:

Compliance

We have audited the compliance of the Transportation Improvement District of Butler County, Ohio's (District), with the types of compliance requirements described in *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could directly and materially affect each of the Transportation Improvement District's major federal program for the year ended December 31, 2011. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to opine on the District's compliance based on our audit.

Our compliance audit followed 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*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assurance whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with these requirements and performing other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with these requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, in order to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent or to timely detect and correct, noncompliance with a federal program compliance requirement. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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

Schedule of Federal Awards Expenditures

We have also audited the financial statements of governmental activities, each major fund, and the aggregate remaining fund information of District as of and for the year ended December 31, 2011, and have issued our report thereon dated May 8, 2012. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Schedule of Federal Awards Expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This Schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the audit committee, members of the Board, 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.



Charles E. Harris & Associates, Inc.

May 8, 2012

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**OMB CIRCULAR A-133 SECTION .505
SCHEDULE OF FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Unqualified Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies 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:	Highway Planning and Construction: CFDA# 20.205
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: >\$300,000 Type B: All Others
(d)(1)(ix)	Low Risk Auditee?	No

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011**

The prior audit report, for the year ending December 31, 2010, reported no material citations or recommendations.

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Comprehensive Annual Financial Report
For the Year Ended December 31, 2011

Concept Design plan for proposed South Hamilton Crossing



***Transportation Improvement District
of Butler County, Ohio***



Comprehensive Annual Financial Report
For the Year Ended December 31, 2011

Prepared by: Sean Fraunfelter, CPA - Finance Department

Transportation Improvement District of Butler County, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2011

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INTRODUCTORY

SECTION



Pictured is the Great Miami River Valley including Madison and St. Clair Townships with the City of Trenton near the upper right corner. The District is working with a study group, including the local governments listed above, to determine the best approach to improving the traffic movement in this portion of the County and open up hundreds of acres for economic development.

June 1, 2012

To the Citizens of Butler County and the Butler County Transportation Improvement District Board of Trustees:

We are pleased to present the Butler County Transportation Improvement District (TID) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2011. This report contains basic financial statements and other financial and statistical information — providing complete and full disclosure of all financial aspects of the TID for 2011.

Responsibility for the accuracy, completeness and fairness of this report rests with the TID and the Finance Department, in particular. This report was prepared in conformity with accounting principles generally accepted in the United States of America set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. This report is representative of the TID's commitment to provide complete financial information to the citizens of Butler County.

FORM OF GOVERNMENT AND REPORTING ENTITY

The Butler County TID was created on June 30, 1993, under the auspices of House Bill 154 and Ohio Revised Code Section 5540.02. On December 7, 1993, the Butler County Commissioners authorized the creation of the TID by resolution 93-12-2209. This resolution brought the TID together as an organized entity on January 31, 1994. The TID includes all of the territory within the following political subdivisions of Butler County: the City of Hamilton, the City of Fairfield, Fairfield Township, West Chester Township and Liberty Township. The City of Hamilton appointed one of its positions that represents the Cities of Middletown, Monroe and Trenton. The Board of Trustees appointed a representative from the City of Oxford as its board appointment. With these changes, the TID Board and local governments are working to broaden the reach of the TID.

The TID is a jointly governed organization — both corporate and politic — given the powers to finance, construct, maintain, repair, and operate transportation systems. The TID is governed by a Board of Trustees which acts as the authoritative and legislative body. The Board of Trustees currently is comprised of eighteen members, of which thirteen are voting and five are non-voting. Of the eighteen, three are elected as officers of the TID: the Chair, Vice-Chair and Secretary-Treasurer. Each officer serves a one-year term. TID Board members are appointed by the following member governments: Butler County, the City of Hamilton, the City of Fairfield, Fairfield Township, Liberty Township, West Chester Township, the State of Ohio, and the Ohio-Kentucky-Indiana Regional Council of Governments. The Butler County Engineer is designated by law as a member.

The Board Chair is appointed annually by the Board of Trustees. The Chair is responsible for presiding at all Board meetings and is the chief legislative officer of the TID. The TID Director, also hired by the Board of Trustees, serves as chief executive officer of the TID as prescribed by the Board of Trustees.

This report presents the financial activity of the District in conformity with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources, and is consistent with the reporting model as promulgated by GASB Statement No. 34.

GAAP requires management to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent accountants.

MAJOR INITIATIVES - *Superstreets improve traffic flow on main road*

Bypass State Route 4 Widening/Airport Access

There is a significant amount of history associated with the Bypass widening that anyone from Butler County knows all about. Over the past several years, the amount of traffic on the Bypass has increased, resulting in the need for a new Ohio design concept called a "superstreet". Construction is nearing completion on the three of the TID related intersections but completely open to traffic. The superstreet design at State Route 4 Bypass and Hamilton-Mason Road functions as follows for a driver westbound on Hamilton-Mason -- in order to continue west on that road -- would (1) turn right, or northbound, onto the bypass, (2) proceed to the left to the median crossover, (3) make a left U-turn onto the southbound bypass lanes and (4) then turn right at Hamilton-Mason. Through traffic on Bypass 4 continues experiencing reduced wait time at intersection red lights. (See right)

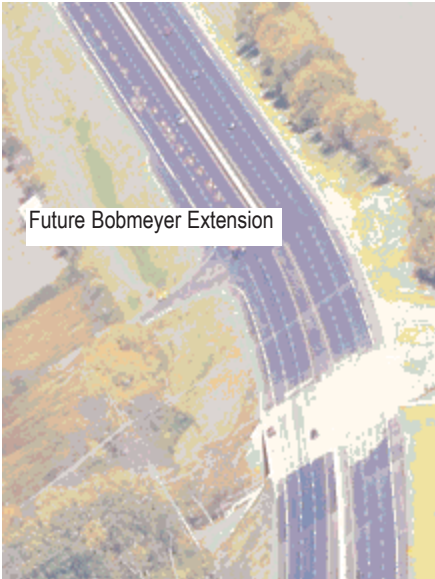


Fiscal year 2009 proved to be a very successful year by receiving American Reinvestment Recovery Act funding that paid for part of the construction on Phase 2 (picture here) along with funding through Ohio-Kentucky-Indiana Regional Council of Governments program, Ohio Department of Transportation (ODOT) funding, Federal Highway (FHWA) Safety Grant money and other grant funding. The District is responsible for Phase 2 (Symmes Road intersection), Phase 3 (Tylersville Road intersection), Phase 1 (Hamilton-Mason Road intersection), Phase 5A (bridge over State Route 129) and the City of Fairfield is handling Phase 4 (south of Symmes to SR4).



The picture on the left shows the Symmes Road intersection completed with the medians north and south of the intersection where the turn arounds are located as described above.

The local governments, Butler County, Fairfield Township and the City of Hamilton, pledged future tax dollars from the area to issue a \$7.2 million economic recovery zone bond in December 2009. The savings the District was able to achieve through grants dollars and ODOT waiving certain fees allowed for the local contribution on Phase 5A to be funded in 2011 from this bond issue when the District needed to match the OKI grant received to pay for the remaining costs on Phase 5A. The City of Fairfield is paying one hundred percent of its phase at the southern terminus. The local governments original commitment to fund the local share was significantly reduced with the District's ability to generate grant and low interest bearing bonds for the project.



One of the aspects in phase three was construction of a roadway stub for the future Bobmeyer Road project. The stub did create some engineering design issues as the roadway is coming in just north of the railroad bridge and to the east of the current airport runway with a wetland pond located to the south also. The picture on the left shows where the future extension will connect to the State Route 4 Bypass.

The District's three phases were successfully bid to two different contractors, with John R. Jurgensen receiving phases one and three (logistically next to each other) and Barrett Paving completed phase two. In 2010, the District bid Phase 5A to Complete General Construction Company. If you include the City of Fairfield's phase, you have four different contractors (Sunesis) working on the six-mile construction project.

The City of Fairfield has another new Ohio design concept to help alleviate traffic congestion at the terminus on State Route 4. The design is referred as the "jug-handle" and allows for the current intersection to be split providing better signal timing along the State Route 4 corridor. The picture to the right shows the concept design for the project.



The District and local partners look for construction to continue through 2012 and are hopeful to finalize all five phases so that motorists can drive the Bypass quickly and safely again.

Pioneer Parkway Study Group

The District formed a study group of local governments and other interested parties to put together a development vision for the study area to the west of the Great Miami River along Augspurgen Road and Wayne-Madison Road to the south and east of the City of Trenton. The group has been working to identify development potential in the area through various funding mechanisms like Joint Economic Development Districts and Tax Increment Financing Districts. The initial environmental study was completed several years ago by the Butler County Engineer's Office and would need updating along with an eventual preferred alignment selected through the required process. The group has put together a public information flyer that is located throughout the county via pamphlets, traveling presentations and available on the District's website at <http://www.bctid.org/BCTID/Downloads/Documents/PP%20FLyer.pdf>.

South Hamilton Crossing

The District and City of Hamilton entered into an intergovernmental agreement for the District to oversee the current design phase of the project. The project would then progress to right of way acquisition and then construction. The City of Hamilton has requested grant funding on the project but there is still a significant portion of local funding needed. The project would create an overpass over the CSX Railroad in the southern portion of the City and allow for greater access into the City's technology park and Miami University Hamilton. The District was successful in receiving a \$250,000 grant from the State of Ohio's revamped 629 Roadway Grant program to cover some of the engineering costs. The District also has worked with the railroads and local partners enhancing the awareness of the project purpose and need including traffic safety and economic development. The cover of this year's CAFR presented at the conceptual design for the project.

ECONOMIC CONDITION AND OUTLOOK

The TID has seen state and federal project government financing on the decline. With continued State of Ohio budget cuts, the local governments are strapped for finding ways to allocate money for major infrastructure projects but our partners have continued stepping up completely, locally funding the Liberty Interchange project and a substantial part of the overall Bypass 4 widening project. The State has also continued with its restrictions on funding certain projects through its TRAC Program. The former 629 Roadway Development Grant program was revamped to become a competitive program allowing eligible TIDs throughout the State to apply for up to \$250,000 annually per project. The TID was successful in its application for the South Hamilton Crossing project. The District had used this funding in prior years to help offset operating costs but that no longer can be done.

The TID can work with local officials to bring together an interchange or a widening project, but these projects can't happen without the financing commitment from the local governments. With tight budgets, local governments have turned to alternative methods for financing construction projects that are necessary for either safety improvements or to bring in more development for the area. More tax increment financing areas are being used with other financing options like joint economic districts or special taxing districts being discussed more and more as ways to pay for these necessary improvements.

TID INTERNAL CONTROLS

In developing and evaluating the TID's accounting system, consideration is given to the adequacy of internal accounting control. Internal accounting controls are designed to provide reasonable assurance regarding: 1) The safeguarding of assets against loss from unauthorized use or disposition or 2) The reliability of financial records for preparing financial statements and maintaining accountability of assets. The TID has a small staff to complete segregation of duties, but everything is done to the best of the current staffing abilities to assure as many internal controls over cash, check writing and authorizations are in place.

SIGNIFICANT FINANCIAL POLICIES

The TID operates through administrative fees with local governments that participate in TID projects. The TID has the ability to purchase land that is not considered for right-of-way purposes and hold for future resale. The TID has significant land along Liberty Way that will be critical to the long term financial health of the TID, as well as provide possible funding alternatives to its project base.

FACTORS AFFECTING FINANCIAL CONDITION

The TID operates from three typical financial sources: investment interest revenue, local government contributions and a three percent administration charge on project management services. The TID Board continues working on alternative funding sources for operations and projects. For additional information on the financial condition of the TID, please review the Management Discussion and Analysis starting on page 3 of the report.

From a long term financial planning perspective, the TID Board and staff continue to evaluate future projects that will provide the District with the additional administrative revenue necessary to fund operations. The District's ability to work on future projects such as the South Hamilton Crossing and the Pioneer Parkway is critical for the District and also for the local governments throughout Butler County.

