



Dave Yost • Auditor of State

HAMILTON COUNTY
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HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Pass through the Ohio Department of Education:				
Nutrition Cluster:				
	River City			
School Breakfast Program	Correctional Center	10.553	135285	\$12,204
School Breakfast Program	Juvenile Court	10.553	068114	27,632
School Breakfast Program	Juvenile Court	10.553	069690	49,127
Total for CFDA 10.553				<u>88,963</u>
	River City			
National School Lunch Program	Correctional Center	10.555	135285	23,997
National School Lunch Program	Juvenile Court	10.555	068114	49,694
National School Lunch Program	Juvenile Court	10.555	069690	94,778
	Developmental			
National School Lunch Program	Disabilities Services	10.555	067231	27,836
Total for CFDA 10.555				<u>196,305</u>
Total Ohio Department of Education—Nutrition Cluster				<u>285,268</u>
Pass through the Ohio Department of Job and Family Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Job and Family Services	10.561	G-1011-11-5046	5,216,317
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Job and Family Services	ARRA-10.561	G-1011-11-5046	267,652
Total for CFDA 10.561				<u>5,483,969</u>
Total U.S. Department of Agriculture				<u>5,769,237</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	Planning and Development	14.218		<u>8,524,969</u>
Supportive Housing Program	Mental Health and Recovery Services Board	14.235		410,173
Supportive Housing Program	Job and Family Services	14.235		149,928
Total for CFDA 14.235				<u>560,101</u>
Community Development Block Grant ARRA Entitlement Grants (CDBG-R) (Recovery Act Funded)	Planning and Development	ARRA-14.253		<u>523,395</u>
Neighborhood Stabilization Program (Recovery Act Funded)	Planning and Development	ARRA-14.256		<u>2,280,430</u>
Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	Planning and Development	ARRA-14.257		<u>404,726</u>
Home Investment Partnerships Program	Planning and Development	14.239		<u>1,365,656</u>
Emergency Shelter Grants Program	Planning and Development	14.231		108,046
Pass through the Ohio Department of Development:				
Emergency Shelter Grants Program	Job and Family Services	14.231	H-08-249-1	118,416
Total for CFDA 14.231				<u>226,462</u>
Pass through the City of Cincinnati:				
Home Investment Partnerships Program	Planning and Development	14.239	85X0109	643,266
Total for CFDA 14.239				<u>2,008,922</u>
Total U.S. Department of Housing and Urban Development				<u>14,529,005</u>

HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>County of Hamilton Department or Board</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Bulletproof Vest Partnership Program	Sheriff	16.607		\$9,278
Public Safety Partnership and Community Policing Grants	Sheriff	ARRA-16.710		979,807
Forensic DNA Backlog Reduction Program	Coroner	16.741		127,469
Criminal and Juvenile Justice and Mental Health Collaboration Program	Juvenile Court	16.745		91,445
Recovery Act - Edward Byrne Memorial Competitive Grant Program	Juvenile Court	ARRA-16.808		222,994
Equitable Sharing Grant	Sheriff	16.922		124,153
Pass through the Ohio Department of Youth Services:				
Juvenile Accountability Block Grants	Administrator	16.523	2008-JB-017-B084	15,000
Juvenile Accountability Block Grants	Juvenile Court	16.523	2009-JB-011-A054	59,234
Juvenile Accountability Block Grants	Juvenile Court	16.523	2008-JB-001-A054	4,779
Total for CFDA 16.523				79,013
Pass through the Ohio Attorney General:				
Crime Victim Assistance	Prosecutor	16.575	2010VAGENE424	83,702
Crime Victim Assistance	Prosecutor	16.575	2011VAGENE424	21,810
Total for CFDA 16.575				105,512
Pass through the Ohio Office of Criminal Justice Services:				
Residential Substance Abuse Treatment for State Prisoners	Mental Health and Recovery Services Board	16.593	2010-RS-SAT-125	50,007
Project Safe Neighborhoods	Prosecutor	16.609	2009-PS-PSN-320	56,458
Edward Byrne Memorial Justice Assistance Grant Program	Pretrial Services	16.738	2008-DJ-BX-0307	58,007
Edward Byrne Memorial Justice Assistance Grant Program	Pretrial Services	16.738	2009-DJ-BX-0669	165,310
Total for CFDA 16.738				223,317
Recovery Act-Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Governments	Coroner	ARRA-16.804	2009SBB91187D	1,955
Recovery Act-Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Governments	Sheriff	ARRA-16.804	2009SBB91187D	322,961
Recovery Act-Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Governments	Pretrial Services	ARRA-16.804	2009SBB91187D	113,134
Total for CFDA 16.804				438,050
Paul Coverdell Forensic Sciences Improvement Grant Program	Coroner	16.742	2009-PCN-NFS-7803	55,979
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	Juvenile Court	ARRA-16.803	2009-RA-C01-2042	96,346
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	Juvenile Court	ARRA-16.803	2009-RA-B01-2126	229,995
Total for CFDA 16.803				326,341
Total U.S. Department of Justice				2,889,823

(Continued)

HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF LABOR				
Pass through the Ohio Department of Job and Family Services:				
Employment Service/Wagner-Peyser Funded Activities	Job and Family Services	17.207	G-1011-15-0263	\$99,046
Workforce Investment Act Cluster:				
WIA Adult Program Program	Job and Family Services	17.258	G-1011-15-0263	1,681,288
Administrative				182,264
Total				<u>1,863,552</u>
WIA Adult Program Program	Job and Family Services	ARRA-17.258	G-1011-15-0263	819,178
Administrative				109,062
Total				<u>928,240</u>
WIA Youth Activities Program	Job and Family Services	17.259	G-1011-15-0263	1,970,819
Administrative				89,728
Total				<u>2,060,547</u>
WIA Youth Activities Program	Job and Family Services	ARRA-17.259	G-1011-15-0263	203,315
Administrative				204,909
Total				<u>408,224</u>
WIA Dislocated Workers Program	Job and Family Services	17.260	G-1011-15-0263	1,393,173
Administrative				132,478
Total				<u>1,525,651</u>
WIA Dislocated Workers Program	Job and Family Services	ARRA-17.260	G-1011-15-0263	1,183,446
Administrative				44,986
Total				<u>1,228,432</u>
Total Ohio Department of Job and Family Services—Workforce Investment Act Cluster				<u>8,014,646</u>
Work Incentive Grants	Job and Family Services	17.266	G-1011-15-0263	46,561
WIA Dislocated Worker Formula Grants	Job and Family Services	17.278	G-1011-15-0263	503,384
Disabled Veterans' Outreach Program (DVOP)	Job and Family Services	17.801	G-1011-15-0263	26,279
Local Veterans' Employment Representative Program	Job and Family Services	17.804	G-1011-15-0263	1,684
Total U.S. Department of Labor				<u>8,691,600</u>

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HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>County of Hamilton Department or Board</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Pass through the Ohio Department of Transportation:				
Highway Planning and Construction	Stadia	20.205	PID80629	\$230,260
Highway Planning and Construction	Stadia	20.205	PID84786	5,623,664
Highway Planning and Construction	Stadia	ARRA-20.205	PID86065	3,749,209
Highway Planning and Construction	Stadia	ARRA-20.205	PID86370	1,935,685
Highway Planning and Construction	Stadia	20.205	PID86370	3,021,036
Highway Planning and Construction	Engineer	20.205	PID80067	7,000
Highway Planning and Construction	Engineer	ARRA-20.205	PID86234	500,000
Highway Planning and Construction	Engineer	ARRA-20.205	PID86241	1,303,778
Highway Planning and Construction	Engineer	20.205	PID87063	13,500
Total for CFDA 20.205				<u>16,384,132</u>
Total U.S. Department of Transportation				<u>16,384,132</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Programs:				
Air Pollution Control Program Support	Environmental Services	66.001		<u>604,367</u>
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	Environmental Services	66.034		<u>251,615</u>
National Clean Diesel Emissions Reduction Program	Environmental Services	ARRA-66.039		<u>864,000</u>
Pass through the Environmental Protection Agency of the State of Ohio:				
Capitalization Grants for Clean Water State Revolving Funds	Planning and Development	ARRA-66.458	CS398017-01	<u>218,494</u>
Total U.S. Environmental Protection Agency				<u>1,938,476</u>
U.S. DEPARTMENT OF ENERGY				
Direct Program:				
Energy Efficiency and Conservation Block Grant Program (EECBG)	Planning and Development	ARRA-81.128		<u>729,327</u>
Total U.S. Department of Energy				<u>729,327</u>

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HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION				
Pass through Cincinnati Public Schools:				
	River City			
Adult Education—Basic Grants to States	Correctional Center	84.002	FY11_5710	\$32,198
Pass through Great Oaks Institute of Technology and Career Development:				
Adult Education—Basic Grants to States	Sheriff	84.002	2004077	99,342
Total for CFDA 84.002				<u>131,540</u>
Pass through the Ohio Department of Rehabilitations and Corrections:				
Title I State Agency Program for Neglected and Delinquent Children	Sheriff	84.013	2011-T1-ED-0007	17,804
Title I State Agency Program for Neglected and Delinquent Children	Sheriff	84.013	2010-T1-ED-0007	17,654
Title I State Agency Program for Neglected and Delinquent Children	River City Correctional Center	84.013	2010-TI-ED-0008	17,625
Title I State Agency Program for Neglected and Delinquent Children	River City Correctional Center	84.013	2011-TI-ED-0008	9,000
Total for CFDA 84.013				<u>62,083</u>
Pass through the Ohio Department of Alcohol and Drug Addiction Services:				
	Mental Health and Recovery Services Board	84.186	31-1267-DFSCA-P-09-0907 31-2357-DFSCA-P-09-0922 31-8305-DFSCA-P-09-0930 31-1036-DFSCA-9-09-0915	70,000
Pass through the Ohio Department of Education:				
Special Education—Grants to States	Developmental Disabilities Services	84.027	067231	245,334
Special Education Grants to States, Recovery Act	Developmental Disabilities Services	ARRA-84.391	067231	40,884
Pass through the Ohio Department of Developmental Disabilities:				
Supported Employment Services for Individuals with the Most Significant Disabilities	Developmental Disabilities Services	84.187	3100012	5,098
Pass through the Ohio Rehabilitation Services Commission:				
Rehabilitation Services—Vocational Rehabilitation Grants to States	Mental Health and Recovery Services Board	84.126		0
Rehabilitation Services Demonstration and Training Programs	Developmental Disabilities Services	84.235	3100012	14,354
Total U.S. Department of Education				<u>569,293</u>
U.S. ELECTION ASSISTANCE COMMISSION				
Pass through the Ohio Secretary of State:				
Help America Vote Act Requirements Payments	Board of Elections	90.401	N/A	7,983
Total U.S. Election Assistance Commission				<u>7,983</u>

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HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Program:				
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	Mental Health and Recovery Services Board	93.104		\$263,863
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243		312,775
Pass through the Ohio Department of Mental Health:				
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Pretrial Services	93.243	VET-10-100-08-001	35,260
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Pretrial Services	93.243	VET-11-100-08-001	11,765
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243	TSIG-10-012-02-002	40,000
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243	TSIG1-10-012-02-01	40,000
Pass through Northeastern Ohio Universities:				
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	Mental Health and Recovery Services Board	93.243	34302-D	2,055
Total for CFDA 93.243				<u>441,855</u>
Pass through the Ohio Department of Mental Health:				
Projects for Assistance in Transition from Homelessness (PATH)	Mental Health and Recovery Services Board	93.150	PATH-10-100-20-015	59,983
Projects for Assistance in Transition from Homelessness (PATH)	Mental Health and Recovery Services Board	93.150	PATH-10-100-20-004	139,496
Projects for Assistance in Transition from Homelessness (PATH)	Mental Health and Recovery Services Board	93.150	PATH 11-100-20-001	75,711
Total for CFDA 93.150				<u>275,190</u>
Pass through the Ohio Department of Job and Family Services:				
Promoting Safe and Stable Families	Job and Family Services	93.556	G-1011-11-5046	396,513
Temporary Assistance for Needy Families	Job and Family Services	93.558	G-1011-11-5046	36,280,653
Child Support Enforcement	Job and Family Services	93.563	G-1011-11-5046	889,315
Child Support Enforcement	Job and Family Services	ARRA-93.563	G-1011-11-5046	5,090,909
Total for CFDA 93.563				<u>5,980,224</u>
Refugee and Entrant Assistance—State Administered Programs	Job and Family Services	93.566	G-1011-11-5046	133,015
Child Care and Development Block Grant	Job and Family Services	93.575	G-1011-11-5046	332,672
Pass through the Ohio Department of Mental Health:				
Child Care and Development Block Grant	Mental Health and Recovery Services Board	93.575	N/A	23,652
Total for CFDA 93.575				<u>356,324</u>

HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass through the Ohio Department of Mental Health:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	Mental Health and Recovery Services Board	93.596	PATH-10-100-02-001	60,102
Pass through the Ohio Department of Job and Family Services:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	Job and Family Services	93.596	G-1011-11-5046	1,750,106
Total for CFDA 93.596				<u>1,810,208</u>
Pass through the Ohio Secretary of State:				
Voting Access for Individuals with Disabilities—Grants to States	Board of Elections	93.617	06-SOS-HHHS-31	<u>\$19,273</u>
Pass through the Ohio Department of Job and Family Services:				
Child Welfare Services—State Grants	Job and Family Services	93.645	G-1011-11-5046	<u>329,601</u>
Foster Care—Title IV-E	Job and Family Services	93.658	G-1011-11-5046	22,185,413
Foster Care—Title IV-E	Job and Family Services	ARRA-93.658	G-1011-11-5046	<u>773,487</u>
Total for CFDA 93.658				<u>22,958,900</u>
Adoption Assistance	Job and Family Services	93.659	G-1011-11-5046	<u>5,650,254</u>
Social Services Block Grant	Job and Family Services	93.667	G-1011-11-5046	9,954,108
Pass through the Ohio Department of Developmental Disabilities:				
Social Services Block Grant	Developmental Disabilities Services	93.667	3100012	639,352
Pass through the Ohio Department of Mental Health:				
Social Services Block Grant	Mental Health and Recovery Services Board	93.667	MH-21	386,414
Social Services Block Grant	Mental Health and Recovery Services Board	93.667	N/A	<u>251,255</u>
Total for CFDA 93.667				<u>11,231,129</u>
Pass through the Ohio Department of Job and Family Services:				
Chafee Foster Care Independence Program	Job and Family Services	93.674	G-1011-11-5046	<u>243,480</u>
ARRA Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program	Job and Family Services	ARRA-93.714	G-1011-11-5046	<u>296,687</u>
Pass through the Ohio Department of Job and Family Services:				
Children's Health Insurance Program	Job and Family Services	93.767	G-1011-11-5046	4,193,211
Pass through the Ohio Department of Mental Health:				
Children's Health Insurance Program	Mental Health and Recovery Services Board	93.767	N/A	2,716,515
Pass through the Ohio Department of Alcohol and Drug Addiction Services:				
Children's Health Insurance Program	Mental Health and Recovery Services Board	93.767	N/A	<u>547,439</u>
Total for CFDA 93.767				<u>7,457,165</u>

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HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>County of Hamilton Department or Board</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Pass through the Ohio Department of Job and Family Services:				
Medical Assistance Program	Job and Family Services	93.778	G-1011-11-5046	\$2,129,424
Pass through the Ohio Department of Mental Health:				
Medical Assistance Program	Mental Health and Recovery Services Board	93.778	N/A	27,132,863
Medical Assistance Program	Mental Health and Recovery Services Board	ARRA-93.778	N/A	4,291,355
Pass through the Ohio Department of Developmental Disabilities:				
Medical Assistance Program	Developmental Disabilities Services	93.778	3100012	901,570
Medical Assistance Program	Developmental Disabilities Services	ARRA-93.778	3100012	1,799,233
Pass through the Ohio Department of Alcohol and Drug Addiction Services:				
Medical Assistance Program	Mental Health and Recovery Services Board	93.778	N/A	2,549,290
Medical Assistance Program	Mental Health and Recovery Services Board	ARRA-93.778	N/A	401,328
Total for CFDA 93.778				<u>39,205,063</u>
Pass through the Jewish Employment and Vocational Services:				
Money Follows the Person Rebalancing Demonstration	Developmental Disabilities Services	93.791	3100012	<u>7,000</u>
Pass through the Ohio Department of Mental Health:				
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	N/A	822,693
Pass through the Ohio State University:				
Block Grants for Community Mental Health Services	Mental Health and Recovery Services Board	93.958	60023125	<u>3,000</u>
Total for CFDA 93.958				<u>825,693</u>

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HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	County of Hamilton Department or Board	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Pass through the Ohio Department of Alcohol and Drug Addiction Services:				
			31-1267-DFSCA-P-09-0907	
			31-2357-DFSCA-P-09-0922	
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-8305-DFSCA-P-09-0930 31-1036-DFSCA-9-09-0915	\$153,340
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2000C 31-Program #2030M	766,367
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2000C 31-Program #2030M 31-Program #2050C	1,960,319
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2010C 31-Program #2020C 31-Program #2020F 31-Program #2020I 31-Program #2030G 31-Program #2060E 31-Program #2080E	938,835
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2010C 31-Program #2020C 31-Program #2020F 31-Program #2020I 31-Program #2060E 31-Program #2080E	869,307
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2030M	28,045
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2050C	1,293,040
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2080I	113,390
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2000C	43,759
Block Grants for Prevention and Treatment of Substance Abuse	Mental Health and Recovery Services Board	93.959	31-Program #2050M	593
Total for CFDA 93.959				<u>6,166,995</u>
Total U.S. Department of Health and Human Services				<u>140,329,085</u>

(Continued)

HAMILTON COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>County of Hamilton Department or Board</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Direct Program:				
Homeland Security Biowatch Program	Environmental Services	97.091		<u>\$179,735</u>
Pass through the Ohio Office of Public Safety:				
Emergency Management Performance Grants	Emergency Management Agency	97.042	2010-EP-00-0003	<u>90,411</u>
Homeland Security Grant Program	Emergency Management Agency	97.067	2007-GE-T7-0030	4,539,945
Homeland Security Grant Program	Emergency Management Agency	97.067	2008-GE-T8-0025	2,701,871
Homeland Security Grant Program	Emergency Management Agency	97.067	2009-SS-T9-0089	<u>49,680</u>
Total for CFDA 97.067				<u>7,291,496</u>
Law Enforcement Terrorism Prevention Program (LETPP)	Emergency Management Agency	97.074	2006-GL-T6-0051	<u>254,411</u>
Buffer Zone Protection Program (BZPP)	Sheriff	97.078	2007-BZ-T7-0048	<u>137,705</u>
Total U.S. Department of Homeland Security				<u>7,953,758</u>
Total Federal Expenditures				<u>\$199,791,719</u>

See Notes to Schedule of Expenditures of Federal Awards.

HAMILTON COUNTY

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

2. **Subrecipients:** Certain funds are passed through to subgrantee organizations by the County. Expenditures incurred by the subgrantees and reimbursed by the County are presented in the Schedule. The table below identifies the total amount of federal assistance per federal program that is provided to subrecipients by the County:

Program Title	Federal CFDA Number	Amounts Provided to Subrecipients
Community Development Block Grants/Entitlement Grants	14.218	\$ 1,308,079
Emergency Shelter Grants Program	14.231	88,156
Supportive Housing Program	14.235	560,101
HOME Investment Partnerships Program	14.239	100,748
Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	ARRA-14.257	404,726
Juvenile Accountability Block Grant	16.523	15,000
Residential Substance Abuse Treatment for State Prisoners	16.593	50,007
WIA Adult Program	17.258	1,284,280
WIA Adult Program	ARRA-17.258	588,074
WIA Youth Activities	17.259	2,001,892
WIA Youth Activities	ARRA-17.259	22,989
WIA Dislocated Workers	17.260	2,160,604
WIA Dislocated Workers	ARRA-17.260	1,185,697
Work Incentive Grants	17.266	46,561
Safe and Drug-Free Schools and Communities—State Grants	84.186	70,000
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	21,059
Projects for Assistance in Transition from Homelessness (PATH)	93.150	275,190
Substance Abuse and Mental Health Services—Projects of Regional and National Significance	93.243	390,287
Temporary Assistance for Needy Families	93.558	3,378,007
Child Care and Development Block Grant	93.575	23,652
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	60,102
Social Services Block Grant	93.667	637,669
ARRA Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program	ARRA-93.714	288,807
Block Grants for Community Mental Health Services	93.958	825,693

Block Grants for Prevention and Treatment of Substance Abuse	93.959	6,166,995
Homeland Security Grant Program	97.067	2,771,598
Law Enforcement Terrorism Prevention Program (LETPP)	97.074	241,150
Buffer Zone Protection Program (BZPP)	97.078	137,705

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

- 3. Loan Programs:** The County has established loan programs to provide low-interest loans to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development grants money for these loans to the County. The initial loan of this money is recorded as an expenditure on the Schedule. Loans repaid, including interest, may be used for allowable activities. The County had the following loan balances outstanding at December 31, 2010, including delinquent loans of \$168,679:

Program Title	Federal CFDA Number	Loan Balances Outstanding
Community Development Block Grants/Entitlement Grants	14.218	\$ 534,708
HOME Investment Partnerships Program	14.239	36,567

- 4. Matching Requirements:** Certain federal programs require the County to contribute nonfederal funds (matching funds) to support the federally funded programs. The County has complied with the matching requirements (if applicable) for the major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings. Expenditures of matching funds are not included in the Schedule.



Dave Yost • Auditor of State

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

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 15, 2012, which was adverse due to material misstatements of the financial position and the fund balances the budgetary statements presented for the Public Assistance Fund and the Health and Human Services Levies Fund at December 31, 2010. We also noted that other auditors audited the financial statements of the Convention Facility Authority (discretely presented component unit) and the Metropolitan Sewer District (major enterprise fund), as described in our opinion on the County's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County'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 County'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 County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grants 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 an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as item 2010-001.

We also noted certain other matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated November 15, 2012.

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

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



Dave Yost
Auditor of State

November 15, 2012



Dave Yost • Auditor of State

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

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Compliance

We have audited the compliance of Hamilton County, Ohio (the County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* could directly and materially affect each of the County's major federal programs for the year ended December 31, 2010. The *summary of auditor's results* section of the accompanying schedule of findings and questioned costs identifies the County's major federal programs. The County'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 express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Metropolitan Sewer District, which received \$6,384,173 in federal awards which is not included in the County's Federal Awards Expenditure Schedule for the year ended December 31, 2010. Our audit of Federal awards, described below, did not include the operations of the Metropolitan Sewer District because the department engaged another auditor to audit its Federal award programs in accordance with OMB Circular A-133.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure 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 County's compliance with these requirements and performing other procedures 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 County's compliance with these requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and questioned costs lists these instances as Findings 2010-002 through 2010-005.

Internal Control Over Compliance

The County'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 County's internal control over compliance with the requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 County'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 was not designed to 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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies, described in the accompanying schedule of findings and questioned costs as items 2010-002 through 2010-005. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The County's response to the findings we identified are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, the Board of County Commissioners, and others within the County, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County) as of and for the year ended December 31, 2010, and have issued our report thereon dated November 15, 2012, wherein we expressed an adverse opinion due to material misstatements of the financial position and the fund balances the budgetary statements presented for the Public Assistance Fund and the Health and Human Services Levies Fund at December 31, 2010. We also noted that other auditors audited the financial statements of the Convention Facility Authority (discretely presented component unit) and the Metropolitan Sewer District (major enterprise fund), as described in our opinion on the County's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements taken as a whole. The accompanying federal awards expenditures schedule 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 the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. Because of the aforementioned adverse opinion, we are unable to express an opinion on the schedule.