AUDIT

An audit team from Charles E. Harris & Associates, Inc. has performed this year's audit. The results of the audit are presented in the Independent Auditors Report.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the TID for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2010. This was the sixteenth consecutive year that the TID has received this award for excellence and the twelfth year reporting under the guidelines of GASB Statement No. 34. In order to be awarded a Certificate of Achievement, the TID published a clear and effective CAFR.

The TID staff works to develop a level of professionalism and sound financial reporting. The preparation and publication of this CAFR serves as a cornerstone for the TID's efforts. A special note of acknowledgment is presented to our Board of Trustees for their knowledge and dedication serving as volunteers to the TID. The report demonstrates a level of accountability that we strive to maintain each year. We hope this report increases public confidence in the operation and management of the TID. The report also provides a fair presentation of the financial condition of the TID as of and for the year ended December 31, 2011.

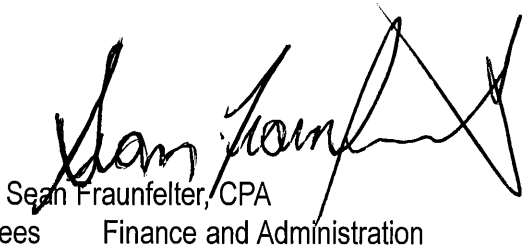
Respectfully submitted,



David L. Spinney
TID Director



Gregory J. Wilkens, P.E., P.S.
Secretary/Treasurer - TID Board of Trustees



Sean Fraunfelder, CPA
Finance and Administration

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Butler County Transportation Improvement District, Ohio

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

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



Linda C. Davidson

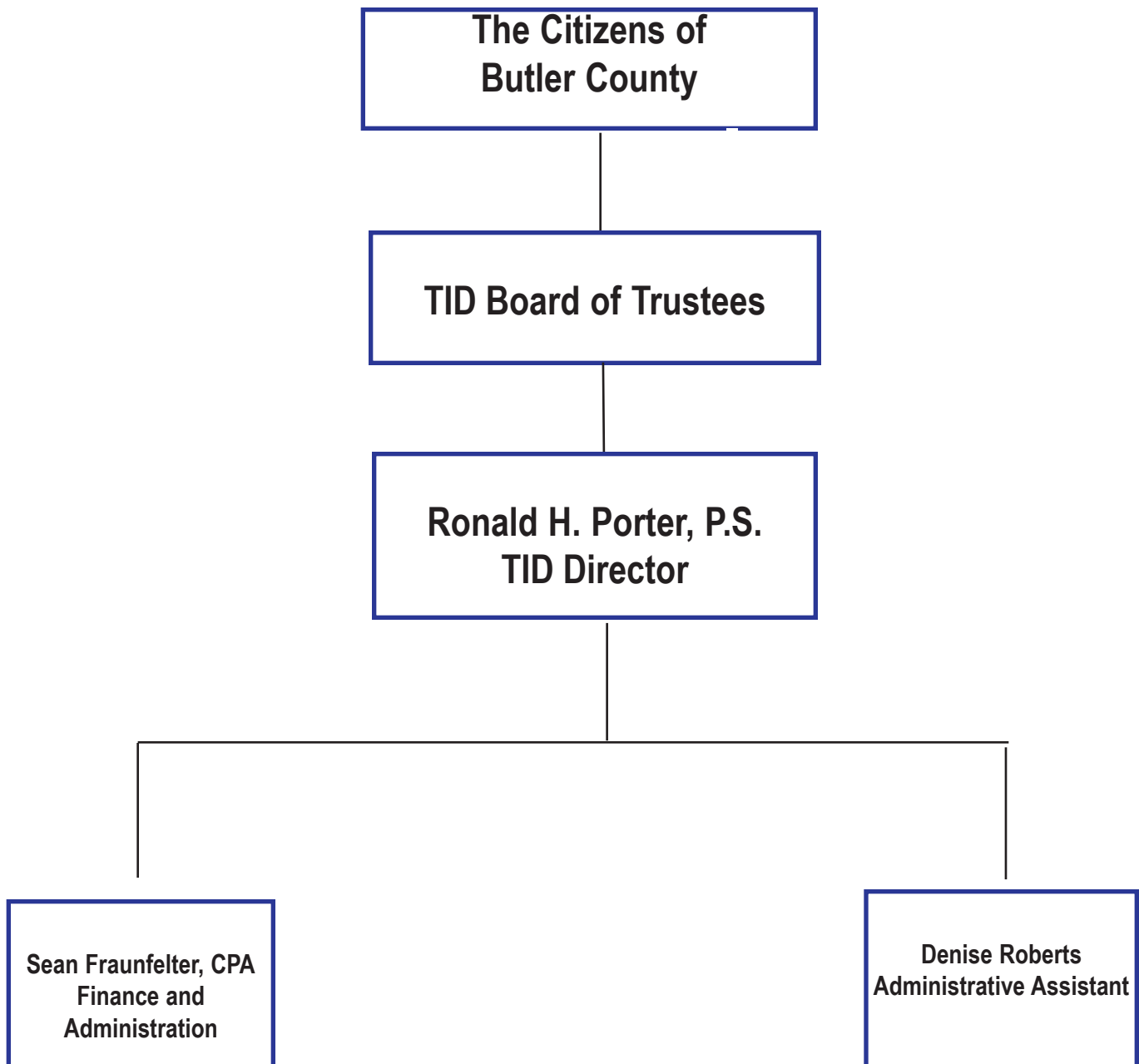
President

Jeffrey R. Enos

Executive Director



2011 Staff Organizational Chart



BUTLER
COUNTY

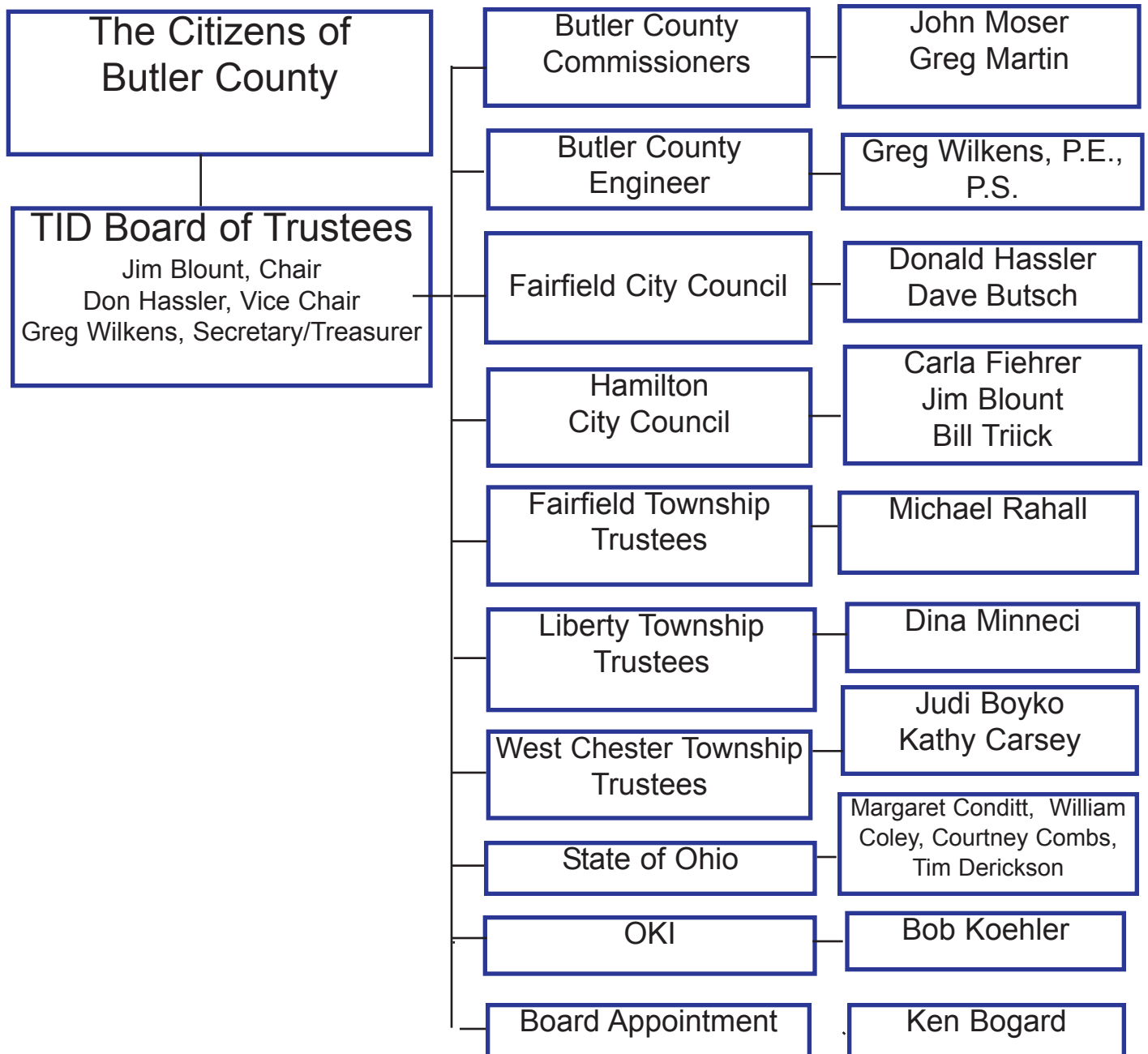


TID

TRANSPORTATION IMPROVEMENT DISTRICT

2011 Board of Trustees

Organizational Chart



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FINANCIAL

SECTION



In October 2011, the District, Ohio Department of Transportation, Butler County Engineer's Office, City of Hamilton, Fairfield Township, Butler County and other partners participated in the official opening of the Bypass 4 widening project.

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REPORT OF INDEPENDENT ACCOUNTANTS

Transportation Improvement District of Butler County
1921 Fairgrove Avenue
Hamilton, Ohio 45011

To the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Transportation Improvement District of Butler County, Ohio (District) as of and for the year ended December 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District'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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Transportation Improvement District, Butler County, Ohio, as of December 31, 2011, and the respective changes in financial position, thereof for the year 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 a report dated May 8, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing on internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

As described in Note 1J, the District implemented Governmental Accounting Standard Board Statement No.54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis and the required budgetary comparison information as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund schedules and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Charles E. Harris & Associates, Inc.

Charles E. Harris & Associates, Inc.
May 8, 2012

**TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Our discussion and analysis of the Transportation Improvement District of Butler County, Ohio's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2011. Please review it in conjunction with the transmittal letter and the District's basic financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- Total net assets increased \$9.2 million, which represents a 21.55 percent increase from 2010 as the participating governments paid in a significant amount of pledged revenues from the Liberty Interchange financing. The District was also successful in receiving a significant amount of capital grant funding for the State Route Bypass 4 funding.
- General revenues accounted for \$0.3 million in revenues or 2.1 percent of all revenues. Program specific revenues in the form of charges for services and capital grants accounted for \$13.2 million or 97.9 percent of all revenues.
- The District added \$7.4 million in capital assets during the current year mainly from the related construction along the State Route Bypass 4 project.
- Among the major funds, the State Route Bypass 4 fund had expenditures of \$7.9 million as the District spent significant dollars as the construction of the initial three phases wrapped during 2011 and phase 5A started in the fourth quarter of the year.
- Since inception, the District has spent just under \$308 million on construction projects in Butler County proving the District is a vital governmental tool to be used by the local governments to help increase the movement of the Butler County residents and open up valuable acreage for development that will keep Butler County as one of the growing communities in Ohio.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 11-12) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 14. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most financially significant funds.

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the District as a whole begins on page 4. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in them. You can think of the District's net assets, the difference between assets, what the District owns, and liabilities, what the District owes, as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's jurisdiction, the availability of capital project needs and continuing local government support to assess the *overall health* of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

Major Funds

- General
- Liberty Interchange
- State Route 4 Bypass Widening

Our analysis of the District's major funds begins on page 7. The fund financial statements begin on page 14 and provide detailed information about the most significant funds-not the District as a whole. Some funds are required to be established by State law. However, the Board of Trustees establishes many other funds to help control and manage money for particular purposes (ex. various capital projects funds). The District only has governmental funds.

Governmental Funds: The District's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation beside the fund financial statements.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements can be found on pages 18-32 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents supplementary information, combining and individual fund statements and schedules and statistical information which can be found on pages 33-65 of this report.

THE DISTRICT AS A WHOLE

The District's total net assets changed significantly from a year ago, increasing from \$42.7 million to \$51.9 million. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the District's governmental activities.

Table 1
Net Assets (in millions)

	2010	2011		2010	2011
Current and other assets	\$ 13.2	\$ 15.1	Net assets:		
Capital assets	79.7	87.1	Invested in capital assets	\$ 30.4	\$ 38.2
Total Assets	92.9	102.2	Restricted	10.4	12.7
			Unrestricted	1.9	1.0
Long-term obligations	(49.7)	(49.5)	Total net assets	\$ 42.7	\$ 51.9
Other liabilities	(0.5)	(0.8)			
Total Liabilities	(50.2)	(50.3)			

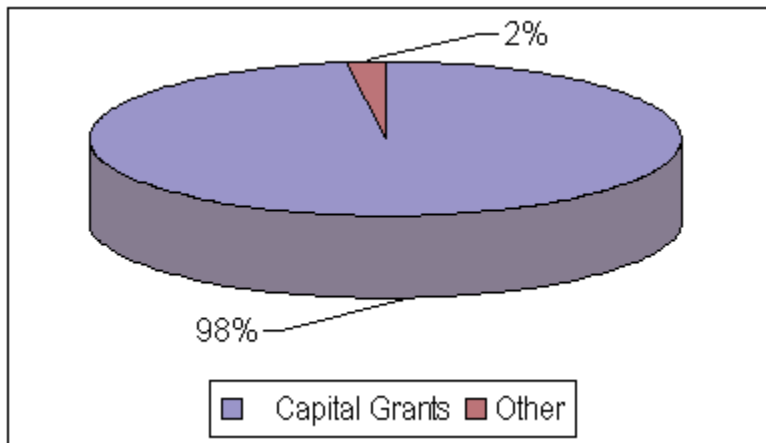
Net assets of the District's activities increased 21.55 percent or \$9.2 million. Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - dropped from 2010 as the District no longer receives the roadwork development grant that was used for operating purposes. The District also used operating funds to finalize the Bypass 4 Phase 5A engineering. The largest increase was in invested capital assets, net of related debt where the District realized a \$7.8 million increase as State Route Bypass 4 project construction continued. This project is the one remaining project on the original list of projects when the District was created in 1993. Including in the City of Fairfield's phase and the 2011 construction bid on Phase 5A, the project's construction bids were over \$37 million. The District is also working on engineering for the final portion of phase five that will widened the roadway completed to the terminus but the current traffic counts do not warrant widening the road presently. The District continues to prepare for grant funding by moving plans forward.

Table 2 compares the 2011 change in net assets to the 2010 change in net assets.

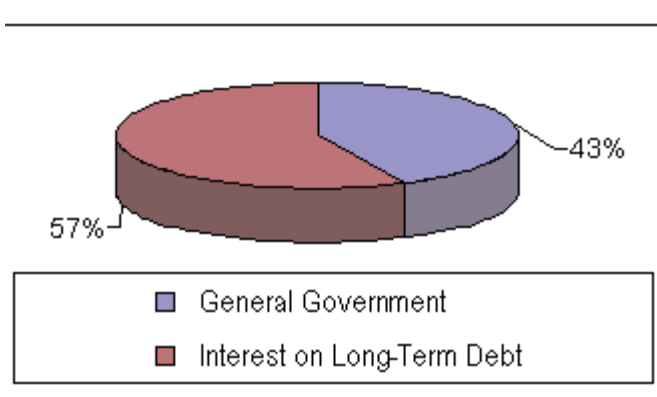
Table 2
Changes in Net Assets for 2011
Compared with 2010 activity
 (in millions)

	2010	2011	Change
Program Revenues:			
Charges for Services	\$ 0.1	\$ -	\$ (0.1)
Capital Grants	18.7	13.1	(5.6)
General Revenues:			
Other	0.3	0.3	-
Total Revenues	19.1	13.4	(5.7)
Program Expenses			
General Government	0.4	1.8	1.4
Interest of Long-Term Debt	2.5	2.4	(0.1)
Total Expenses	2.9	4.2	1.3
Special Item	(0.9)	-	0.9
Change in Net Assets	15.3	9.2	(6.1)
Beginning Net Assets	27.4	42.7	15.3
Ending Net Assets	\$ 42.7	\$ 51.9	\$ 9.2

2011 Governmental Activities Revenues



2011 Governmental Activities Expenses



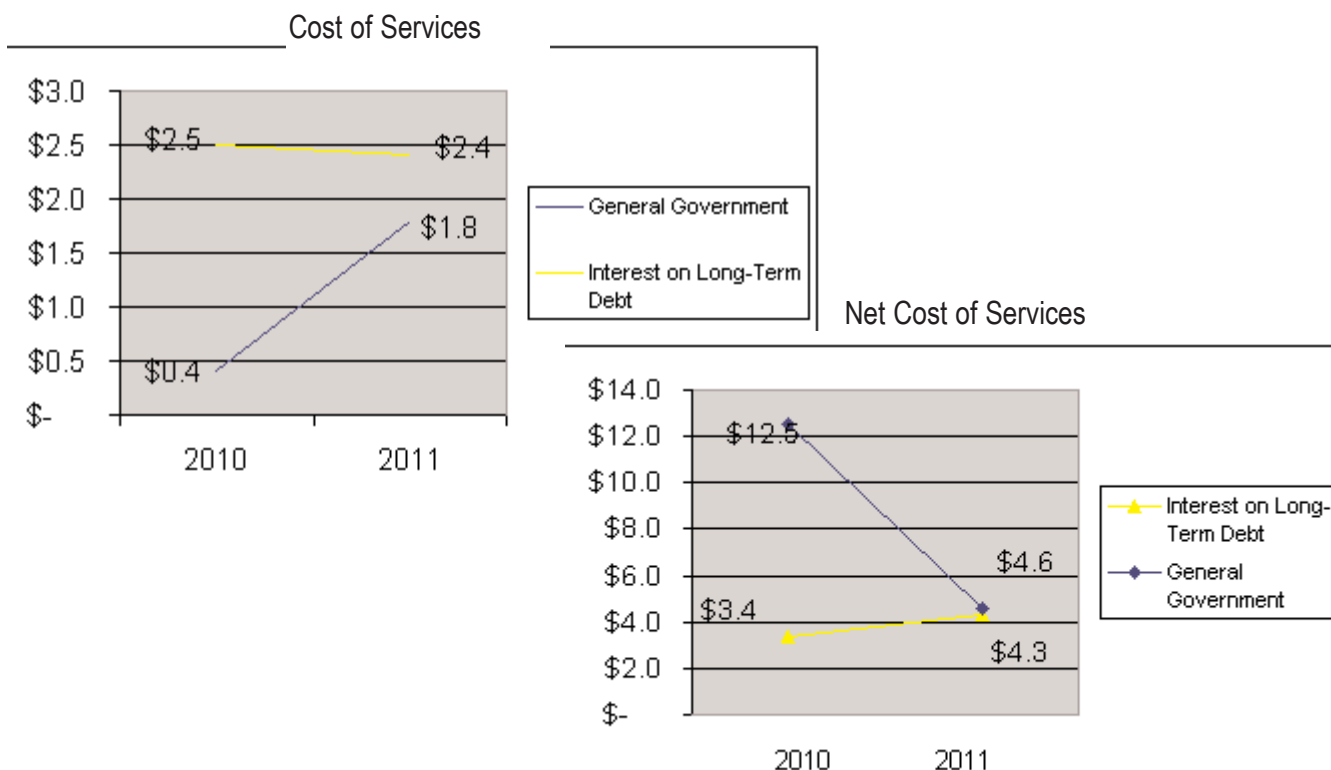
The District saw expenses increase from 2010 to 2011 mainly resulting from the District's payment on the Tylersville Road funding obligation of \$1.3 million. The District saw a \$5.6 million decrease in the capital grants and contributions from 2010. The majority of the decrease relates to stimulus and other federal or state funding the District received as part of the State Route 4 Bypass project with most of the funding being received in 2010. The District issued bonds in late 2009 for the local share on the project and started making the initial principal payments in 2011 through local contributions from Butler County, Fairfield Township and the City of Hamilton. During 2011, the District had expended over \$7.1 million on the project construction.

Table 3 presents the cost of each of the District's programs as well as each program's net cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the District by each of these functions.

Table 3
Governmental Activities
(in millions)

	Total Cost of Services		Net Cost of Services	
	2010	2011	2010	2011
General Government	\$ 0.4	\$ 1.8	\$ 12.5	\$ 4.6
Interest on Long-Term Debt	2.5	2.4	3.4	4.3
Total Expenses	\$ 2.9	\$ 4.2	\$ 15.9	\$ 8.9

The graphs below depict the change in cost of services for the program expenses from 2010 to 2011 and also shows the net cost of services for those expenses in the two years. As the net cost shows, the District has had back to back years where the program revenues exceed the program expenses. The local governments are required to overfund the debt service on the Liberty Interchange project which is a program revenue for interest on long term debt and the federal and state funding on the State Route 4 Bypass project paid for expenses that end up capitalized in the District's construction in progress.



THE DISTRICT'S FUNDS

Table 4 presents the fund balances of the individual major funds and total nonmajor funds and an analysis of significant changes in the fund balances.

Table 4
Year End Fund Balances
in (Millions)

	2010	2011	% Change
General	\$ 3.4	\$ 3.4	0.0%
Liberty Interchange	7.3	9.9	135.6%
State Route 4 Bypass Widening	1.4	-	-100.0%
Nonmajor Funds	(0.1)	(0.2)	-50.0%
Total Governmental Balances	\$ 12.0	\$ 13.1	9.2%

The **General Fund** was relatively flat as the District increased the fund balance slightly. The fund received the last operating funding from the roadwork development grant and some additional revenue for administrative agreements. The District spent the majority of the revenue on operating related purposes or initiating project development.

The 135.6% increase for the **Liberty Interchange Fund** is attributed to \$6.1 million (increased from \$5.9 million in 2010) in local government debt service contributions to the trust account. The local government partners contributed one hundred percent of their net incremental revenue in the project area until certain funding requirements are met. The District received the final payment invoice during 2011 so the construction aspect on the four phase project is officially closed. The District paid out \$1.3 million related to the Tylersville Road contribution, which was part of the original project commitment.

The **State Route Bypass 4 Widening Fund** decreased by 100% from the prior year as the District spent down the balance of the special obligations bonds during 2011. These funds are being used as the local share for four phases of the project. The project participants were also successful in applications for stimulus funds on two phases of the project with a significant amount of other funding being provided by various grants. The use of these alternatives have helped reduced the overall local impact from about \$45 million to \$21 million.

The **Other Nonmajor Fund** now accounts for the State Route 747 fund and South Hamilton Crossing fund, which was a new fund for the District during 2010. The District and City of Hamilton are working on an engineering study to provide the City with a southern railway overpass. The District has expended funds related to intergovernmental agreement without any reimbursement. The District also account for several other construction funds that have minimal amounts either negative or positive but are still open on the District's books.

Table 5 presents a summary of governmental fund revenues for the 2011 fiscal year and the amounts and percentages of increases and decreases in relation to the prior year.

Table 5
Total Governmental Fund Revenues

			Increase (Decrease)	Percent Increase (Decrease)
Revenue Source	2011 Amount	Percent of Total	Over 2010	
Intergovernmental	\$ 12,685,358	97.8%	\$ (5,925,030)	-31.8%
Charges for Services	27,375	0.2%	(8,032)	-22.7%
Investment Earnings	1,045	0.0%	(197,821)	-99.5%
Other	262,248	2.0%	21,104	8.8%
Total	\$ 12,976,026	100.0%	\$ (6,109,779)	-32.0%

The 32% decrease in **intergovernmental revenues** is related to the federal and state funding on the State Route 4 Bypass project with the majority being received in 2010. **Investments Earnings** decreased during 2011 as the bond balances decreased that had generated a significant amount of the revenue during the 2010 year. The District's increase in **other revenues** relates selling miscellaneous items for the District that were part of the State Route 129 Extension but all the revenue was used to pay for costs to determine what could be sold. The District also accounts for the IRS rebates on the Bypass bonds in this classification.