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

Dave Yost
Auditor of State

November 15, 2012

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HAMILTON COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A -133 § .505
 DECEMBER 31, 2010

1. SUMMARY OF AUDITOR'S RESULTS
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<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Adverse
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	Yes
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes

(d)(1)(vii)	Major Programs (list):	<p>CFDA 10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program</p> <p>CFDA 17.258, 17.259, 17.260 Workforce Investment Act Cluster</p> <p>CFDA 93.558 & 93.714 Temporary Assistance to Needy Families</p> <p>CFDA 93.563 Child Support Enforcement</p> <p>CFDA 93.575, 93.596 Child Care and Development Fund Cluster</p> <p>CFDA 93.658 Title IV-E Foster Care</p> <p>CFDA 93.659 Adoption Assistance</p> <p>CFDA 93.667 Social Services Block Grant</p> <p>CFDA 93.778 Title XIX Medicaid Assistance Program</p> <p>CFDA 14.218, 14.253 Community Development Block Grant/Entitlement Cluster</p> <p>CFDA 20.205 Highway Planning and Construction</p> <p>CFDA 14.239 Home Investment Partnerships Program</p> <p>CFDA 14.256 Neighborhood Stabilization Program</p> <p>CFDA 16.738, 16.803, 16.804 Edward Byrne Justice Assistance Grant Program Cluster</p>
(d)(1)(viii)	Dollar Threshold: Type AIB Programs	<p>Type A: > \$ 3,000,000</p> <p>Type B: all others</p>
(d)(1)(ix)	Low Risk Auditee?	No

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

FINDING NUMBER 2010-001

Material Noncompliance

Ohio Revised Code, § 5705.10(H), states money paid into a fund must be used only for the purposes for which such fund has been established.

Negative fund balances existed at December 31, 2010 in the following funds:

Fund	Subfund	Title	Balance
500	29	MHRS State Grants	(1,200,262)
700	8	EMA Federal Grants	(3,935,860)
2	47	Mental Health & Recovery Services	(2,974,632)
700	10	Juvenile Court Federal Grants	(262,466)
500	35	Mental Health Court	(44,675)
500	36	Intervention Unit	(101,078)
500	37	Mental Health Collaboration Expansion	(46,565)
500	38	PERT ARRA	(150,377)
700	9	Sheriff Federal Grants	(304,202)
700	11	Prosecutor Federal Grants	(19,055)
500	14	Sheriff's State Grants	(15,397)
700	17	Coroner Federal Grants Fund	(25,063)
700	16	Environmental Services Grant	(43,951)
700	19	Building & Development Federal Grants	(95,745)
946	4	Riverfront Development	(7,255,573)
931	2	Central Warrant ID Unit	(143,485)

A negative fund balance indicates that money from one fund was used to cover the expenses of another fund. To avoid incurring negative fund balances, we recommend that management monitor expenditures and available resources.

Officials' Response:

All but three of the funds listed are grant funds. Per the grant agreements, the grant receipts are claimable only after the expenditures have been made, which creates the negative cash balances. The grant expenditures do not, however, exceed their award amounts. We will look into the possibility of advancing cash to the reimbursement-type grant funds. Of the three nongrant funds, two of those (002-047 and 946-004) were addressed in 2011 and ended that year with positive cash balances. Fund 931-002's balance improved, but we continue to deal with the timing of receipts to ensure a positive cash balance.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Hamilton County Department of Job and Family Services – Excess Rent Costs – Allowable Costs/Cost Principles

Finding Number	2010-002
CFDA Title and Number	Adoption Assistance – 93.659 Child Support Enforcement – 93.563 Supplemental Nutrition Assistance Program – 10.551 and 10.561 Temporary Assistance to Needy Families (TANF) – 93.558 Foster Care – 93.658 Medicaid – 93.778 Child Care Block Grant – 93.575 and 93.596 Workforce Investment Act – 17.258
Federal Award Number / Year	2010
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Questioned Cost/Significant Deficiency

2 CFR Part 225 App. B Section 37.c indicates rental costs under “less-than-arm’s length” leases are allowable only up to the amount (as explained in section 37.b of the appendix) that would be allowable had title to the property vested in the County. For this purpose, a less-than-arm’s length lease is one under which one party to the lease agreement (the County) is able to control or substantially influence the actions of the other (the County Department of Jobs and Family Services). Such leases included, but are not limited to those between divisions of a governmental unit. 2 CFR Part 225 App. B Section 37.b indicates the allowable amounts to be considered had the County Job and Family Services held title to the property includes expenses such as depreciation or use allowance, maintenance, taxes and insurance.

2 CFR Part 225 App. B Section 23.b states, in part, financing costs (including interest) paid or incurred which are associated with the otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling completed on or after October 1, 1980, is allowable subject to the conditions in section 23.b(1) through (4) of the appendix.

Additionally, **Ohio Admin. Code Section 5101:9-4-11(A)** indicate the county family service agency shall follow federal, state, and local regulations when seeking federal financial participation for costs associated with the rent or lease of property or equipment. The costs must be necessary and reasonable for proper and efficient performance and administration of the specific program financing the cost and must be in compliance with Office of Budget and Management (OMB) Circular A-87, attachment B and Code of Federal Regulations 2 CFR Part 225.

The Hamilton County Department of Job and Family Services (HCDJFS) leases the Alms and Doepke Building from the Hamilton County Board of Commissioners. Since both parties are divisions of the same governmental unit, this lease agreement appear to constitute a “less-than-arm’s length” agreement and is therefore subject to the limitations of 2 CFR Part 225, App. B Section 37.c.

During 2010, a total of \$1,893,040 of rental payments were paid by HCDJFS to the Hamilton County Board of Commissioners. Maintenance and insurance per the Central Service Cost Allocation Plan are paid directly by HCDJFS and are therefore not included as part of the rent. The unallowable cost is computed in the schedules below:

**FINDING NUMBER 2010-002
 (Continued)**

	Alms and Doepke Building
Acquisition Cost of the Building	\$31,211,614
Expected Useful Life of the Asset	40 years

During 2010, corrections were made to depreciation schedules to align the equipment and improvement to the correct useful lives. This resulted in increased depreciation for 2010 as compared to prior years.

	Building	Equipment	Improvement	Total
Basis	\$6,148,688	\$2,809,045	\$22,253,881	\$31,211,614
Estimated Useful Life	40 years	10 years	20 years	
Depreciation 2010 (adjusted)	\$153,717	-	\$1,112,694	\$1,266,411

Total allowable rent is computed in the schedule below:

	Alms and Doepke Building
Annual Depreciation	\$1,266,411
Annual Bond Interest	387,500
Total Allowable Rent	\$1,653,911

Total unallowable rent is computed in the schedule below:

Total Rent Paid	\$1,893,040
Total Allowable Rent	1,653,911
Unallowable Rent (questioned cost)	\$239,129

Of the \$239,129 of excess costs (unallowable rent), \$30,045 was allocated to local funds. The remaining \$209,084 was allocated to federal and state funded programs as noted in the following table. Of the \$209,084 allocated to the individual programs, \$126,230 was funded from Federal dollars and the remaining \$82,854 was funded from state (GRF) monies, which is in violation of Ohio Admin. Code Section 5101:9-4-11(A) listed above.

Grant	CFDA #	Total Excess Rent by Program	Excess Rent Funded from Federal Program Dollars
Adoption Assistance	93.659	\$42,505	\$21,253
Child Support Enforcement	93.563	40,915	27,004
Supplemental Nutrition Assistance Program	10.55 and 10.561	40,391	20,580
Temporary Assistance to Needy Families	93.558	21,492	21,492
Foster Care	93.658	22,551	11,275
Medicaid	93.778	20,656	10,328
Child Care	93.575 and 93.596	11,210	11,210
SCHIP (Title XXI)	93.767	3,556	1,778
Workforce Investment Act	17.258	800	800
Chaffee	93.674	637	510
SSBG (State)	93.667	3,225	-
SCPA Local (State IV-E)		1,146	-
Total Unallowable Rent Costs		<u>\$209,084</u>	<u>\$126,230</u>

**FINDING NUMBER 2010-002
 (Continued)**

All programs listed above are major federal programs, except Chaffee and SCPA Local (State IV-E). The excess rent paid with Adoption Assistance, Child Support Enforcement, Supplemental Nutrition Assistance Program/Food Assistance, Temporary Assistance to Needy Families, Foster Care, Medicaid, and Child Care Block Grant are in excess of \$10,000 and are therefore considered questioned costs under OMB Circular A133 §___510 (a)(3).

The Board of County Commissioners should modify the building lease agreement with HCDJFS so that the lease amount will not exceed the amount allowed in accordance with applicable requirements.

Officials' Response:

First, HCJFS will work with the County Budget Office and County Prosecutor to amend the existing building lease agreement to reflect the adjusted payment amount.

Second, HCJFS on August 30, 2012, sent the following email to County Budget office to state how recoupment of the overage would be accomplished.

“Jim:

Just to make sure you are kept in the know, the issue of the basis for rent for A&D has been finalized. The annual rent will be \$1,653,911.25.

In order to resolve the overpayment on the 2010 audit, the corrective action plan will be for JFS to be given credit (vs cash refund) for the overpayment amount of \$ 239,128.75 in 2012. We have paid for 2012 YTD \$ 1,419,786. With the revised amount of \$ 1.653, and YTD payments and overpayment, there will be a credit left of \$5,003.50 to be applied to 2013.

Please note that the same amount of overpayment (\$239k) will be for 2011 to be resolved probably in 2013. So I would guess that 2013 income for rent will be about \$ 1,414K.

Let me know if you have any questions/concerns.

Thanks
 Mark”

Hamilton County Department of Job and Family Services – Subrecipient Monitoring - Contract Documents

Finding Number	2010-003
CFDA Title and Number	Temporary Assistance to Needy Families (TANF) – 93.558
Federal Award Number / Year	2010
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Significant Deficiency

OMB Circular A-133, Subpart D, Section .400(d)(1), states a pass-through entity shall identify Federal awards made by informing each subrecipient of CFDA title and number, award name and number, award year, if the award is for R & D, and name of Federal agency. When some of this information is not available, the Federal agency shall provide information to clearly describe the Federal award.

**FINDING NUMBER 2010-003
 (Continued)**

In reviewing contracts with subrecipients, none of the two contracts executed by the Hamilton County Job and Family Services Department (HCDJFS) with TANF subrecipients identified the name of the Federal awarding agency or the CFDA title and number under which the contract was executed. Failure to specify the CFDA title and number may result in the inability of the grant recipient to identify, understand and comply with grant requirements.

We recommend that HCDJFS management review "boiler plate" standard contract language to ensure that all required information is properly and completely communicated to awardees and subrecipients.

Officials' Response:

HCJFS has changed our RFP template used to acquire contracted services, specifically the following section to address this issue:

"1.2.2 Service Components

List project/program requirements such as programmatic expectations, staff credentials, reports, performance standards, outcomes, reports etc.

(Give a detailed description of services to be provided, include any requirements specific to the program and funding streams supporting the purchase of the service. If program design anticipates program to be managed by a subrecipient, include specifics regarding requirements for subrecipients, CFDA numbers of funding used to purchase services delivered through the contract)."

Hamilton County Department of Job and Family Services – Establishment of Support Obligations

Finding Number	2010-004
CFDA Title and Number	Child Support Enforcement – 93.563
Federal Award Number / Year	2010
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Significant Deficiency

Ohio Admin. Code, Section 5101:12-40, requires that a CSEA IV-D agency must attempt to establish paternity and a support obligation for children born out of wedlock. The agency must establish a support obligation when paternity is not an issue. These services must be provided for any child in cases referred to the IV-D agency or to individuals applying for services under 45 CFR section 302.33 or 45 CFR section 309.65(a)(2) for whom paternity or a support obligation has not been established. For State IV-D agencies, these services must be provided within the time frames specified in 45 CFR sections 303.3(b)(3) and (b)(5), 303.3(c), and 303.4(d).

In testing of child support enforcement cases, we noted the following:

- for 5 out of 25 cases (20%) involving a child born out of wedlock, the Hamilton County Department of Job and Family Services Child Support Enforcement agency did not establish or attempt to establish paternity
- for 11 out of 25 cases (44%), the Hamilton County Department of Job and Family Services Child Support Enforcement agency did not establish or attempt to establish a support obligation

**FINDING NUMBER 2010-004
(Continued)**

- for 13 out of 25 cases (52%), the Hamilton County Department of Job and Family Services Child Support Enforcement agency did not establish a successful outcome within the time frames specified
- for 13 out of 25 cases (52%), paternity of support obligation services were not provided by the Hamilton County Department of Job and Family Services Child Support Enforcement Agency within the required time frames.

Hamilton County Department of Job and Family Services Child Support Enforcement agency should establish procedures for supervisors to monitor cases for compliance with establishing paternity, support obligation and services, and successful outcomes within the time frames specified. Failure to properly establish paternity and support obligations could result in child support services not properly being provided to clients. We recommend that due diligence be exercised to ensure that all child support services are provided timely.