The main difference in governmental fund expenditures from 2010 to 2011 were the additional capital outlay costs on the State Route 4 Bypass project as 2010 was more active than 2011. Capital outlay accounts for 63.3% of all governmental fund expenditures with debt service making up the majority of the difference at 21.8% of governmental expenditures.

Table 6 presents the General Fund budget and the difference between the original budget and final budget for fiscal year 2011. Table 7 discusses the variance between the final budget and the actual results for the fiscal year.

Table 6
Original and Final Budget - General Fund

	Original	Final	Variance
Revenues:			
Intergovernmental	\$ 250,000	\$ 250,000	\$ -
Charges for Services	39,300	36,745	(2,555)
Investment Earnings	1,000	900	(100)
Other	-	35,000	35,000
Expenditures:			
Current:			
General Government	351,200	360,920	(9,720)

Original versus Final Budget

The District had no significant changes from original to final budget for 2011 except for the other revenue as discussed above for the miscellaneous sales. The District increased the expenditure budget slightly (2.8%) as the District was paying for project development costs during the year that were not anticipated when the original budget was completed in July 2009.

Table 7
Final Budget versus Actual Results
General Fund

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 250,000	\$ 250,000	\$ -
Charges for Services	36,745	36,745	-
Investment Earnings	900	873	(27)
Change in Fair Value of Investments	35,000	35,441	441
Expenditures:			
Current:			
General Government	360,920	321,125	39,795

Final Budget versus Actual Results

As discussed above, the additional project development expenditures did not materialize during the year, which explains the variance in general government. The District's revenue ended up almost where the final budget projected.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At year-end, the District had \$87.1 million invested in land held for resale and construction in progress assets. This amount represents an increase of \$7.4 million, or 9.3%, over the last year. The District spent that amount on the State Route 4 Bypass construction. For more information on capital assets, see Note 6 of the financial statements.

Debt Administration

During the year, the District has \$41.1 million in special obligation bonds for construction of the Liberty Interchange related projects outstanding. The debt is backed by intergovernmental agreements with Liberty Township, Butler County and West Chester Township. The project financing would not have occurred without the commitment of those governments. The bonds were issued at a \$1.6 million premium to cover the first seven months of interest expense. The District will not pay any principal for the first five years of the issue.

During 2009, the District saw the City of Hamilton, Butler County and Fairfield Township agree to support a \$7.3 million special obligation bond for the local share on three phases of the State Route 4 Bypass widening project. The bonds were issued under the economic recovery zone bond program so the participating governments will receive a 45% credit on the interest paid. This is critical for helping reduce the overall burden to these governments. The debt was reduced by \$185,000 during the year.

For more detailed information on this transaction, refer to Note 8 of the basic financial statements.

ECONOMIC FACTORS

The District has operated solely in Southeastern Butler County since its 1994 formation. The District opened the Interchange at Liberty Way during the fall of 2009. Along with the Cox Road Extension and Liberty Way, these projects will open up hundreds of acres for commercial development that will generate additional property and income tax for the area, as well as sales tax. The District has secured over \$21 million in various grant dollars to help pay for the construction of the State Route 4 Bypass widening. When the road is widened from the Fairfield terminus to the State Route 129 extension it will allow for a free flow of traffic and open up other valuable sites in Fairfield, Hamilton and Fairfield Township for development.

The District has shifted focus now that State Route 4 Bypass project is finishing construction on the initial three phases to finishing the northern portion, at State Route 129, of the Bypass as well as focusing on the development potential in the St. Clair and Madison Township area near the Great Miami River around Wayne-Madison Road. The District has started a development plan in connection with many local participants to move the construction project forward. The District also entered into an agreement with the City of Hamilton the South Hamilton Crossing project that could potentially open up significant acreage for development within the City of Hamilton. The next steps on the engineering project is moving forward.

It is important that the District is able to succeed in the development of these projects not only for Butler County and its residents, but also for the longevity of the District. The District has no continuing revenue source except an administration fee charged on the various projects that it conducts. With additional construction projects to better the transportation quality in Butler County, the District will be able to survive and continue to provide the residents of Butler County with an easier way to get from one place to the next.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 1921 Fairgrove Ave., Hamilton, Ohio 45011

Sean Fraunfelter, CPA
Finance and Administration

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**STATEMENT OF NET ASSETS
DECEMBER 31, 2011**

Assets:	
Current Assets:	
Cash and Cash Equivalents	\$ 965,699
Restricted Cash with Fiscal Agent	12,577,198
Cash with Escrow Agent	50,000
Accounts Receivable	2,125
Interest Receivable	5,397
Intergovernmental Receivables	396,900
<i>Total Current Assets</i>	<u>13,997,319</u>
Noncurrent Assets:	
Deferred Charges	1,099,547
Nondepreciable Capital Assets	87,053,350
<i>Total Noncurrent Assets</i>	<u>88,152,897</u>
Total Assets	<u>102,150,216</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	409,233
Accrued Wages and Benefits	3,509
Intergovernmental Payable	1,223
Accrued Interest Payable	197,815
Special Obligation Bonds Payable - Current	220,000
<i>Total Current Liabilities</i>	<u>831,780</u>
Noncurrent Liabilities:	
Special Obligation Bonds Payable	49,459,305
<i>Total Noncurrent Liabilities</i>	<u>49,459,305</u>
Total Liabilities	<u>50,291,085</u>
Net Assets:	
Invested in Capital Assets, net of related debt	38,210,364
Restricted for:	
Land option of property	50,000
Debt Service	11,740,879
Unrestricted	1,857,888
Total Net Assets	<u>\$ 51,859,131</u>

See accompanying notes to the financial statements

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Functions/Programs	Expenses	Program Revenues		Net Revenue and Change in Net Assets Primary Government Governmental Activities
		Charges for Services	Capital Grants and Contributions	
Primary Government:				
Governmental Activities:				
General Government	\$ 1,827,060	\$ 27,669	\$ 6,419,127	\$ 4,619,736
Interest on Long-Term Debt	2,414,524	-	6,713,131	4,298,607
Total Primary Government	\$ 4,241,584	\$ 27,669	\$ 13,132,258	8,918,343
General Revenues:				
Unrestricted Investment Earnings				179,297
Miscellaneous				98,344
Total General Revenues				277,641
Change in Net Assets				9,195,984
Net Assets - Beginning				42,663,147
Net Assets - Ending				\$ 51,859,131

See accompanying notes to the financial statements



TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**BALANCE SHEET -
GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	<u>General</u>	<u>Liberty Interchange</u>	<u>State Route 4 Bypass Widening</u>
Assets:			
Cash and Cash Equivalents	\$ 961,550	\$ -	\$ -
Cash with Escrow Agent	-	50,000	-
Receivables:			
Accounts, net	2,125	-	-
Intergovernmental	-	-	396,900
Interest	-	5,397	-
Interfund Loan	2,502,945	-	-
Restricted Assets:			
Cash with Fiscal Agent	-	11,740,879	836,319
Total Assets	<u>\$ 3,466,620</u>	<u>\$ 11,796,276</u>	<u>\$ 1,233,219</u>
Liabilities and Fund Balances			
Liabilities:			
Payable:			
Accounts	\$ 7,492	\$ 641	\$ 396,900
Accrued Wages and Benefits	3,509	-	-
Intergovernmental	1,223	-	-
Interfund Loan	-	1,900,190	428,602
Deferred Revenue	-	-	396,900
Total Liabilities	<u>12,224</u>	<u>1,900,831</u>	<u>1,222,402</u>
Fund Balances:			
Restricted:			
Escrow Security Deposit	-	50,000	-
Debt Service	-	11,740,879	-
Capital Improvements	-	-	1,847,688
Unassigned:			
General	3,454,396	-	-
Capital Projects (Deficit)	-	(1,895,434)	(1,836,871)
Total Fund Balances (Deficit)	<u>3,454,396</u>	<u>9,895,445</u>	<u>10,817</u>
Total Liabilities and Fund Balances	<u>\$ 3,466,620</u>	<u>\$ 11,796,276</u>	<u>\$ 1,233,219</u>

See accompanying notes to the financial statements

**Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2011**

Other Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$ 13,186,454
		<i>Amounts reported in governmental activities in the statement of net assets are different because:</i>	
\$ 4,149	\$ 965,699	Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.	87,053,350
-	50,000		
-	2,125		
-	396,900	Other long term assets are not available for current period expenditures and therefore are deferred in the funds.	396,900
-	5,397		
-	2,502,945		
-	12,577,198	Bond issuance costs reported as an expenditure in governmental funds are allocated as an expense over the life of the debt on a full accrual basis.	1,099,547
<u>\$ 4,149</u>	<u>\$ 16,500,264</u>		
		Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(49,877,120)</u>
\$ 4,200	\$ 409,233	Net Assets of Governmental Activities	<u>\$ 51,859,131</u>
-	3,509		
-	1,223		
174,153	2,502,945		
-	396,900		
<u>178,353</u>	<u>3,313,810</u>		
-	50,000		
-	11,740,879		
4,149	1,851,837		
-	3,454,396		
(178,353)	(3,910,658)		
<u>(174,204)</u>	<u>13,186,454</u>		
<u>\$ 4,149</u>	<u>\$ 16,500,264</u>		

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

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

	<u>General</u>	<u>Liberty Interchange</u>	<u>State Route 4 Bypass Widening</u>
<u>Revenues:</u>			
Intergovernmental	\$ 250,000	\$ 6,131,365	\$ 6,303,993
Charges for Services	27,375	-	-
Investment Earnings	873	(122)	294
All Other	33,702	50,000	178,546
	<hr/>	<hr/>	<hr/>
Total Revenues	311,950	6,181,243	6,482,833
	<hr/>	<hr/>	<hr/>
<u>Expenditures:</u>			
Current:			
General Government	273,255	1,295,693	178,546
Capital Outlay	-	314,948	7,129,269
Debt Service:			
Principal Retirement	-	-	185,000
Interest and Fiscal Charges	-	1,980,475	399,769
	<hr/>	<hr/>	<hr/>
Total Expenditures	273,255	3,591,116	7,892,584
	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	38,695	2,590,127	(1,409,751)
Fund Balances (Deficit) - beginning	3,415,701	7,305,318	1,420,568
Fund Balances (Deficit) - ending	<u>\$ 3,454,396</u>	<u>\$ 9,895,445</u>	<u>\$ 10,817</u>

See accompanying notes to the financial statements

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended December 31, 2011**

Other Governmental Funds	Total Governmental Funds		
		Net Change in Governmental Fund Balances	\$ 1,211,521
\$ -	\$ 12,685,358	Amounts reported for the governmental activities in the statement of activities are different because:	
-	27,375		
-	1,045		
-	262,248		
-	12,976,026	Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated to the projects as construction in progress.	7,372,201
-	1,747,494	Governmental funds report premiums as other financing sources, whereas these amounts are deferred and amortized on the statement of activities.	64,642
7,550	7,451,767		
-	185,000	Revenues in the statement of activities that do not provide current financial resources are not reported as such in the funds.	396,900
-	2,380,244		
7,550	11,764,505	In the statement of activities, interest and charges are accrued on outstanding bonds, whereas, in governmental funds, they are reported when due.	14,260
(7,550)	1,211,521		
(166,654)	11,974,933	Bonds payable are not due and payable in the current period and therefore are not reported in the funds	185,000
<u>\$ (174,204)</u>	<u>\$ 13,186,454</u>		
		The issuance of long term debt provides current financial resources to governmental funds, then the repayment reduces long-term liabilities in the statement of net assets. In the current year, this amount relates only to the amortization of issuance costs:	<u>(48,540)</u>
		Change in Net Assets of Governmental Activities	<u>\$ 9,195,984</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Transportation Improvement District of Butler County (the “District”) is a body, both corporate and politic, created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District was specifically formed under the auspices of House Bill 154, and Ohio Revised Code, Chapter 5540, as amended, and created by action of the Board of County Commissioners of Butler County on December 7, 1993.

The District is a jointly governed entity administered by a Board of Trustees (“Board”) that acts as the authoritative and legislative body of the entity. The Board is comprised of eighteen board members, of which thirteen are voting and five are non-voting appointed by the relative member governments. Of the eighteen, three are elected as officers of the District; Chair(person), Vice-Chair(person), and Secretary-Treasurer. Each Officer serves a term of one year; there are no term limits for reappointment. The member governments include the following political subdivisions: Butler County, the City of Hamilton, the City of Fairfield, Fairfield Township, West Chester Township, Liberty Township, the State of Ohio, and the Ohio-Kentucky-Indiana Regional Council of Governments. No board members receive compensation for serving on the Board, except for the Director.

The Board of Trustees annually appoints the Chair(person) of the Board from existing board members. The Chair responsibilities are to preside at all meetings of the Board; be the chief officer of the District; perform all duties commonly incident to the position of presiding officer of a board, commission or business organization and exercise supervision over the business of the District, its officers and employees.

The Board of Trustees appoints a Director of the District. The position of the Director is a non-voting position on the Board, and the Director receives annual compensation for his duties. The compensation package of the Director is passed by resolution of the Board. The Director’s main responsibility is acting as chief executive officer of the District as prescribed by the Board of Trustees.

The accompanying statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization’s governing body and either (1) the District’s ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Intergovernmental reimbursements associated with the current fiscal period are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period within the government wide statements. All other revenue items are considered measurable and available only when the District receives the actual revenue.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District only uses governmental funds.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The District reports the following major governmental funds:

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

Liberty Interchange Capital Projects Fund – This project involved the reconfiguration of the State Route 129 Extension at Interstate 75. The interchange was reconstructed to allow an eastward movement through a collector-distributor connection with the Liberty Way Bridge. This fund also accounts for the auxiliary road improvements around the interchange. The TID completed financing for the project during 2007 while right of way acquisition started in 2006. The ground breaking for the project was done in the fourth quarter of 2007. The project was completed and open to traffic in October 2009. The local governments have revenue contribution agreements in place to cover the debt service.

State Route 4 Bypass Widening Capital Projects Fund - To account for the engineering and environmental work to proceed with widening State Route 4 Bypass from the two terminus points on State Route 4. The TID and Butler County Engineer received stimulus funding and other state grants to complete phases one, two and three which started in 2010 and were open to traffic in 2011. The City of Fairfield was under construction for their phase during 2010 and expects to be completed during 2012.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Nonexchange transactions, in which the District receives value without directly giving value in return, includes grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must be available before it can be recognized.

Expenses/Expenditures

On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

D. Cash and Cash Equivalents

Cash received by the District is pooled for investment purposes. Equity interest in the pool is presented as “Cash and Cash Equivalents” on the statement of net assets and governmental fund balance sheet by activity or fund. The District utilizes a financial institution management of several trust accounts for the State Route 4 Bypass Widening project. The District utilizes another financial institution for the management of two trust accounts for the Liberty Interchange project. The balances in these accounts are presented on the financial statements as “Restricted Assets: Cash with Fiscal Agent.” The District maintains a “Cash with Escrow Agent” for holding the land option deposit on acreage around the Liberty Interchange project.

During fiscal year 2011, investments were limited to money market mutual funds and U.S. Agency securities.

Except for nonparticipating investment contracts, investments are reported at fair value that is based on quoted market prices. Investment contracts and money market investments that has a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Following Ohio statutes, the Board of Trustees has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounts to \$873, with no interest assigned to other funds as they operate on a reimbursement basis and do not receive interest. The Liberty Interchange and State Route 4 Bypass Widening capital projects funds also received interest on trust accounts of (\$122) and \$294 respectively. The Liberty Interchange credit is negative resulting from the change in fair value of investments between 2010 and 2011.

For presentation in the financial statements, investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an original maturity of more than three months that are not purchased from the pool are reported as investments.

E. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements. Restricted cash with fiscal agent represent amounts required by debt covenant to be segregated for construction expenses and future debt service on the outstanding bonds.

F. Interfund Transactions

During the course of normal operations, the District has numerous transactions between funds.

On the governmental funds balance sheet, receivables and payables resulting from short-term interfund loans are classified as “interfund loan receivables/payables.” These amounts are eliminated on the statement of net assets.

G. Capital Assets

Capital assets generally result from expenditures in the governmental funds. These assets are reported on the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not. The District maintains the ownership of the asset until a dedication plat is filed with the participating government for recording of the road. The District also owns several parcels of land at the end of the fiscal year that will be sold in future years to help finance TID operations or projects.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Compensated Absences

The District does not accrue compensatory time on exempt employees. Sick leave is allowed to be carried over to the next fiscal year but cannot be paid out in any case. Vacation time is earned by the District's administrative assistance and can be carried over into the next year with permission of the Executive Director. The accrued balance is accounted for in accrued wages and benefits.

I. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as contributions awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available.

J. Fund Balance

The District implemented GASB No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" during the fiscal year. The District no longer reports reservations of fund balance on the governmental balance sheet. The District reports the following categories:

- Nonspendable fund balance relates to the value of consumable inventories and prepaids. The District has no balance to report in this category.
- Restricted fund balances related to bond proceeds maintained in segregated accounts for construction and required to be held for purchase of land.
- Committed fund balances are balances the District Board has formally allocated. The District has no balance to report in this category.
- Assigned fund balances are balances the District administration have specified the future use.
- Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted amounts are available.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Net Assets

Net assets present the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

L. Estimates

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

M. Reconciliation of government-wide and fund financial statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this (\$49,877,120) difference are as follows:

Special Obligation Bonds Payable	(\$48,220,000)
Special Obligation Bonds – Premium	(1,459,305)
Accrued Interest Payable	(197,815)
Net Adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	(\$49,877,120)
	(\$49,877,120)

NOTE 2 – ACCOUNTABILITY

Fund Deficits

As of December 31, 2011, State Route 747, State Route 129 Extension and South Hamilton Crossing Capital Projects Funds had deficit fund balances of \$126,458, \$39,645 and \$12,250 respectively. The deficits were created through the reimbursement process of the District’s intergovernmental agreements with the participating local governments. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 2 – ACCOUNTABILITY (Continued)

Compliance

The Liberty Interchange fund had expenditures in excess of appropriations by \$154,430 as the District had a higher than utility relocation invoice greater than anticipated. The South Hamilton Crossing fund had expenditures in excess of appropriations by \$1,350 due to additional project legal costs. The State Route 129 Extension and State Route 747 funds had negative beginning balances of \$39,645 and \$126,458. The funds operated on a reimbursement basis with the estimated revenues budgeted across multiple fiscal years.

NOTE 3 – DEPOSITS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds. The following is a list of the allowable investments for the District:

- United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above, provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- The State Treasury Asset Reserve of Ohio (STAR Ohio);
- Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

- Under limited circumstances, corporate debt obligations rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation it will be held to maturity. Investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits

Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District does not have a custodial credit risk policy.

At year-end the carrying amount of the District's deposits was \$965,699 and the bank balance was \$970,911. \$250,000 of bank balances were covered by federal depository insurance coverage with \$720,911 being uninsured under federal depository coverage.

B. Investments

Custodial Credit Risk

The risk that, in the event of a failure of a counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District employs the use of "safekeeping" accounts to hold and maintain custody of its investments as identified within this policy and as a means of mitigating this risk.

Interest Rate Risk

The risk that the District will incur fair value losses arising from rising interest rates. Such risk is mitigated by the investment policy by limiting investments to certain maximum maturities. As a rule, unless specified otherwise within the policy, investments are to have a maximum maturity of five years unless the investment is matched to a specific expenditure. The context of a specific investment purchase must be weighed in proportion to the remainder of the existing investment portfolio and the "prudent investor" rule to attempt to limit such risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District has no investment policy dealing with credit risk except to maintain investments that are subject the investment policy.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

During 2011, the District limited investments to securities in Federal Government Agencies, long term certificates of deposit and money market mutual funds. Below are the credit ratings of the District's investments:

Security	Rating Agency	
	Moody's	Standard & Poor's
Federal Home Loan Bank Notes	Aaa/AA+	P-1/A-1
Federal Home Loan Mortgage Corporation Notes	Aaa/AA+	P-1/A-1
Dreyfus Government Prime Cash Management Fund	Aaa	AAAm
Fidelity Government Fund	Aaa	AAAm

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. The District's investment policy allows investments in Federal Agencies or Instrumentalities.

The District's investments at December 31, 2011 are summarized below:

Investment	Average Maturity	<1 Year Before Maturity	>1 Year Before Maturity	Concentration Risk
Federal Home Loan Bank Notes	0.52 years	\$1,000,400	\$0	7.95%
Federal Home Loan Mortgage Corporation Notes	1.40 years	0	3,004,254	23.89%
Long Term Certificates of Deposit	2.29 years	0	2,000,000	15.90%
Dreyfus Government Prime Cash Management Fund	<60 days	5,736,225	0	45.61%
Fidelity Government Fund	<60 days	836,319	0	6.65%
Total		<u>\$7,572,944</u>	<u>\$5,004,254</u>	

NOTE 4 – INTERFUND BALANCES

Interfund balances at December 31, 2011, consist of the following individual receivables and payables in the governmental fund balance sheet (such amounts are removed in the statement of net assets):

Fund	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$2,502,945	\$0
Capital Projects Funds:		
Liberty Interchange	0	1,900,190
State Route 4 Bypass Widening		428,602
Nonmajor Funds	0	174,153
Total Capital Projects Funds	<u>0</u>	<u>2,502,945</u>
Totals	<u>\$2,502,945</u>	<u>\$2,502,945</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 4 – INTERFUND BALANCES (Continued)

During the year the capital projects funds expended monies for construction projects that are defined as governmental reimbursement contracts. The reimbursements were not made before year-end and the General Fund advanced monies to cover the deficits in the funds. A large portion of the interfund payable in the Liberty Interchange fund relates to the District's purchase of eighteen acres of land near the proposed interchange. The interfund in the State Route 4 Bypass Widening fund relates to the payments made advance the fifth phase (a) on the widening project where the District advanced the engineering funds. The District is evaluating sources to recover those costs. The General Fund will be repaid within one year or less once the reimbursements are received.

NOTE 5 – INTERGOVERNMENTAL REVENUES AND CHARGES FOR SERVICES

The following entities, which are a part of the District, have contributed the following funds during 2011:

Member Name	Contribution
Ohio Department of Transportation	\$5,972,227
Butler County	3,846,975
Liberty Township	2,345,736
Fairfield Township	254,255
City of Hamilton	218,618
West Chester Township	47,547
Totals	\$12,685,358

Charges for services recorded in the General Fund, represents the District's contract with the Montgomery County TID for providing monthly financial services.