Officials' Response:

Ohio Admin. Code Section 5101:12-40 requires that a Child Support Enforcement Agency (CSEA) must provide paternity establishment services for children born out of wedlock and support establishment services for children. Specifically, the CSEA must take action to establish paternity and/or support orders within ninety days of locating the non-custodial parent (O.A.C. 5101:12-45 (F)). This requires that the CSEA open an active support case within 20 days of receipt of the IV-D application or referral, review and access all appropriate location tools to locate and verify an address for service of process upon the non-custodial parent, and thereafter, initiate appropriate administrative and/or legal proceedings within 90 days of locating the non-custodial parent.

The Auditor of State found that Hamilton County CSEA failed to initiate appropriate action to establish paternity and support orders in accordance with said time frames for Calendar Year 2010.

Agency's Response: HCJFS does not disagree with findings. As a result of reduced funding, Hamilton County Department of Job and Family Services (HCJFS) laid-off nearly 60% of its child support enforcement agency staff during 2009 and 2010. Staff reductions included the Paternity and Support Establishment staff which dramatically affected services provided to consumers. The CSEA looked for more efficient ways to process cases. To effectively manage and process cases needing paternity and support establishment services, the agency has implemented new processes as follows:

Cases needing paternity establishment/support establishment: Since 2011, the agency has conducted mass mailing to custodial parent consumers requesting that they complete and return an Absent Parent Questionnaire within 30 days of mailing. This information is then used by the CSEA to determine the proper action needed in the case including follow-up locate activities to identify and locate the putative father. Once the putative father is identified and their address is verified, the CSEA takes action to schedule genetic testing upon the parties. In cases where paternity is determined, the CSEA schedules and conducts administrative support hearings in order to establish support orders. Mass mailings are currently being done on a monthly basis.

**FINDING NUMBER 2010-004
 (Continued)**

Cases needing support establishment: Initiate action to locate and verify addresses for the non-custodial parents through a mass mailing of postal verifications on a monthly basis. In addition, the CSEA has contracted with a private vendor for people locator services. In order to expedite location services, the agency has and will continue to conduct periodic batch processing of absent parents. This has been found to be more efficient than individual case handling. Since Calendar Year 2011, HCJFS has also conducted periodic overtime projects in the Intake Paternity area for the purpose of processing cases needing paternity and support establishment. As a result, the CSEA continues to improve in this area. This is reflected in the agency's paternity establishment percentage having increased from 78.17% for FFY 2011 to 82.69% for FFY 2012. Likewise, the agency has improved its Support Establishment Percentage from 66.36% for FFY 2010 to 72.64% for FFY 2011 and to 74.79% for FFY 2012.

Schedule of Expenditures of Federal Awards

Finding Number	2010-005
CFDA Title and Number	Medical Assistance Program – 93.778 Child Care Mandatory Matching Funds of Child Care & Development Fund – 93.596
Federal Award Number / Year	2010
Federal Agency	U.S. Department of Health and Human Services
Pass-Through Agency	Ohio Department of Job and Family Services

Noncompliance/Significant Deficiency

OMB Circular A-133, Subpart C, Section.300, states, in part, that the auditee shall:

- (a) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the Federal agency, and name of the pass-through entity.
- (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.
- (c) Prepare appropriate financial statements, including the Schedule of Expenditures of Federal Awards in accordance with OMB Circular A-133, Section 310.

During our review of the County's Schedule of Expenditures of Federal Awards, we noted the following overstatements:

**FINDING NUMBER 2010-005
 (Continued)**

CFDA Number	Federal Program	Pass-Through Number	Amount of Overstatement
10.553	School Breakfast Program	068114:135285	\$6,776
10.555	School Lunch Program	068114:135285	16,564
16.803	Recovery Act – Edward Byrne Memorial Competitive Grant Program	2009-RA-B01-2042 2009-RA-C01-2126	74,898
16.808	Edward Byrne Memorial Competitive Grant Program		22,494
93.778	Medical Assistance Program	G-1011-11-5046	8,182,362

During our review of the County’s Schedule of Expenditures of Federal Awards, we noted the following understatements:

CFDA Number	Federal Program	Pass-Through Number	Amount of Understatement
16.575	Crime Victim Assistance	2010VAGENE424	\$1,984
16.922	Equitable Sharing Grant		124,153
84.013	Title I Grant for Neglected & Delinquent Children	2010-TI-ED-0008	2,000
93.596	Child Care Mandatory Matching Funds of Child Care & Development Fund	G-1011-11-5046	14,148,258
93.767	Children’s Health Insurance Program	G-1011-11-5046	4,158,448

The departments of the County identify their individual federal schedule expenditure totals and submit them to the County Auditor’s Office to be included in the combined federal schedule prepared by the County Auditor’s Office. To reduce the risk of errors and incompleteness of the federal schedule due to conflicting information, the departments should compare their individual federal schedule expenditure totals to supporting documentation and the expenditure amounts reported by the County Auditor’s Office. The Schedule of Expenditures of Federal Awards included in this report has been adjusted to properly reflect the correct amounts, CFDA numbers, and grant titles.

Officials’ Response:

As noted in the Auditor of State’s report, all overstated or understated amounts have been properly recorded in the final expenditure schedule to be submitted with the official audit reports. In the table of variances, the three largest amounts reported are due to the State’s change in reporting for Job and Family Services (JFS) grants. That reporting change should be properly reflected in the 2011 JFS grant data. Other amounts in the table are mostly due to timing issues related to what County departments are reporting. The County Auditor’s Office developed a checklist for fiscal officers to use in the preparation of their grant schedules. This checklist addresses proper reporting periods as well as other issues related to the Schedule of Expenditures of Federal Awards. The Auditor’s Office will continue to work with departments to ensure more careful adherence to the checklist and reporting requirements, in particular those related to timing of expenditures.

HAMILTON COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 § .315(b)
 DECEMBER 31, 2010

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain								
Hamilton County Department of Job & Family Services Special Audit for the period July 1, 2000 through June 30, 2004	<p>The special audit identified findings for adjustment affecting the following opinion units related to correct fund balances for undocumented interfund transfers, and amounts incorrectly paid from special funds during the period of audit (amounts in thousands):</p> <table border="0" data-bbox="440 737 902 890"> <tr> <td>General Fund</td> <td style="text-align: right;">\$ (1,752)</td> </tr> <tr> <td>Public Assistance Fund</td> <td style="text-align: right;">(138,890)</td> </tr> <tr> <td>Health & Human Services Levies Fund</td> <td style="text-align: right;">149,890</td> </tr> <tr> <td>Remaining Fund Information</td> <td style="text-align: right;">(9,248)</td> </tr> </table>	General Fund	\$ (1,752)	Public Assistance Fund	(138,890)	Health & Human Services Levies Fund	149,890	Remaining Fund Information	(9,248)	Not corrected.	<p>Not corrected; reflected in the audit opinion for the year ended December 31, 2010.</p> <p>The County is attempting to resolve the issue with the Ohio Department of Job & Family Services and the Federal Department of Health & Human Services.</p>
General Fund	\$ (1,752)										
Public Assistance Fund	(138,890)										
Health & Human Services Levies Fund	149,890										
Remaining Fund Information	(9,248)										
Finding for Adjustment not made in 2007 audit, reflected in 2008 and 2009 audit	<p>Hillcrest Services Reimbursements calculated incorrectly and finding for adjustment affecting the following opinion units required to correct fund balances for undocumented/unsupported interfund transfers, and amounts incorrectly paid from special funds during the period of audit (amounts in thousands):</p> <table border="0" data-bbox="440 1192 878 1318"> <tr> <td>Public Assistance Fund</td> <td style="text-align: right;">\$7,142</td> </tr> <tr> <td>Health & Human Services Levies Fund</td> <td style="text-align: right;">(7,142)</td> </tr> </table>	Public Assistance Fund	\$7,142	Health & Human Services Levies Fund	(7,142)	Not corrected.	Not corrected; reflected in the audit opinion for the year ended December 31, 2010.				
Public Assistance Fund	\$7,142										
Health & Human Services Levies Fund	(7,142)										
2009-001	Finding for Recovery Repaid Under Audit	Fully Corrected									
2009-002	<p>Treasurer's Office Reconciliation -</p> <p>The Treasurer's Office lacked accurate and timely fund balance to bank reconciliations. At December 31, 2009, the Treasurer was unable to provide supporting documentation for a list of reconciling items totaling \$250,660.</p>	Fully Corrected									
2009-003	<p>Contract Documents – Subrecipient Monitoring</p> <p>Contract documents executed by Hamilton County Department of Job and Family Services did not specifically identify CFDA titles and numbers.</p>	Not Corrected	Reissued as 2010-004								

Hamilton County
 Schedule of Prior Audit Findings
 Page 2

2009-004	<p>Community Development Block Grant – Allowable Cost/Cost Principles</p> <p>Questioned costs of \$47,855 related to reimbursement of County by HUD for Entitlement grant.</p>	Fully Corrected	
2009-005	<p>Hamilton County Department of Job and Family Services – Excess Rent Costs – Allowable Cost/Cost Principles</p> <p>Lease agreements constitute “less-than-arm’s-length” agreements and are subject to the limitations of 2 CFR Part 225, App. B Section 37.3.</p>	Not Corrected	Reissued as 2010-003
2009-006	<p>Community Development Block Grant</p> <p>Expenditures for the Highway Planning and Construction Grant were understated by \$2,646,399, which changed the program from a nonmajor to a major federal program.</p>	Fully Corrected	

HAMILTON COUNTY
CORRECTIVE ACTION PLAN
OMB CIRCULAR A -133 § .315 (c)
FISCAL YEAR ENDING DECEMBER 31, 2010

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2010-002	Hamilton County Job and Family Services (HCJFS) will work with the County Budget Office and County Prosecutor to amend the existing building lease agreement to reflect the adjusted payment amount. HCJFS will work with the County Budget Office to recoup balance of 2010 overpayment in 2013.	12/31/2013	Mark Miller
2010-003	HCJFS has changed its Request for Proposal (RFP) template used to acquire contracted services. The Service Components section must include a detailed description of the services to be provided, as well as any relevant CFDA numbers of funding used to purchase services delivered through the contract and other specifics regarding requirements for subrecipients.	Completed	Mark Miller
2010-004	HCJFS has implemented new processes for cases needing paternity establishment/support establishment. Since 2011, the agency has conducted mass mailings to custodial parent consumers requesting that they complete and return an Absent Parent Questionnaire, which is then used to determine the proper action needed in the case, e.g., follow-up locate activities and genetic testing. In cases where paternity is determined, the HCJFS schedules and conducts administrative support hearings in order to establish support orders. There are also new processes for cases needing support establishment. HCJFS uses mass mailings to locate and verify addresses for the non-custodial parents and has also contracted with a private vendor for people locator services. The agency has and will continue to conduct periodic batch processing of absent parents. This has been found to be more efficient than individual case handling. Since 2011, HCJFS has also conducted periodic overtime projects in the Intake Paternity area for the purpose of processing cases needing paternity and support establishment.	Completed	Mark Miller

2010-005	For 2010, the largest over- and understatements were due to a reporting change for HCJFS that was not reflected in the grant reports available to them at the time. That has been corrected for 2011. For other County departments that report federal expenditures, the County Auditor's Office has reissued its grant reporting checklist, which includes information about reporting only and all of the current year's grant expenditures. The Auditor's Office will continue to work with departments to ensure more careful adherence to the checklist and reporting requirements, in particular those related to timing of expenditures.	Part Completed /Part Ongoing	Deb Garvey
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2010 Comprehensive Annual Financial Report

**For the year ended
December 31, 2010**

**The County of
Hamilton, Ohio**



**Issued by
Dusty Rhodes
Hamilton County
Auditor**

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**2010 Comprehensive
Annual Financial Report**
*For the fiscal year ended
December 31, 2010*



Issued by

Dusty Rhodes

**Auditor
Hamilton County, Ohio**

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**COUNTY OF HAMILTON, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Year Ended December 31, 2010**

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**Introductory
Section**

**The County of
Hamilton, Ohio**

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County of Hamilton

DUSTY RHODES
— AUDITOR —

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

November 15, 2012

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

I am pleased to present the Comprehensive Annual Financial Report of the County of Hamilton for the year ended December 31, 2010. This report contains the financial and statistical data that provide a complete and full disclosure of all material financial aspects of the County.