NOTE 6 – CAPITAL ASSETS

Summary by category of changes in capital assets:

Category	December 31, 2010	Additions	Deletions	December 31, 2011
Land	\$1,775,789	\$0	\$0	\$1,775,789
Construction in Progress	77,905,360	7,372,201	0	85,277,561
Totals	\$79,681,149	\$7,372,201	\$0	\$87,053,350

For 2011, the District spent a significant amount on the State Route 4 Bypass Widening project as the three phases from Hamilton-Mason Road to Symmes Road were under construction nearing completion. The District also started the construction on the bridge overpass at State Route 129 in the fourth quarter.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 7 – DEFINED BENEFIT PENSION AND POSTEMPLOYMENT BENEFITS PLANS

The following information was provided by the OPERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The OPERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the OPERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

OPERS administers three separate pension plans as described below:

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

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 10%. The employer contribution rate was 14% with 10% used to fund the pension allocation. The contribution requirements of plan members and the District are established and may be amended by the Ohio Public Employees Retirement Board. The District's contributions to the OPERS of Ohio for the years ending December 31, 2011, 2010, and 2009 were \$6,589, \$5,357, and \$12,105, respectively, 83 percent has been contributed for fiscal year 2011 and 100 percent has been contributed for fiscal years 2010 and 2009.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contributions rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.00% of covered payroll. The Ohio Revised Code currently limits the employer contribution rate to a rate not to exceed 14.0% of the covered payroll for state and local employer. Active members do not make contributions to the OPEB plan.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 7 – DEFINED BENEFIT PENSION AND POSTEMPLOYMENT BENEFITS PLANS
(Continued)

OPERS' Post Employment Health Care Plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the TP was 4% during calendar year 2011. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The District's actual contributions that were used to fund post employment benefits in 2011, 2010, and 2009 were \$2,515, \$2,944, and \$7,545, respectively.

The Health Care Preservation Plan (HCCP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 each year from 2006 to 2008, which allowed funds to be allocated to the health care plan.

NOTE 8 – LONG-TERM OBLIGATIONS

	Balance December 31, 2010	Issued	Retired	Balance December 31, 2011	Due Within One Year
Governmental Activities:					
Special Obligation Bonds:					
4.00%-5.00% 2007	\$41,130,000	\$0	\$0	\$41,130,000	\$0
Premium	1,419,641	0	59,152	1,360,489	0
Special Obligation Bonds					
1.875%-6.50% 2009	7,275,000	0	185,000	7,090,000	220,000
Premium	104,306	0	5,490	98,816	0
Governmental Activity					
Long-Term Liabilities	\$49,928,947	\$0	\$249,642	\$49,679,305	\$220,000

Special Obligation Bonds: On February 15, 2007 the District issued \$41,130,000 for the purpose of constructing the Liberty Interchange and related infrastructure projects. The bonds were issued for twenty-eight years with a final maturity in 2034 at an interest rate range of four to five percent. The bonds will be repaid from the Liberty Interchange capital projects fund trust accounts through intergovernmental agreements with Liberty Township, Butler County and West Chester Township. A premium of \$1,656,249 on the issuance of the bonds will be amortized over the life of the debt.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

The District has pledged all future revenues from the intergovernmental agreements to repay the \$41,130,000 in special obligation bonds to finance the Liberty Interchange project. The bonds are paid from tax increment financing revenue received from Liberty Township, Butler County and West Chester Township’s applicable properties located around the project. Total principal and interest remaining on the bonds is \$82,839,250 payable through December 2034. For the current year, only interest was paid in the amount of \$1,980,575 while total tax increment financing revenue was \$6,131,365.

On December 16, 2009, the District issued \$7,275,000 for the purpose of paying the local share of the three phases on State Route 4 Bypass. The issue was completed under the provisions of the economic recovery zone bond program. The District will receive a forty-five percent refund of the interest payment annually that will be returned the local governments to help reduce the total interest expense on the project. The bonds have a final maturity of December 1, 2029 and will be repaid through intergovernmental agreements with Butler County, City of Hamilton and Fairfield Township.

The principal and interest requirements for outstanding bonds as of December 31, 2011 are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total	Rate
2012	\$220,000	\$2,373,774	\$2,593,774	2.375-4.00%
2013	355,000	2,368,550	2,723,550	3.00-4.00
2014	565,000	2,356,749	2,921,749	3.875-4.00
2015	780,000	2,335,551	3,115,551	3.875-4.00
2016	1,005,000	2,304,705	3,309,705	3.875-4.00
2017-2021	7,680,000	10,655,569	18,335,569	4.00-5.125
2022-2026	13,980,000	8,171,387	22,151,387	4.25-5.875
2027- 2031	21,140,000	3,825,041	24,965,041	4.75-6.50
2032-2034	2,495,000	227,924	2,722,924	4.50-5.00
Totals	<u>\$48,220,000</u>	<u>\$34,619,250</u>	<u>\$82,839,250</u>	

NOTE 9 – CONSTRUCTION COMMITMENTS

The District has several major outstanding contracts for services. The following amounts remain on these contracts as of December 31, 2011.

Project and Contractor	Outstanding Balance
Bypass 4 Widening Phase 1 – John R. Jurgensen Company	\$635,001
Bypass 4 Widening Phase 2 – Barrett Paving Company	617,427
Bypass 4 Widening Phase 3 – John R. Jurgensen Company	719,427
Bypass 4 Widening Phase 5 – Complete General Construction Company	3,923,378

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

NOTE 10 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees and natural disaster. During 2011, the District contracted with Cincinnati Financial Insurance Co. for liability, property, and crime damage and RSUI Indemnity Company for public officials insurance. Coverage provided by the companies are as follows:

Public Official Errors and Omissions Liability (Per occurrence)	\$1,000,000
Business Auto Coverage Liability Combined	1,000,000
Commercial General Liability	2,000,000
Commercial Property	1,000,000
Personal and Advertising Injury	1,000,000
Valuable Papers	75,000
Crime Insurance:	
Forgery or Alteration	25,000
Employee Dishonesty (Per occurrence)	500,000
Surety Bond (Gregory Wilkens, Secretary/Treasurer)	500,000

The District has had no significant reduction in insurance coverage from prior years. The District has had no settlements exceed insurance coverage for the past ten years.

Workers' compensation coverage is maintained by paying premiums to the State Bureau of Workers' Compensation. The premium is calculated based upon accident history and administrative costs.

**REQUIRED SUPPLEMENTARY
INFORMATION SECTION**

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Charges for Services	39,300	36,745	36,745	-
Investment Earnings	1,000	900	873	(27)
All Other	-	35,000	35,441	441
Total Revenues	<u>290,300</u>	<u>322,645</u>	<u>323,059</u>	<u>414</u>
Expenditures:				
Current:				
General Government				
Personal Services	92,700	81,300	75,509	5,791
Contractual Services	225,500	223,970	174,401	49,569
Materials and Supplies	11,500	10,200	25,193	(14,993)
Other	21,500	45,450	46,022	(572)
Total General Government	<u>351,200</u>	<u>360,920</u>	<u>321,125</u>	<u>39,795</u>
Net Change in Fund Balance	(60,900)	(38,275)	1,934	40,209
Fund Balance Beginning of Year	<u>3,456,736</u>	<u>3,456,736</u>	<u>3,456,736</u>	-
Fund Balance End of Year	<u>\$ 3,395,836</u>	<u>\$ 3,418,461</u>	<u>\$ 3,458,670</u>	<u>\$ 40,209</u>
		Budget Basis	\$ 1,934	
		Revenue Accruals	(6,191)	
		Expenditure Accruals	<u>42,952</u>	
		GAAP Basis	<u>\$ 38,695</u>	

See accompanying notes to the required supplementary information

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO SUPPLEMENTARY INFORMATION
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. Legally, the Ohio Revised Code does not strictly impose a requirement on the District to follow the budgetary process but the District chose to follow these laws by an act within their entity's by-laws. The major documents prepared are the certificate of estimated resources and the appropriation resolution, both of which are prepared on the budgetary basis of accounting.

The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified by resolution of the District Board. All funds are required to be budgeted and appropriated. The level of budgetary control is at the object level for the District. Any budgetary modifications at this level may only be made by resolution of the District Board. Supplemental appropriations were necessary during the year which increased the original budget amounts.

Under the District's By-laws, revenues not specifically related to a particular fund shall be deposited into the District's General Fund. Monies can only be transferred from the General Fund by resolution of the District Board.

1. Estimated Resources

As part of the District's budgetary process, the Board approves the budgetary document. The budgetary document states the projected revenue of each fund. Prior to December 31, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the budgetary document. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the budgetary document is amended to include any unencumbered balances from the preceding year. The budgetary document may be further amended during the year if the Board determines that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final budgetary document issued during 2011.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
NOTES TO SUPPLEMENTARY INFORMATION
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Appropriations

An annual appropriation resolution must be passed by July 15 of the preceding year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund and object level. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among funds and objects within a fund may be modified during the year only by a resolution of the Board. The amounts reported as the original budgeted amounts in the budgetary statements reflect the appropriations in the first complete appropriated budget, including amounts automatically carried over from prior years. The amounts reported as final budgeted amounts in the schedules of budgetary comparison represent the final appropriation amounts, including all supplemental appropriations.

3. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

4. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than GAAP. The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures are recorded when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting on the governmental fund statements and on the full accrual basis on the government-wide statements.



NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUND

The Capital Projects Funds are used to account for the construction of major capital improvement programs within the jurisdiction of the District.

Union Centre Extension Fund

Formerly known as Symmes Road Extension, the fund is used to account for the TID's improvements and construction of a five-lane road from State Route 747 to Seward Road.

State Route 747 Capital Projects Fund

This fund accounts for the widening of State Route 747 from Tylersville Road to the State Route 129 Extension, also known as phase three of the widening project. The District completed the first phase in 2000 with the County Engineer completing the second phase during 2005. The District has completed actual construction during 2007 with closeout in 2009. This fund was also responsible for the engineering and certain real property associated with the Princeton Road intersection in Liberty Township. The construction of this section was completed by the County Engineer.

State Route 129 Extension Fund – The fund accounted for the TID's construction of a 10.7 mile divided above grade interstate like roadway from the City of Hamilton to Interstate 75. The District has transferred all the right of way for the project to ODOT. The bonds were defeased.

Muhlhauser Road Fund

To account for the construction of a five-lane road from State Route 747 to West Chester Road. The TID used the cash balance to fund additional right of way and construction expenditures to help reduce the County and Township portion of the widening from State Route 747 to State Route 4 during the year.

South Hamilton Crossing Fund

To account for the study and engineering for a railroad overpass along Grand Avenue in the southern portion of the City of Hamilton. The TID has entered into an agreement with the City for overseeing the process and is working towards right-of-way acquisition and construction if funding becomes available.



TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	CAPITAL PROJECTS							Total Nonmajor Governmental Funds
	Union Centre Extension	State Route 747	State Route 129 Extension	Muhlhauser Road	South Hamilton Crossing			
Assets:								
Cash and Cash Equivalents	325	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,149
Total Assets	<u>325</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,149</u>
Liabilities:								
Accounts Payable	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200
Interfund Loan Payable	-	126,458	39,645	-	8,050	-	-	174,153
Total Liabilities	<u>-</u>	<u>126,458</u>	<u>39,645</u>	<u>-</u>	<u>8,050</u>	<u>-</u>	<u>-</u>	<u>178,353</u>
Fund Balances:								
Restricted for Capital Purposes	325	-	-	3,824	-	-	-	4,149
Unassigned	-	(126,458)	(39,645)	-	(12,250)	-	(12,250)	(178,353)
Total Fund Balances	<u>325</u>	<u>(126,458)</u>	<u>(39,645)</u>	<u>3,824</u>	<u>(12,250)</u>	<u>-</u>	<u>(12,250)</u>	<u>(174,204)</u>
Total Liabilities and Fund Balances	<u>\$ 325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,149</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

		CAPITAL PROJECTS						Total Nonmajor Governmental Funds
	Union Centre Extension	State Route 747	State Route 129 Extension	Muhlhauser Road	South Hamilton Crossing			
Revenues:								
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expenditures:								
Capital Outlay	-	-	-	-	7,550	7,550	7,550	
Total Expenditures	-	-	-	-	7,550	7,550	7,550	
Change in Fund Balance	-	-	-	-	(7,550)	(7,550)	(7,550)	
Fund Balance (Deficit) - Beginning of Year	325	(126,458)	(39,645)	3,824	(4,700)	(166,654)	(166,654)	
Fund Balance (Deficit) - End of Year	\$ 325	\$ (126,458)	\$ (39,645)	\$ 3,824	\$ (12,250)	\$ (174,204)	\$ (174,204)	