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

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

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

The basic financial statements of the County as of and for the year ended December 31, 2010, included in this CAFR have been audited by the Ohio Auditor of State. The independent auditor's report is located at the front of the financial section of this report.

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

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

Reporting Entity

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

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

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

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

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

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

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

The annual budget is the starting point for the County's financial planning and control. The budgeting process is primarily the province of the Board of County Commissioners (BOCC). A revised budget development process was implemented for the 2010 budget. Initially, the County's Office of Budget and Strategic Initiatives released a General Fund forecast so that all County agencies would be aware of and prepared for the 2010 budget reductions. Prior to the County Administrator releasing a recommended budget in early October, departments had the opportunity to respond to the forecasts in work sessions with the BOCC. The BOCC adopted the budget in late October, though they typically adopt the final budget in

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

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

Factors Affecting Financial Condition

Local Economy

Hamilton County's economy represents a cross-section of the national economy, with a diversity that does not rely too heavily on any one sector. Consequently, Hamilton County's unemployment rate of 9.5 in 2010 continued to track the national figure of 9.6, a relationship that has been present historically.

Home loan foreclosures have negatively impacted the economy nationally, and the results were no different in Hamilton County. Since 1995, when Hamilton County saw 1,300 foreclosure filings, the number of such filings in the County has skyrocketed. In 2010, the number of annual foreclosure filings reached 6,556. The good news in this is that the County's annual foreclosures decreased since 2009 by 2.4%.

The Cincinnati USA Regional Chamber and the Northern Kentucky Chamber of Commerce in their *2011 Regional Economic Outlook* report that an increasing number of positive signs indicate the economy is beginning to stabilize; however, the region's continued weakness in the labor market and a very slow recovery expected for the housing market indicate the region's growth will be modest in the near future.

Long-Term Financial Planning

The County's top revenue sources for the General Fund continue to be impacted by the slow economic recovery in the region as well as State budget pressures. While 2010 property taxes and real estate transaction fees are expected to increase modestly, sales tax, interest earnings, and Local Government Fund (LGF) allocations remain in decline.

The original 2010 General Fund budget of \$211.7 million is structurally balanced, and reflects a decrease of \$27.7 million, or 11.6%, from that of 2009. This budget marks the lowest revenue and expenditure levels in the County since 1998. General Fund employee positions are estimated to decrease by 279, or 11.2%, from the 2009 budget.

The County's restricted funds are appropriated at a decrease of 0.9% compared to 2009. Major decreases in restricted funds are attributable to Job and Family Services' continued State funding reductions, the end of the Drake property tax levy, retirement of debt on the Museum Center, a revision in the County's state workers' compensation pool, and a reduction in debt payments on Great American Ballpark due to the debt service structure. These decreases are offset by the new Family Services and Treatment levy absorbing some of the Drake levy provisions, the creation of a self-insurance fund for the management of County employee medical benefits, and payments to Cincinnati Public Schools from the proceeds of the stadium sales tax.

The sales tax revenue decline, as mentioned above, has another critical implication beyond its impact on the General Fund. The BOCC has also historically relied upon the annual sales tax growth rate of 3.0% in

planning to meet the County's legal and/or political obligations associated with a special 0.5% additional sales tax initiated in the late 1990s to cover the costs of ambitious riverfront redevelopment efforts, obligations that include financing debt to cover the costs of building new major league football and baseball stadiums and related infrastructure, developing "The Banks" riverfront project begun in 2008, as well as covering the costs of the continued operation of those stadia and infrastructure and a property tax credit for people who own and occupy their own homes in Hamilton County. The lack of sales tax growth has resulted in a projected Sales Tax Fund deficit beginning in 2010 totaling approximately \$14 million. This deficit grows to over \$90 million in less than five years. The BOCC addressed the 2010 deficit by using available fund balance in the Sales Tax Fund, a transfer from the Sales Tax Stabilization Fund, a transfer from the General Fund and a reduction in project overhead costs for The Banks Riverfront Redevelopment project. In December 2009, the Commission approved a framework for permanently addressing the Sales Tax Fund deficit that includes dedicating a portion of the anticipated casino revenue beginning in 2013, anticipated lease concessions from the Cincinnati Reds and Cincinnati Bengals professional sports teams, and a new revenue stream.

While faced with the strains of the economy, the County is also trying to maintain a minimum General Fund reserve of 5% of ongoing General Fund expenditures, with the longer-term goal of a 15% reserve.

Major Events and Initiatives

The recent downturn of the economy resulted in planned layoffs and the reorganization of various departments. Additional County-wide reductions include the transition to a self-insured health insurance program and adjustments to employee health and dental plans and costs.

In November of 2007, the Hamilton County Commissioners and Cincinnati City Council approved a series of development agreements and had secured loans and grants from the State and federal government to begin the Banks project. The Banks will include a variety of residential options, entertainment venues that include restaurants and bars, riverfront office and hospitality space, and an expansive green riverfront park.

There were also significant developments that did not relate to the riverfront. One such development dates to late 2004 when the Ohio Auditor of State and the Ohio Department of Job and Family Services announced that they would conduct a special audit of Hamilton County's Department of Job and Family Services. Issues from that special audit are unresolved and have resulted in the County's not having completed audits for the years 2004 through 2006, since any liability related to the audit has yet to be finalized. For more information on the special audit, see the final section of the MD&A in this report.

Acknowledgments

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

Sincerely,

A stylized, handwritten signature in black ink that reads "Dusty Rhodes". The letters are bold and somewhat irregular, with a cursive-like flow.

Dusty Rhodes
Auditor

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COUNTY OF HAMILTON, OHIO ELECTED OFFICIALS

As of December 31, 2010

Board of County Commissioners

Todd Portune, President
Gregory P. Hartmann
David Pepper

Dusty Rhodes
Patricia M. Clancy
Anant Bhati, M.D.
William W. Brayshaw
Joseph T. Deters
Wayne Coates
Simon L. Leis, Jr.
Robert A. Goering

Auditor
Clerk of Courts
Coroner
Engineer
Prosecutor
Recorder
Sheriff
Treasurer

Ohio Court of Appeals First District

Penelope R. Cunningham, Presiding Judge
Patrick T. Dinkelacker
Sylvia Sieve Hendon

Lee H. Hildebrandt, Jr.
William L. Mallory
J. Howard Sundermann

Common Pleas Court Judges

General Division

Kim Wilson Burke, Presiding Judge
Nadine L. Allen
Ethna M. Cooper
Pat DeWine
Dennis S. Helmick
Charles J. Kubicki, Jr.
Jody M. Luebbbers
Melba D. Marsh

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

Domestic Relations Division

Susan L. Tolbert, Administrative Judge
Elizabeth B. Mattingly

Ronald A. Panioto

Probate Court Division

James C. Cissell, Presiding Administrative Judge

Juvenile Court Division

Thomas R. Lipps, Presiding Administrative Judge

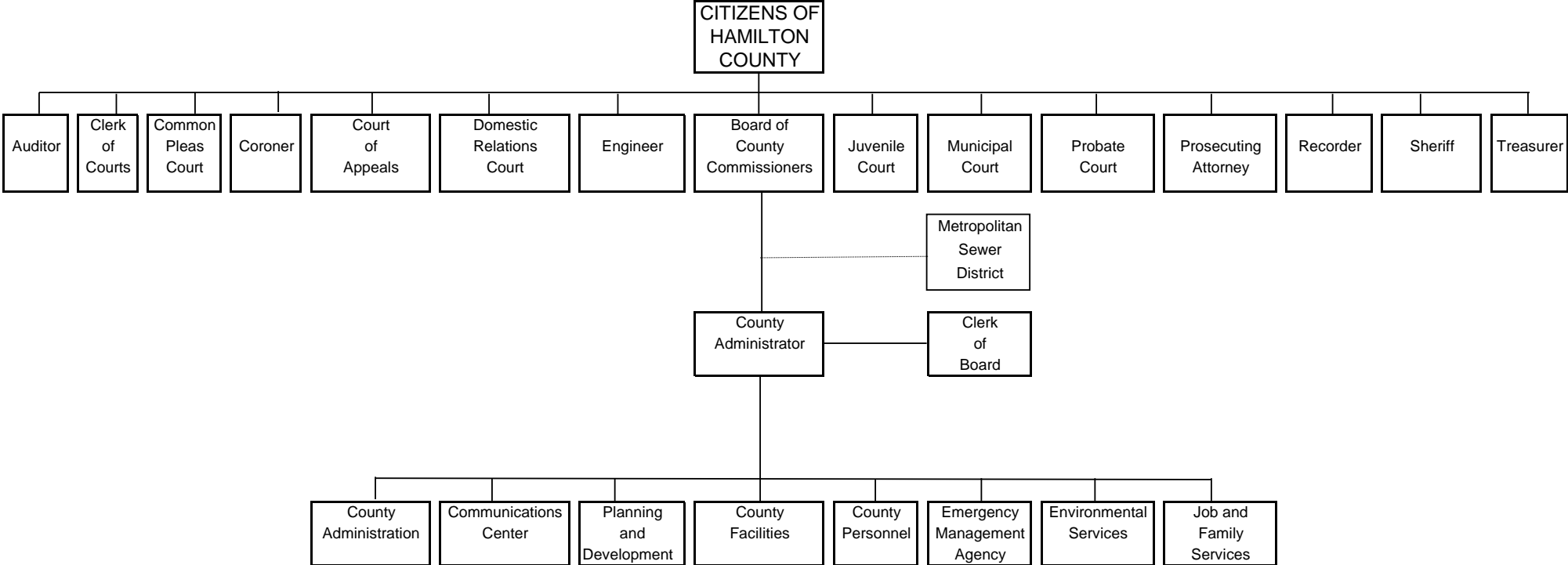
Karla J. Grady

Hamilton County Municipal Court

Lisa C. Allen, Presiding Judge
Richard A. Bernat
Theodore N. Berry
Bernard A. Bouchard
Matthew W. Fellerhoff
Cheryl D. Grant
Bradley J. Greenberg

Dwane Mallory
Russell J. Mock II
Melissa A. Powers
Fanon A. Rucker
Heather S. Russell
David C. Stockdale
Tyrone Yates

**ORGANIZATION CHART
COUNTY OF HAMILTON, OHIO**



BOARDS AND COMMISSIONS	
Board of Elections Board of Mental Retardation/Developmental Disabilities Mental Health and Recovery Services Board	Public Defender Commission Transportation Improvement District Veterans Service Commission

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**Financial
Section**

**The County of
Hamilton, Ohio**

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Hamilton County
 138 East Court Street
 Cincinnati, Ohio 45202

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Convention Facility Authority, which is the County's discretely presented component unit. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts include for the Convention Facility Authority, on the report of the other auditors. We also did not audit the financial statements of Metropolitan Sewer District, which represents 67 percent of assets, 78 percent of net assets, and 90 percent of operating revenues for the business type activities – enterprise funds. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for business type activities – enterprise funds, on the report of the other auditors.

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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit and the reports of the other auditors provide a reasonable basis for our opinions.

The Auditor of State issued a June 27, 2006 special audit report for the period July 1, 2000 through June 30, 2004 requiring the County to adjust payments recorded to the Health and Human Services Levies Fund that should have been charged to the Public Assistance Fund. The Auditor of State also issued an agreed upon procedures report for the period July 1, 2004 through December 31, 2006 requiring the County to adjust the fund balances; and issued an audit report for the year ending December 31, 2007 requiring the County to make adjustments.

The County has not yet recorded these adjustments:

Opinion Unit (Amounts in Thousands)	
Public Assistance	Health and Human Services Levies Fund
Cumulative Effect of Unrecorded Adjustments on the January 1, 2010 Balances	\$172,589
\$(161,589)	

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In our opinion, because of the effects of unrecorded interfund adjustments discussed in the third and fourth paragraphs, the financial statements referred to in the first paragraph do not present fairly the financial position or the fund balances the budgetary statements present for the Public Assistance Fund and the Health and Human Services Levies Fund at December 31, 2010. However, these adjustments do not affect the results of operations for the year ended December 31, 2010. In our opinion, the financial statements of the Public Assistance Fund and the Health and Human Services Levies Fund present fairly their results of operations (including budgetary statement revenue and expenditure comparisons) for the year ended December 31, 2010.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, the General fund and the aggregate remaining fund information of Hamilton County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, 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 our report dated November 15, 2012, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of 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.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, 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 County's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information 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 relate 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. Because of the adverse opinion described in the fifth paragraph, we are unable to express an opinion for statements and schedules presenting the Public Assistance Fund and the Health and Human Services Levies Fund. In our opinion, except for statements and schedules presenting the Public Assistance Fund and the Health and Human Services Levies Fund this information is fairly stated in all material respects in relation to the governmental activities, the business-type activities, the discretely presented component unit, the General fund and the aggregate remaining fund information of Hamilton County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

November 15, 2012

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
UNAUDITED**

The discussion and analysis of Hamilton County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2010. The intent of this discussion and analysis is to present a narrative overview of the County's financial performance as a whole. Readers should also review the transmittal letter, at the front of this report, and the County's financial statements and notes, which follow this section, to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2010 are as follows:

- ❑ The net assets of the County as of December 31, 2010, were \$1,506.9 million. Of the \$645.8 million in total net assets of governmental activities, unrestricted net assets of \$17.8 million may be used to meet the government's ongoing obligations to citizens and creditors.
- ❑ Unrestricted net assets in business-type activities were \$344.9 million as of December 31, 2010.
- ❑ In total, net assets increased \$18.4 million in 2010. Net assets of governmental activities decreased \$12.5 million. Net assets of business-type activities increased \$30.9 million.
- ❑ The revenues of the governmental activities were \$778.7 million; \$380.7 million was from program revenues, and \$398.0 million was from general revenues. During this same period, expenses related to the governmental activities were \$789.6 million. The largest category of expenses was for health-related purposes in the amount of \$251.0 million.
- ❑ The 2010 revenues of the business-type activities were \$326.1 million—\$265.4 million from program revenues and \$60.7 million from general revenues. Expenses related to the business-type activities were \$296.8 million. The largest expenses were in the operations of Metropolitan Sewer District in the amount of \$194.9 million.
- ❑ General revenues accounted for \$458.7 million of total revenues for 2010. Program-specific revenues in the form of charges for services, grants and contributions accounted for \$646.1 million of total revenues of \$1,104.8 million in 2010.
- ❑ As of December 31, 2010, the County's governmental funds reported a combined fund balance of \$301.9 million. Of this amount, \$249.9 million (unreserved fund balance) is available for spending on behalf of the County's citizens.
- ❑ The County's General Fund had \$202.1 million in revenues in 2010 and \$172.5 million in expenditures. Factoring in net transfers out of \$13.4 million, for combined General Fund expenditures and other financing uses of \$185.9, there was an increase of \$16.2 million in the General Fund's balance in 2010.
- ❑ Unreserved fund balance for the General Fund was \$53.8 million in 2010, compared to \$37.6 million in 2009, a change of 43%. This unreserved fund balance represents 29% of General Fund expenditures and other financing uses.
- ❑ Net assets for the enterprise funds increased \$30.9 million in 2010.
- ❑ Hamilton County's total outstanding bonds increased by \$87.4 million in 2010. Business-type activities increased \$98.4 million while governmental activities decreased by \$11.0 million.

**COUNTY OF HAMILTON, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2010
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USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

Overview of the Financial Statements

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

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

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

REPORTING HAMILTON COUNTY AS A WHOLE

Government-Wide Financial Statements

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

Statement of Net Assets and Statement of Activities

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

- **Statement of Net Assets.** The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to County creditors (liabilities), and supplies the basis for evaluating the County's capital structure.
- **Statement of Activities.** The Statement of Activities provides information about all of the County's current-year revenues and expenses, and measures the success of the County's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current-year revenues and expenses are reported regardless of when cash is received or paid.

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

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

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

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

The government-wide financial statements include not only the County itself (known as the primary government) but also any component units, if applicable. Component units are legally separate entities for which the primary government is financially accountable. For 2010, the Convention Facilities Authority (CFA) is a discretely presented component unit, and its financial data is reported on the government-wide statements. The CFA was created for the purpose of financing the Cincinnati Convention Center (now known as the Duke Energy Center) renovation and expansion.

The separately audited financial statements of the Metropolitan Sewer District of Greater Cincinnati (MSD), the County-owned sewer district operated by the City of Cincinnati under a management contract, have been included in this report as a proprietary enterprise fund with appropriate note disclosure because MSD is a blended component unit—one whose funds are treated as funds of the government with which it is included.

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

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

REPORTING HAMILTON COUNTY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related

**COUNTY OF HAMILTON, OHIO
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legal requirements. Based on restrictions on the use of moneys, the County maintains many funds that account for the multitude of services provided to its citizens.

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

Governmental Funds, Proprietary Funds and Fiduciary Funds

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

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

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

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

The County is required by Ohio law to adopt budgets for the General Fund, special revenue funds and debt service funds. A budgetary comparison statement for the General Fund and each annually budgeted major special revenue fund has been provided as part of the basic governmental fund financial statements. In the supplementary information, budgetary comparisons are presented at the legal level of budgetary control for all governmental funds with legally adopted annual budgets.

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

Proprietary Funds. Proprietary fund statements present both short-term and long-term financial information about County operations financed and operated in a manner similar to a private business. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

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

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

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

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

- ❖ *Internal Service Funds.* Internal service funds are used to report a combination of governmental activities and business-type activities.
 - ◆ Governmental internal service funds are used to accumulate and allocate costs internally between the County's various functions, or to account for operations that provide services to County departments, agencies or other governments on a cost-reimbursement basis. Because the services provided by the County's governmental internal service funds—the Workers' Compensation Reserve fund, the Auditor's Computer Center fund, the Multi-County System Agencies fund and the Medical Self-Insurance fund—benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.
 - ◆ Business-type internal service funds are used to report assets and liabilities within the business-type activities column of the Statement of Net Assets if enterprise funds are the predominant or only participant. The Workers' Compensation Reserve for Stadiums fund meets this criterion.

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

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

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

Notes to the Financial Statements

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

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

Other Information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Net Assets

Net assets—the difference between assets and liabilities—may serve over time as a useful indicator of the County's financial position. At the end of 2010, Hamilton County was able to report positive balances in all three categories of net assets for the County as a whole and for its separate governmental and business-type activities.

Hamilton County's assets exceeded liabilities by \$1,506.9 million in 2010. This represents \$645.8 million in governmental activities and \$861.1 million in business-type activities.

Overall revenues in governmental activities were down \$135.4 million in 2010 versus the prior year, and even though the County reduced expenditures in governmental activities by \$91.6 million, net assets decreased \$10.9 million in 2010 (excluding transfers).

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Table 1 provides a summary of the County's net assets for fiscal year 2010.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
ASSETS						
Current and Other Assets	\$ 685.9	\$ 678.5	\$ 528.3	\$ 485.3	\$1,214.2	\$1,163.8
Capital Assets, Net	438.8	478.9	1,943.8	1,828.5	2,382.6	2,307.4
TOTAL ASSETS	<u>1,124.7</u>	<u>1,157.4</u>	<u>2,472.1</u>	<u>2,313.8</u>	<u>3,596.8</u>	<u>3,471.2</u>
LIABILITIES						
Current and Other Liabilities	335.9	344.1	49.5	52.4	385.4	396.5
Long-Term Liabilities						
Due Within One Year	14.9	14.8	43.3	38.2	58.2	53.0
Due in More Than One Year	128.1	140.2	1,518.2	1,393.0	1,646.3	1,533.2
TOTAL LIABILITIES	<u>478.9</u>	<u>499.1</u>	<u>1,611.0</u>	<u>1,483.6</u>	<u>2,089.9</u>	<u>1,982.7</u>
NET ASSETS						
Invested in Capital Assets,						
Net of Related Debt	350.5	379.7	507.8	506.4	858.3	886.1
Restricted for:						
Debt Service	8.1	8.1	8.4	6.5	16.5	14.6
Capital Projects	0.2	0.3	-	-	0.2	0.3
Special Revenue Funds	269.2	275.0	-	-	269.2	275.0
Unrestricted	17.8	(4.8)	344.9	317.3	362.7	312.5
TOTAL NET ASSETS	<u>\$ 645.8</u>	<u>\$ 658.3</u>	<u>\$ 861.1</u>	<u>\$ 830.2</u>	<u>\$1,506.9</u>	<u>\$1,488.5</u>

By far, the largest portion of the County's net assets, \$858.3 million, reflects its investment in capital assets, which includes property, plant, equipment and infrastructure assets, net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. Restricted net assets were \$277.5 million of governmental

**COUNTY OF HAMILTON, OHIO
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activities and \$8.4 million of business-type activities in 2010. The remaining net assets are unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors and for business-type activities. Unrestricted assets were \$17.8 million of governmental activities and \$344.9 million of business-type activities in 2010.

As was also the case in 2009, a significant factor in 2010 governmental activities that affected the County's net assets invested in capital assets, net of related debt, was that capital outlay budgets were reduced to bare minimums to keep spending in line with reduced revenues, resulting in depreciation in excess of acquisitions by \$38.2 million.

Changes in Net Assets

Hamilton County's total revenues were \$1,104.8 million. Various taxes make up 37% of the County's revenue. Another 32% of the County's revenue comes from fees charged for services, and 29% is State and federal aid.

Table 2 below provides a summary of the County's revenues and expenses—the changes in net assets—for fiscal year 2010.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
REVENUES						
Program Revenues:						
Charges for Services	\$110.5	\$102.8	\$241.7	\$220.7	\$352.2	\$323.5
Operating Grants and Contributions	266.8	388.6	-	-	266.8	388.6
Capital Grants and Contributions	3.4	1.8	23.7	12.4	27.1	14.2
General Revenues:						
Property Taxes	239.0	241.9	-	-	239.0	241.9
Sales and Use Taxes	72.0	67.1	50.2	49.0	122.2	116.1
Other Taxes	43.6	44.2	-	-	43.6	44.2
Grants and Entitlements	34.5	59.6	-	-	34.5	59.6
Unrestricted Investment Earnings	7.3	8.1	6.4	(0.4)	13.7	7.7
Gain on Sale of Capital Assets	1.5	-	0.1	-	1.6	-
Other	0.1	-	4.0	-	4.1	-
TOTAL REVENUES	778.7	914.1	326.1	281.7	1,104.8	1,195.8

**COUNTY OF HAMILTON, OHIO
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EXPENSES

Program Expenses:

General Government	100.2	83.6	-	-	100.2	83.6
Judicial	91.2	101.3	-	-	91.2	101.3
Public Safety	101.6	101.1	-	-	101.6	101.1
Social Services	167.9	271.5	-	-	167.9	271.5
Health	251.0	252.6	-	-	251.0	252.6
Public Works	50.3	43.9	-	-	50.3	43.9
Environmental Control	6.7	7.1	-	-	6.7	7.1
Economic Development	7.5	6.8	-	-	7.5	6.8
Parks and Recreation	8.5	8.4	-	-	8.5	8.4
Interest and Fiscal Charges	4.7	4.9	-	-	4.7	4.9
Metropolitan Sewer District	-	-	194.9	167.9	194.9	167.9
Paul Brown Stadium	-	-	45.5	39.8	45.5	39.8
Baseball Stadium	-	-	29.7	25.9	29.7	25.9
Riverfront Development	-	-	10.9	9.8	10.9	9.8
Main Street Parking Garage	-	-	0.9	0.9	0.9	0.9
Rotary Funds	-	-	7.9	6.2	7.9	6.2
Communications Center	-	-	7.0	8.0	7.0	8.0
Total Program Expenses	789.6	881.2	296.8	258.5	1,086.4	1,139.7
Indirect Expenses Allocation	5.2	6.8	-	-	5.2	6.8
Indirect Expenses Reimbursement	(5.2)	(6.8)	-	-	(5.2)	(6.8)
TOTAL EXPENSES	789.6	881.2	296.8	258.5	1,086.4	1,139.7
Increase (Decrease) in Net Assets Before Transfers	(10.9)	32.9	29.3	23.2	18.4	56.1
Transfers	(1.6)	(16.0)	1.6	16.0	-	-
INCREASE (DECREASE) IN NET ASSETS	(12.5)	16.9	30.9	39.2	18.4	56.1
NET ASSETS—BEGINNING OF YEAR	658.3	641.4	830.2	791.0	1,488.5	1,432.4
NET ASSETS—END OF YEAR	\$645.8	\$658.3	\$861.1	\$830.2	\$1,506.9	\$1,488.5

Governmental Activities. Governmental activities decreased Hamilton County's net assets by \$12.5 million (1%).