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LIBERTY INTERCHANGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental Revenue	\$ 4,000,000	\$ 5,000,000	\$ 6,131,365	\$ 1,131,365
Investment Earnings	-	12,500	9,413	(3,087)
Total Revenues	<u>4,000,000</u>	<u>5,012,500</u>	<u>6,140,778</u>	<u>1,128,278</u>
Expenditures:				
Current:				
General Government	1,500,000	1,294,000	1,295,693	(1,693)
Capital Outlay	134,370	158,570	314,307	(155,737)
Debt Service:				
Interest and Fiscal Charges	1,983,475	1,983,475	1,980,475	3,000
Total Expenditures	<u>3,617,845</u>	<u>3,436,045</u>	<u>3,590,475</u>	<u>(154,430)</u>
Net Change in Fund Balance	382,155	1,576,455	2,550,303	973,848
Fund Balance Beginning of Year	<u>7,297,103</u>	<u>7,297,103</u>	<u>7,297,103</u>	-
Fund Balance End of Year	<u>\$ 7,679,258</u>	<u>\$ 8,873,558</u>	<u>\$ 9,847,406</u>	<u>\$ 973,848</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE ROUTE 4 BYPASS WIDENING
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental Revenue	\$ 15,539,240	\$ 19,507,101	\$ 6,303,993	\$ (13,203,108)
Investment Earnings	10,000	350	294	(56)
All Other Revenue	98,774	150,000	178,546	28,546
Total Revenues	<u>15,648,014</u>	<u>19,657,451</u>	<u>6,482,833</u>	<u>(13,174,618)</u>
Expenditures:				
Current:				
General Government	98,774	150,000	178,546	(28,546)
Capital Outlay	15,218,802	13,055,548	6,733,093	6,322,455
Debt Service:				
Principal Retirement	185,000	185,000	185,000	-
Interest and Fiscal Charges	282,212	399,766	399,769	(3)
Total Expenditures	<u>15,784,788</u>	<u>13,790,314</u>	<u>7,496,408</u>	<u>6,293,906</u>
Net Change in Fund Balance	(136,774)	5,867,137	(1,013,575)	(6,880,712)
Fund Balance Beginning of Year	1,402,712	1,402,712	1,402,712	-
Prior Year Encumbrances	18,580	18,580	18,580	-
Fund Balance End of Year	<u>\$ 1,284,518</u>	<u>\$ 7,288,429</u>	<u>\$ 407,717</u>	<u>\$ (6,880,712)</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

UNION CENTRE EXTENSION FUND				
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Total Revenues	\$ -	\$ -	\$ -	\$ -
<u>Expenditures:</u>				
Total Expenditures	-	-	-	-
Change in Fund Balance	-	-	-	-
Fund Balance Beginning of Year	325	325	325	-
Fund Balance End of Year	<u>\$ 325</u>	<u>\$ 325</u>	<u>\$ 325</u>	<u>\$ -</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	STATE ROUTE 747 FUND			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance (Deficit) Beginning of Year	(126,458)	(126,458)	(126,458)	-
Fund Balance (Deficit) End of Year	<u>\$ (126,458)</u>	<u>\$ (126,458)</u>	<u>\$ (126,458)</u>	<u>\$ -</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

STATE ROUTE 129 EXTENSION FUND

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Total Revenues	-	-	-	-
Expenditures:				
Total Expenditures	-	-	-	-
Change in Fund Balance	-	-	-	-
Fund Balance (Deficit) Beginning of Year	(39,645)	(39,645)	(39,645)	-
Fund Balance (Deficit) End of Year	<u>\$ (39,645)</u>	<u>\$ (39,645)</u>	<u>\$ (39,645)</u>	<u>\$ -</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	MUHLHAUSER ROAD FUND			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Total Expenditures	-	-	-	-
Change in Fund Balance	-	-	-	-
Fund Balance Beginning of Year	3,824	3,824	3,824	-
Fund Balance End of Year	<u>\$ 3,824</u>	<u>\$ 3,824</u>	<u>\$ 3,824</u>	<u>\$ -</u>

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

SOUTH HAMILTON CROSSING FUND				
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental Revenue	\$ 236,700	\$ 6,700	\$ -	\$ (6,700)
Total Revenues	<u>236,700</u>	<u>6,700</u>	<u>-</u>	<u>(6,700)</u>
Expenditures:				
Capital Outlay	232,000	2,000	3,350	(1,350)
Total Expenditures	<u>232,000</u>	<u>2,000</u>	<u>3,350</u>	<u>(1,350)</u>
Net Change in Fund Balance	4,700	4,700	(3,350)	(8,050)
Fund Balance (Deficit) Beginning of Year	(4,700)	(4,700)	(4,700)	-
Fund Balance (Deficit) End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,050)</u>	<u>\$ (8,050)</u>



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STATISTICAL

SECTION



Above - Liberty Interchange Area in August 2004
Below - Liberty Interchange Area in October 2009



The Liberty Interchange was opened to traffic at the end of 2009.

**Transportation Improvement District of
Butler County, Ohio
Statistical Section Descriptions
December 31, 2011**

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

<u>Contents</u>	<u>Pages</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and situation have changed over time.	51-57
Revenue Capacity (The District has no specific revenue source that generates year over year for the District; therefore, there are no tables presenting this information)	
Debt Capacity	
This schedule presents information to help the reader assess the affordability of the District's current levels of outstanding debt. The District has no ability to issue additional debt in the future without an agreement through on the participating governments.	58-60
Operating Information	
These schedules contain operational data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	61
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within in which the District's financial activities takes place.	62-66



TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

NET ASSETS BY COMPONENT

LAST TEN YEARS (accrual basis of accounting)

	2011	2010	2009	2008	2007
Governmental Activities:					
Invested in capital assets, net of related debt	\$ 38,210,364	\$ 30,424,084	\$ 20,005,940	\$ 18,504,670	\$ 16,543,620
Restricted	11,790,879	10,320,050	5,560,411	6,869,668	1,650,174
Unrestricted	1,857,888	1,919,013	1,871,650	646,935	1,731,632
Total Governmental Activities Net Assets	\$ 51,859,131	\$ 42,663,147	\$ 27,438,001	\$ 26,021,273	\$ 19,925,426
Governmental Activities:					
Invested in capital assets, net of related debt	\$ 15,034,816	\$ 13,732,805	\$ 10,982,235	\$ 17,546,423	\$ 42,089,576
Restricted	374,477	15,195,076	14,850,389	14,522,631	14,318,505
Unrestricted	1,148,080	(1,096,692)	1,552,732	1,847,313	1,981,693
Total Governmental Activities Net Assets	\$ 16,557,373	\$ 27,831,189	\$ 27,385,356	\$ 33,916,367	\$ 58,389,774

Source: District financial records

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

CHANGE IN NET ASSETS

LAST TEN YEARS (accrual basis of accounting)

	2011	2010	2009
Expenses:			
Governmental Activities			
General Government	\$ 1,827,060	\$ 402,366	\$ 715,520
Fiscal Charges	-	-	-
Interest on Long Term Debt	2,414,524	2,467,505	2,181,640
<i>Total Governmental Activities Expenses</i>	<u>4,241,584</u>	<u>2,869,871</u>	<u>2,897,160</u>
Program Revenues:			
Charges for Services			
General Government	27,669	35,407	203,329
Operating Grants and Contributions			
General Government	6,419,127	12,861,985	1,345,354
Interest on Long Term Debt	6,713,131	5,859,116	2,367,815
<i>Total Governmental Activities Program Revenues</i>	<u>13,159,927</u>	<u>18,756,508</u>	<u>3,916,498</u>
Net (Expense)/Revenue	<u>8,918,343</u>	<u>15,886,637</u>	<u>1,019,338</u>
General Revenues			
Grants and Contributions Unrestricted	-	-	-
Unrestricted Investment Earnings	179,297	198,866	77,411
Change in Fair Value of Investments	-	-	-
Miscellaneous	98,344	73,227	319,979
Special Item - Disposal of Land	-	(933,584)	-
<i>Total Governmental Activities General Revenues</i>	<u>277,641</u>	<u>(661,491)</u>	<u>397,390</u>
Change in Net Assets	<u>\$ 9,195,984</u>	<u>\$ 15,225,146</u>	<u>\$ 1,416,728</u>

Source: District financial records.

2008	2007	2006	2005	2004	2003	2002
\$ 454,730	\$ 2,338,236	\$ 1,702,925	\$ 460,218	\$ 9,277,438	\$ 26,962,585	\$ 15,022,973
327,044	-	6,516,155	159,666	100,089	163,647	515,492
1,751,628	1,585,006	6,152,002	6,074,683	6,289,655	4,809,798	6,893,265
2,533,402	3,923,242	14,371,082	6,694,567	15,667,182	31,936,030	22,431,730
619,864	24,172	94,991	48,898	79,354	45,973	185,882
7,232,136	5,611,078	1,946,633	657,450	404,160	370,358	1,598,492
-	-	-	5,245,955	6,365,905	5,736,408	6,405,255
7,852,000	5,635,250	2,041,624	5,952,303	6,849,419	6,152,739	8,189,629
5,318,598	1,712,008	(12,329,458)	(742,264)	(8,817,763)	(25,783,291)	(14,242,101)
-	-	500,000	-	250,000	250,000	250,000
877,121	1,486,437	510,536	980,903	940,632	957,963	947,606
(164,276)	164,276	(1,375)	(4,111)	(1,509)	(4,629)	20,580
64,404	5,332	46,481	211,305	1,097,629	106,550	298,606
-	-	-	-	-	-	-
777,249	1,656,045	1,055,642	1,188,097	2,286,752	1,309,884	1,516,792
\$ 6,095,847	\$ 3,368,053	\$ (11,273,816)	\$ 445,833	\$ (6,531,011)	\$ (24,473,407)	\$ (12,725,309)



TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO
FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN YEARS (modified accrual basis of accounting)

	2011	2010	2009	2008	2007
General Fund					
Unassigned	\$ 3,454,396	NA	NA	NA	NA
Reserved	-	-	-	154	-
Unreserved	-	3,415,701	3,523,834	3,229,925	2,815,145
Total General Fund	3,454,396	3,415,701	3,523,834	3,230,079	2,815,145
All other governmental funds					
Restricted	13,642,716	NA	NA	NA	NA
Unassigned	(3,910,658)	NA	NA	NA	NA
Reserved	-	11,009,788	13,526,176	15,319,008	30,608,670
Unreserved, reported in:					
Debt Service	-	-	-	-	-
Capital Projects	-	(2,450,556)	(3,675,770)	(3,421,084)	(4,172,730)
Total All other governmental funds	9,732,058	8,559,232	9,850,406	11,897,924	26,435,940
Total Governmental Funds	\$ 13,186,454	\$ 11,974,933	\$ 13,374,240	\$ 15,128,003	\$ 29,251,085
	2006	2005	2004	2003	2002
General Fund					
Reserved	\$ 6,652	\$ 11,034	\$ -	\$ 4,487	\$ 286
Unreserved	3,302,479	2,705,563	2,874,839	3,603,343	6,352,696
Total General Fund	3,309,131	2,716,597	2,874,839	3,607,830	6,352,982
All other governmental funds					
Reserved	2,282,459	14,848,697	14,942,523	14,309,528	13,762,757
Unreserved, reported in:					
Debt Service	-	(39,645)	223,328	9,556	(412,901)
Capital Projects	(4,343,901)	(1,775,709)	(365,300)	29,929	(46,824)
Total All other governmental funds	(2,061,442)	13,033,343	14,800,551	14,349,013	13,303,032
Total Governmental Funds	\$ 1,247,689	\$ 15,749,940	\$ 17,675,390	\$ 17,956,843	\$ 19,656,014

Source: District financial records
Note: The District implemented GASB 54 in 2011 without retroactive application.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN YEARS (modified accrual basis of accounting)

	2011	2010	2009	2008
Revenues				
Intergovernmental	\$ 12,685,358	\$ 18,610,388	\$ 4,182,486	\$ 7,232,136
Charges for Services	27,375	35,407	203,329	619,525
Investment Earnings	1,045	198,866	77,411	877,121
Change in Fair Value of Investments	-	-	-	(164,276)
All Other	262,248	241,144	433,769	3,761
Total Revenues	12,976,026	19,085,805	4,896,995	8,568,267
Expenditures				
Current				
General Government	1,747,494	395,934	471,659	457,808
Capital Outlay	7,451,767	17,700,816	11,376,352	20,159,154
Debt Service:				
Principal	185,000	-	-	-
Interest and Fiscal Charges	2,380,244	2,388,362	2,187,543	2,074,387
Total Expenditures	11,764,505	20,485,112	14,035,554	22,691,349
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	1,211,521	(1,399,307)	(9,138,559)	(14,123,082)
Other Financing Sources (Uses)				
Face Value of Debt	-	-	7,275,000	-
Premium from Sale of Bonds	-	-	109,796	-
Transfers In	-	-	-	79
Transfers Out	-	-	-	(79)
Total Other Financing Sources (Uses)	-	-	7,384,796	-
Net Change in Fund Balances	\$ 1,211,521	\$ (1,399,307)	\$ (1,753,763)	\$ (14,123,082)
Debt Service as a percentage of noncapital expenditures	58%	84%	77%	82%

Notes:

For 2010-2007, the District is making interest only payments on two special obligation bonds.
 For 2006, the District had the highway improvement bond repaid through the ODOT lease agreement.
 For 2005-2001, the debt service obligation was paid through an operating lease with ODOT.