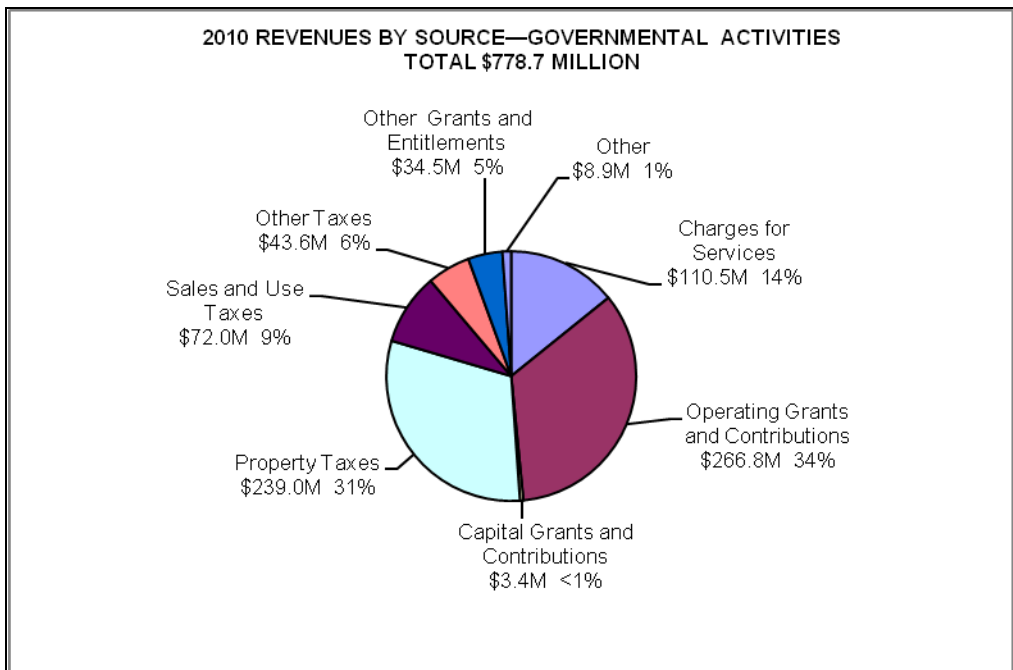
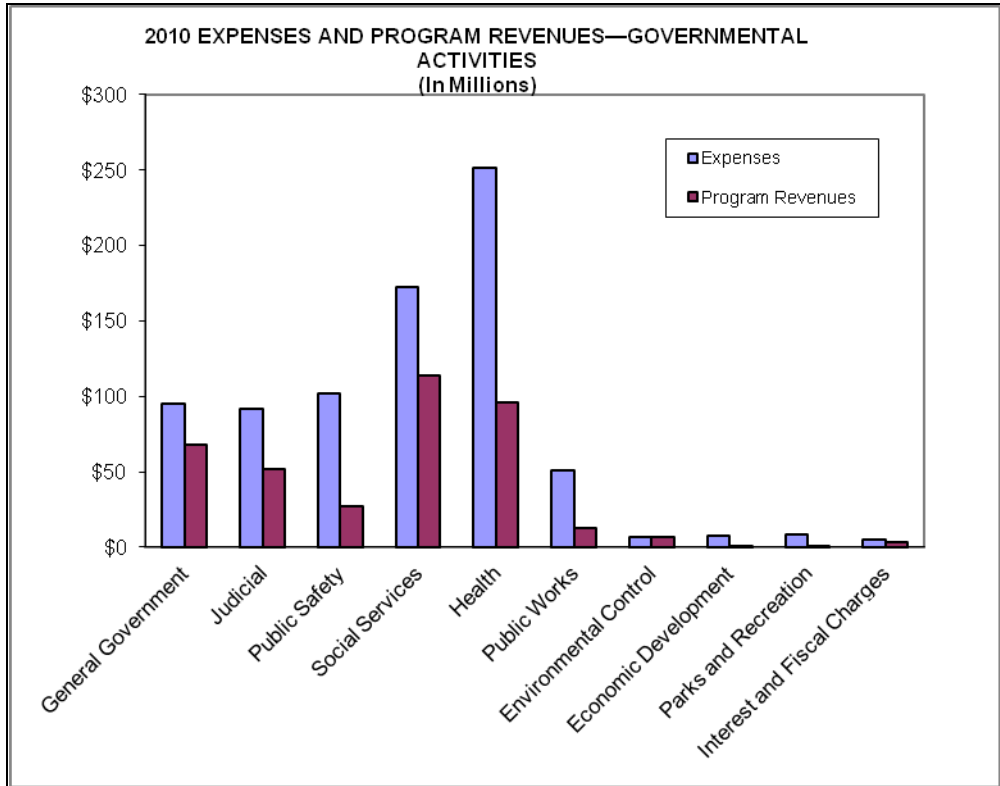
Tax revenue accounts were \$354.6 million, which was 46% of the \$778.7 million total revenue for governmental activity. Though the slow economy continues, there was a 7%, \$4.9 million, increase in sales tax over last year.

Total expenses of the County's governmental activities were \$789.6 million in 2010. The health category accounts for \$251.0 million (32%) of the total expenses for governmental activities. Social services was the next largest program within the County, accounting for \$167.9 million (21%) of total expenses for governmental activities for the year.

Program revenues were \$380.7 million in 2010. The County works to secure the maximum amount of grants and contributions that are provided by the State and federal governments. In 2010, these grants and contributions included \$266.8 million for operating grants and contributions, the largest program revenue, accounting for 34% of total governmental revenue.

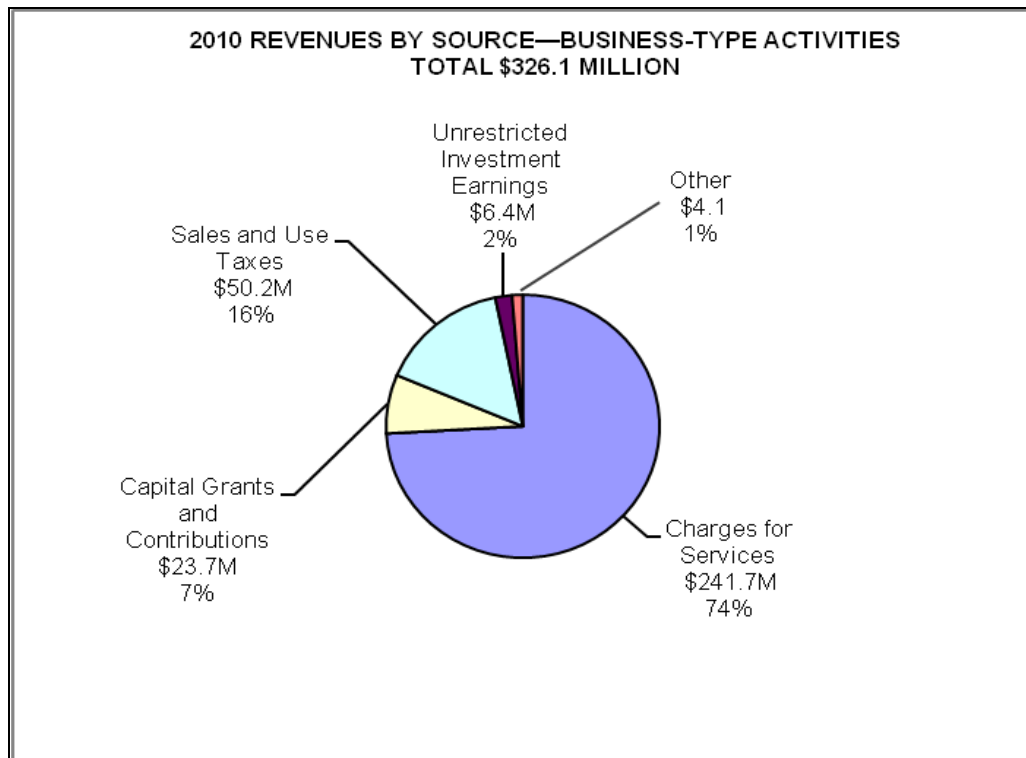
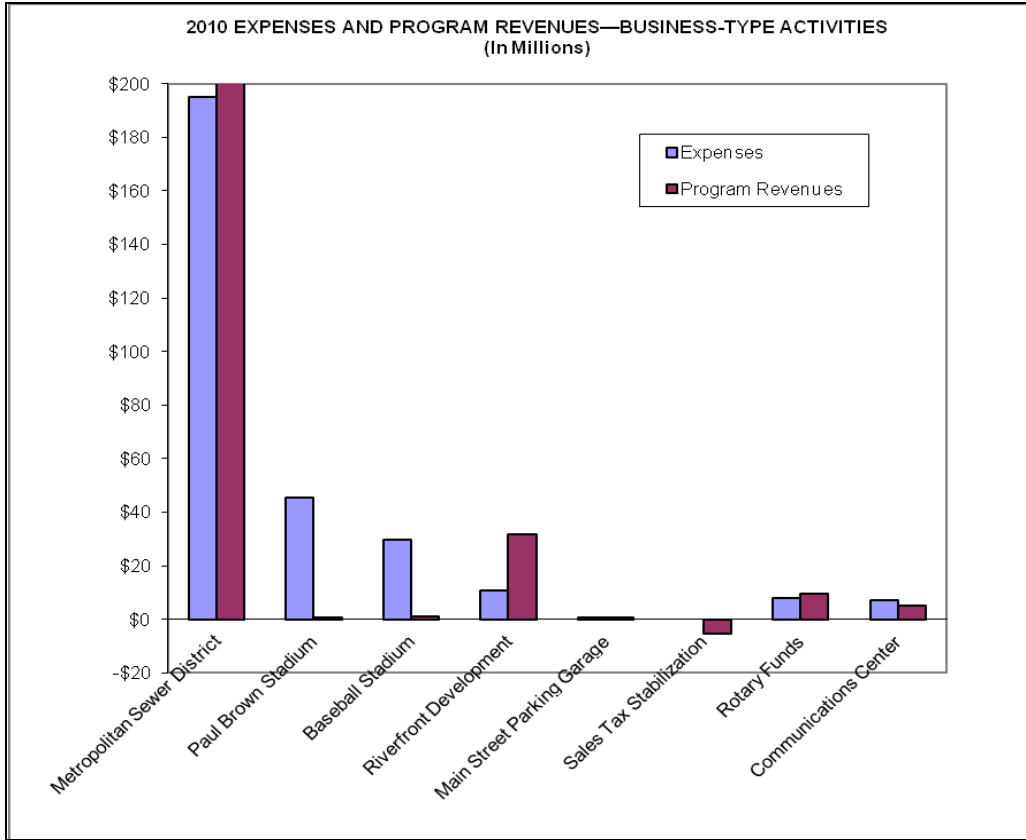
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The most significant of these intergovernmental contributions is accounted for through subsidies received to provide social service programs, but those subsidies decreased by \$129.5 million versus 2009. Approximately 41% of intergovernmental revenue was allocated to social service programs in 2010.



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Business-Type Activities. Business-type activities increased Hamilton County's net assets by \$30.9 million, or 2%, in 2010.



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The County's direct charges to users of County business-type services, charges for services, were \$241.7 million or 74% of business-type activities' revenues in 2010. A significant portion of these charges were Metropolitan Sewer District sewer service charges and surcharges that will provide for necessary operating expenses, annual debt support, support of the District's capital program and the satisfaction of bond covenants. Other major revenue sources in 2010 were capital grants and contributions of \$23.7 million and sales and use tax revenues of \$50.2 million.

Overall expenses of the County's business-type activities were \$296.8 million. Metropolitan Sewer District accounted for \$194.9 million (66%) of the total expenses for business-type activities in 2010. Paul Brown Stadium accounted for the next largest amount of business-type expenses at \$45.5 million (15%) of the 2010 total.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

The focus of Hamilton County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balances may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As the County completed the year, its governmental funds reported a combined ending fund balance of \$301.9. Approximately \$249.9 million of this amount constitutes unreserved fund balance, which is available for spending for citizens. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for other purposes, which include (1) a reserve for judgments and claims—\$1.0 million; (2) advances to other funds—\$0.6 million; (3) liquidation of prior-year contracts and purchase orders—\$47.5 million; and (4) a reserve for inventories—\$2.9 million.