	2007	2006	2005	2004	2003	2002
\$	5,552,956	\$ 105,260,360	\$ 12,731,782	\$ 12,785,339	\$ 12,086,808	\$ 14,682,529
	24,172	86,743	41,347	65,611	22,771	50,369
	1,486,437	510,536	987,083	940,632	957,963	947,606
	164,276	(1,375)	(4,111)	(1,509)	(4,629)	20,580
	5,332	46,481	7,487	1,107,629	130,973	429,320
	<u>7,233,173</u>	<u>105,902,745</u>	<u>13,763,588</u>	<u>14,897,702</u>	<u>13,193,886</u>	<u>16,130,404</u>
	566,846	573,356	2,200,915	995,739	2,005,237	406,635
	18,352,385	2,481,580	2,679,873	1,717,511	414,195	2,053,726
	-	109,725,000	6,405,000	6,100,000	5,810,000	5,530,000
	<u>3,096,795</u>	<u>7,625,060</u>	<u>6,053,250</u>	<u>6,365,905</u>	<u>6,663,625</u>	<u>7,411,068</u>
	<u>22,016,026</u>	<u>120,404,996</u>	<u>17,339,038</u>	<u>15,179,155</u>	<u>14,893,057</u>	<u>15,401,429</u>
	(14,782,853)	(14,502,251)	(3,575,450)	(281,453)	(1,699,171)	728,975
	41,130,000	-	1,650,000	-	-	-
	1,656,249	-	-	-	-	-
	14,415,206	14,415,206	13,874,479	13,727,822	13,669,557	15,113,369
	<u>(14,415,206)</u>	<u>(14,415,206)</u>	<u>(13,874,479)</u>	<u>(13,727,822)</u>	<u>(13,669,557)</u>	<u>(15,113,369)</u>
	<u>42,786,249</u>	<u>-</u>	<u>1,650,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>28,003,396</u>	<u>\$ (14,502,251)</u>	<u>\$ (1,925,450)</u>	<u>\$ (281,453)</u>	<u>\$ (1,699,171)</u>	<u>\$ 728,975</u>
	57%	99%	85%	92%	86%	98%

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**REVENUE BOND COVERAGE - LIBERTY INTERCHANGE
SPECIAL OBLIGATION BONDS
LAST FIVE FISCAL YEARS**

<u>Year</u>	<u>Gross Revenue (1)</u>	<u>Debt Service Requirement (2)</u>	<u>Coverage</u>
2007	\$ 1,489,072	\$ 1,573,377	94.64%
2008	3,766,336	1,983,575	189.88%
2009	2,308,664	1,983,475	116.39%
2010	5,859,116	1,983,475	295.40%
2011	5,181,373	1,983,475	261.23%
Total	<u>\$ 18,604,561</u>	<u>\$ 9,507,377</u>	<u>195.69%</u>

Source: District's records

(1) The District receives intergovernmental revenue from Liberty Township, Butler County and West Chester Township for payment of debt service.

(2) The 2007 debt service payment was funded through the \$1,656,249 premium on the sale.

(3) Full receipt of gross revenues from entities is required until 150% of next two years debt service is maintained in the trust account.

NOTE: The District issued the Liberty Interchange special obligation bonds in February 2007.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**REVENUE BOND COVERAGE - STATE ROUTE 4 BYPASS
SPECIAL OBLIGATION BONDS
LAST THREE FISCAL YEARS**

<u>Year</u>	<u>Gross Revenue (1)</u>	<u>Debt Service Requirement (2)</u>	<u>Coverage</u>
2009	\$ 117,084	\$ 204,068	57.37%
2010	380,237	404,887	93.91%
2011	581,766	584,769	99.49%
Total	<u>\$ 1,079,087</u>	<u>\$ 1,193,724</u>	<u>90.40%</u>

Source: District's records

(1) The District will receive intergovernmental revenue from Fairfield Township, Butler County and the City of Hamilton for payment of debt service.

(2) The 2009 debt service payment was funded through the \$109,796 premium on the sale and Butler County's initial contribution of \$117,084. The 2010-2011 debt service was offset with an IRS tax credit.

NOTE: The District issued the State Route 4 Bypass special obligation bonds in December 2009.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

***Ratio of Special Obligation Bonds per Capita
Last Five Fiscal Years***

Fiscal Year	Special Obligation Bonds			All Outstanding Debt of District	Butler County Per Capita (1)	Net Debt Per Capita
	Liberty Interchange	State Route 4 Bypass	State Route 4 Bypass			
2007	\$ 41,130,000	\$ -	\$ 41,130,000	358,116	\$ 114.85	
2008	\$ 41,130,000	\$ -	41,130,000	360,775	114.00	
2009	41,130,000	7,275,000	48,405,000	363,184	133.28	
2010	41,130,000	7,275,000	48,405,000	368,130	131.49	
2011	41,130,000	7,090,000	48,220,000	368,130	130.99	

Source: District records

(1) The county's population is estimated by the Bureau of Economic Analysis for the years 2007-2009. The 2010 population reflects data collected by the United States Census Bureau. 2011 is not available so the 2010 information is rolled forward until figures are available.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION

LAST TEN YEARS

<u>Year</u>	<u>General Government Employees</u>
2011*	1
2010*	1
2009	2
2008	2.5
2007	3
2006	3
2005	3
2004	2
2003	3
2002	3

Note: District's financial records

* The District has two employees that work part time.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

**TOP TEN TAX PAYERS
REAL AND PERSONAL PROPERTY**

CURRENT AND EIGHT YEARS AGO

Name of Taxpayer	2010			2002		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Realty Ohio	\$ 16,684,760	1	0.21%	\$ 25,539,850	5	0.43%
MillerCoors LLC	15,987,310	2	0.20%	73,319,670	2	1.22%
AK Steel Corporation	13,324,160	3	0.17%	107,605,470	1	1.79%
Meijer Stores LTD PRT	12,955,110	4	0.17%	14,336,250	6	0.24%
First Industrial L P	11,300,840	5	0.14%			
US Industrial REIT III Midwest	10,780,000	6	0.14%			
Boymel Sam TR	10,353,640	7	0.13%			
DCT Port Union LLC	9,311,450	8	0.12%	44,197,930	3	0.74%
Dugan Financial LLC	9,146,580	9	0.12%			
Cincinnati Lesaint Industrial	9,100,000	10	0.12%			
Cincinnati Financial Corporation				29,611,470	4	0.49%
Security Capital				13,106,870	7	0.22%
Centerpoint Realty				13,105,870	8	0.22%
Distribution Funding Services				12,963,830	9	0.22%
Champion International Corp.				27,124,630	10	0.45%
Total	\$ 118,943,850		1.52%	\$ 360,911,840		6.01%
Total Assessed Valuation	\$ 7,812,287,370			\$ 6,001,216,262		

Source: Butler County Auditor's Office

Note: 2002 is first year this information was made available

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

PRINCIPAL EMPLOYERS

CURRENT AND TEN YEARS AGO

Name of Employer	2010			2001		
	Number of Employees	Rank	% of Total Employment	Number of Employees	Rank	% of Total Employment
Miami University	3,400	1	2.00%	3,600	2	2.14%
Cincinnati Financial Corp.	2,900	2	1.70%	2,500	3	1.49%
AK Steel	2,400	3	1.41%	4,100	1	2.44%
Butler County Government	2,000	4	1.18%	2,500	4	1.49%
Lakota School District	1,688	5	0.99%	1,300	9	0.77%
GE Aviation	1,675	6	0.98%	-	-	0.00%
Mercy Fairfield Hospital	1,200	7	0.71%	-	-	0.00%
Hamilton City School District	1,114	8	0.65%	-	-	0.00%
Fort Hamilton Hospital	1,036	9	0.61%	1,200	10	0.71%
Fairfield City Schools	994	10	0.58%	-	-	0.00%
Ohio Casualty Insurance	-	-	0.00%	1,400	8	0.83%
Cincinnati Insurance	-	-	0.00%	1,486	7	0.88%
Champion International	-	-	0.00%	2,292	5	1.36%
Middletown Regional Hospital	-	-	0.00%	1,600	6	0.95%
Total	18,407		10.82%	21,978		13.07%

Total Employed within the County

170,100

168,200

Source: 2010 Butler County Comprehensive Annual Financial Report

Note: The information was not available for 2011

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

DEMOGRAPHIC INFORMATION

LAST TEN YEARS

Year	Population (1)	Total Personal Income (1)	Per Capita Personal Income (1)	Unemployment Rate (2)
2002	338,958	\$ 10,278,562,392	\$ 30,324	5.3%
2003	341,766	10,677,111,606	31,241	5.4%
2004	344,914	11,050,699,646	32,039	5.4%
2005	348,425	11,491,404,925	32,981	5.3%
2006	353,888	12,034,315,328	34,006	5.6%
2007	358,116	12,561,634,932	35,077	5.1%
2008	360,775	12,811,481,025	35,511	5.9%
2009	363,184	12,585,778,336	34,654	9.3%
2010	368,130	NA	NA	9.6%
2011	NA	NA	NA	7.6%

Source: (1) The information is provided from the Butler County, Ohio annual report. NA means the information was not available for that particular fiscal year. The information for 2011 will not be available until late 2011.

(2) Unemployment figures are derived from Ohio Labor Market Information. These numbers are prepared in cooperation with the Bureau of Labor Statistics, are determined by place of residence, and are not seasonally adjusted.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

ASSESSED VALUE AND BANK DEPOSITS

LAST TEN YEARS

<u>Year</u>	<u>Real Property (1)</u>	<u>Bank Deposits (2)</u>
2002	\$ 5,144,613,220	\$ 1,257,078,000
2003	6,043,237,390	1,355,739,000
2004	6,175,495,560	10,267,537,000
2005	6,362,721,810	3,053,270,000
2006	6,935,887,900	2,909,045,000
2007	7,268,499,020	3,017,034,000
2008	8,021,402,180	2,978,691,000
2009	7,812,287,370	5,548,981,000
2010	7,563,640,350	5,393,455,000
2011	7,064,432,230	4,138,348,000

(1) Source: Butler County Auditor

(2) Source: FDIC - as of June 30, 2011 (latest available information)

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY, OHIO

MISCELLANEOUS STATISTICS

DECEMBER 31, 2011

Date of Creation:	1993
	The first Transportation Improvement District in Ohio.
County:	Butler
County Seat:	City of Hamilton, Ohio
Number of Political Subdivisions within the District:	6 Butler County City of Hamilton City of Fairfield Fairfield Township West Chester Township Liberty Township
Number of Interstate Highways inside the District:	2 (Interstate 75) (State Route 129)

Source: Transportation Improvement District

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Dave Yost • Auditor of State

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY

BUTLER COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 6, 2012**