Most governmental fund balances are not reserved in the governmental fund statements but may be reported as restricted net assets on the Statement of Net Assets. Restricted net assets represent amounts that are not appropriable, or are legally segregated for a specific purpose mandated by the source of the resources, such as the State government, the federal government or a tax levy.

General Fund. The General Fund is the chief operating fund of the County, available for any authorized purpose and used to account for all financial resources except those required to be accounted for in another fund. In 2010, unreserved fund balance of the General Fund was \$53.8 million, while total fund balance was \$64.7 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. In 2010, unreserved fund balance represents approximately 29% of the total General Fund expenditures and other financing uses, while total fund balance represents 35% of that same amount.

The fund balance of the County's General Fund increased \$16.2 million during 2010. Revenues exceeded expenditures by \$29.6 million in a year when revenues increased over the prior year by only \$1.4 million. The reduction in expenditures was \$11.8 million, mostly in the area of judicial spending, where there was a \$7.0 million reduction in personnel expenditures.

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

Public Assistance Fund. The Public Assistance fund, an annually budgeted special revenue fund, is used to account for revenue from the federal, State and County governments and for expenditures used to provide services to eligible County residents. The fund balance of the Public Assistance fund increased by \$22.2 million in 2010. Revenues declined by \$65.9 million compared to 2009, mostly due to reduced State allocations, and expenditures declined by \$93.6 million, more than half of the 2009 expenditure total. Of this decrease, \$66.4 million is due to the State of Ohio's assumption of the direct payment of child care support as of May 2010.

Health and Human Services Levies Fund. The Health and Human Services Levies fund, an annually budgeted special revenue fund, is used to account for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners. The fund balance of the County's Health and Human Services Levies fund increased only minimally, by \$0.3 million in 2010.

Other Governmental Funds. The fund balances of Other Governmental Funds—Nonmajor Governmental Funds—increased by \$11.5 million during 2010. The major factor contributing to the increase in the fund balances of Nonmajor Governmental Funds was the effect of transfers into the debt service fund to pay principal and interest on general obligation debt.

Proprietary Funds

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

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

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

The fund assets of Metropolitan Sewer District exceeded liabilities by \$674.1 million in 2010. Nearly half (49%) of the District's net assets reflect its investment in capital assets used primarily in the collection and treatment of wastewater throughout the District's service area, less any related debt used to acquire those assets that is still outstanding. The related debt will be repaid with resources provided by systems users through rates and fees. Net assets increased \$37.0 million in 2010. The increase was a combination of income before contributions and contributions in the form of connection fees, assessments and developer contributions. Total revenues increased 11% (\$21.8 million), and expenses increased nearly 13% (\$22.0 million). Some of the major factors that contributed to these results are as follows:

- Operating revenues reflect an 11% rate increase implemented January 2010.
- Nonoperating revenues increased due to increases in interest rates.

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- Operating expenses increased 16% (\$16.5 million) mainly due to the increases in pension contributions and employee health-care costs.
- Depreciation expense increased 16% (\$6.1 million) due to a significant number of large-dollar capital assets being placed in service during the year.
- Nonoperating expense decreased 2% (\$0.6 million) due to the change (increase) in the fair market value of investments, offset by an increase in interest expense.
- Capital contributions will fluctuate depending on building activity and assessment projects completed.

*Source: Metropolitan Sewer District of Greater Cincinnati 2010 Audited Financial Statements

Paul Brown Stadium Fund. The Paul Brown Stadium fund is used to account for revenue received from stadium tenants and for the operation of Paul Brown Football Stadium. The fund net assets of the Paul Brown Stadium fund were a negative \$54.5 million in 2010. Expenses exceeded revenues by \$10.5 million. Significant factors contributing to the decrease in fund net assets include depreciation expense on the stadium and interest expense on the related debt, with minimal operating revenue offset.

Baseball Stadium Fund. The Baseball Stadium fund is used to account for the operations of Great American Ball Park Baseball Stadium and the Cincinnati Reds Hall of Fame and Museum. The fund net assets of the Baseball Stadium fund were \$74.8 million, a decrease of \$17.9 million compared to 2009, as expenses exceeded revenues by \$18.2 million. As was the case with Paul Brown Stadium, the major factors contributing to the decrease in fund net assets were depreciation expense and interest expense, in conjunction with minimal operating revenue offset. Revenues and expenditures are largely fixed amounts, as set forth in the ballpark lease. Operating costs are shared by the Cincinnati Reds and County sales tax.

Other Enterprise Funds. The fund net assets of Other Enterprise Funds (nonmajor enterprise funds) increased by \$21.6 million in 2010. Though operating and nonoperating expenses exceeded revenues by \$4.1 million, capital contributions and transfers in were in excess of the net expenses, largely due to grant revenues and reimbursements from the developer. For more information related to the change in net assets of Other Enterprise Funds, please refer to the Combining Statement of Revenues, Expenses and Changes in Fund Net Assets found in this report in the section following the Notes to the Financial Statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

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

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monitoring budget activity. All budgetary amendments and supplemental appropriations made during 2010 are included in the revised budget amounts presented in the budget-to-actual comparisons.

While the 2010 budget was balanced without a tax increase, the General Fund still faces significant challenges as we continue to see stagnant or declining revenue in many areas. Nearly 74% of General Fund expenditures are in the areas of public safety and the court system. The cost of employee wages and benefits continues to be the largest expenditure category, accounting for approximately 65% of expenditures.

The final revised General Fund appropriations for 2010 were \$210.8 million. This spending level in the General Fund met with the BOCC's budget goal for 2010 of achieving a balanced budget and replenishing county reserves without tax rate increases. The County spent 97% of the amount appropriated in the General Fund during 2010.

The final revised estimated resources for the General Fund for 2010 were \$212.3 million. Actual General Fund revenues received were \$221.1 million, or 4% greater than final budgeted General Fund revenues in 2010. One of the reasons revenues exceeded expectations was the greater-than-anticipated sales tax collections (\$4.6 million greater than budgeted), thanks to a bigger surge in local consumer purchases than predicted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Hamilton County invested \$2,382.6 million (net of accumulated depreciation) in 2010 in a broad range of capital assets, which include property, plant, equipment and infrastructure assets.

Net capital assets related to governmental activities amount to \$438.8 million. Net capital assets related to business-type activities amount to \$1,943.8 million and include \$1,167.6 million net capital assets of MSD.

Table 3 provides a summary of the County's capital assets, net of accumulated depreciation for fiscal year 2010.

Table 3
**HAMILTON COUNTY'S
CAPITAL ASSETS AT YEAR-END**
(Net of Accumulated Depreciation, in Millions)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
Land and Improvements	\$ 98.8	\$ 98.9	\$ 96.0	\$ 96.0	\$ 194.8	\$ 194.9
Buildings, Structures and Improvements	118.7	137.9	1,317.4	1,200.8	1,436.1	1,338.7
Infrastructure	189.9	207.3	-	-	189.9	207.3
Processing System	-	-	168.8	178.8	168.8	178.8
Furniture, Fixtures and Equipment	24.3	26.3	18.2	25.1	42.5	51.4
Construction in Progress	7.1	8.5	343.4	327.8	350.5	336.3
TOTAL CAPITAL ASSETS, NET	<u>\$438.8</u>	<u>\$478.9</u>	<u>\$ 1,943.8</u>	<u>\$ 1,828.5</u>	<u>\$ 2,382.6</u>	<u>\$ 2,307.4</u>

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

- Expenses of about \$139 million for Metropolitan Sewer District capital improvement projects (including receipt of about \$4 million in capital contributions) with sewer replacements and improvement projects making up about 75% of the total;*
- Completion of \$7.1 million new roadway projects by the Hamilton County Engineer's Office, with construction in progress as of the end of the current year at \$6.7 million, and with total costs in 2010 of \$7.5 million, paid for with \$4.2 million Hamilton County funding and \$3.3 million Ohio Public Works Commission funding;
- Disposal of \$2.1 million in capital assets due to the sale of a building.

*Source: Metropolitan Sewer District of Greater Cincinnati 2010 Audited Financial Statements

Five-Year Capital Plans. The Hamilton County and Metropolitan Sewer District five-year capital plans were submitted and accepted for the years 2011 through 2015.

Hamilton County Capital Improvement Plan. The 2011-2015 capital improvement plan includes \$154.7 million in approved and recommended capital improvement projects. Approved projects include The Banks Phases 1A and 2A (\$127.8 million) on the riverfront, to be paid for by the developer contribution, the city of Cincinnati, State and federal grants, and the city of Cincinnati and Hamilton County tax increment financing.

Three new projects totaling \$56.0 million have been added to the plan. Funding for the new projects will be provided by developer contributions, the city of Cincinnati, State and federal grants, the city of Cincinnati and Hamilton County tax increment financing, and various restricted funds by the agencies requesting the capital improvements (\$55.1 million) and by the General Fund (\$0.9 million).

Metropolitan Sewer District Capital Plan. The MSD capital improvement program contemplates issuing an average of about \$200 million in debt each year to finance the plan. MSD finances its construction primarily through the issuance of revenue bonds and will utilize low-interest loan programs through the State of Ohio in appropriate circumstances. Each project must be individually approved before proceeding.*

*Source: Metropolitan Sewer District of Greater Cincinnati 2010 Audited Financial Statements

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

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

Long-Term Debt

Hamilton County's total long-term debt outstanding at December 31, 2010, was \$1,585.2 million (\$94.7 million related to governmental activities and \$1,490.5 million related to business-type activities).

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Table 4 provides a summary of the County's outstanding long-term debt for fiscal year 2010.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
General Obligation Bonds—Unvoted	\$ 90.1	\$101.1	\$ 7.2	\$ 7.5	\$ 97.3	\$ 108.6
General Obligation Special Assessment Bonds	4.6	4.6	-	-	4.6	4.6
Metropolitan Sewer District Obligations	-	-	904.6	802.3	904.6	802.3
Adjustable Rate Revenue Bonds	-	-	19.7	20.5	19.7	20.5
Sales Tax Bonds	-	-	559.0	561.8	559.0	561.8
TOTAL LONG-TERM DEBT	<u>\$ 94.7</u>	<u>\$105.7</u>	<u>\$1,490.5</u>	<u>\$1,392.1</u>	<u>\$1,585.2</u>	<u>\$1,497.8</u>

Outstanding Debt Issues. At the end of 2010, the County had a number of debt issues outstanding. These issues, net of applicable unamortized discounts, included \$97.3 million of general obligation bonds, \$4.6 million of general obligation special assessment bonds, \$904.6 million of sewer revenue bonds and other obligations of MSD, \$19.7 million of parking garage adjustable rate revenue bonds, and \$559.0 million of stadium sales tax bonds.

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

New Debt. During 2010, the County issued new debt for the purposes listed below.

Governmental Activities—Long-Term Debt. Special Assessment Bonds (\$0.7 million) were issued for the purpose of constructing sewer improvements in anticipation of the collection of special assessments against the benefited properties.

Business-Type Activities—Long-Term Debt. MSD issued \$43.6 million Series A Sewer System Refunding Revenue Bonds and \$87.1 million Series B Sewer System Improvement Revenue Bonds (Build America Bonds). The proceeds of the 2010A bonds were used to defease portions of the 2000, 2001 and 2003 revenue bonds and pay for the cost of issuance. The proceeds of the 2010B bonds were used to permanently fund certain previous capital expenditures, fund the new bond reserve requirements and pay the cost of issuance.

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

County Debt	Bond Rating			Insurer
	Moody's	Standard & Poor's (S&P)	Fitch	
General Obligation	Aa2			
MSD Revenue	Aa2	AA+		FGIC, MBIA
Sales Tax—Riverfront (1998)	Aa2	AAA	AA-	MBIA
Sales Tax—Riverfront (2000)	A1		A+	AMBAC
Sales Tax—Riverfront (2006)	A1		A+	AMBAC
Riverfront Parking Revenue (2001)	Aa3			

*Sources: Hamilton County Office of Budget and Strategic Initiatives and Metropolitan Sewer District of Greater Cincinnati 2010 Audited Financial Statements

Ratings

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

Insurers

AMBAC—American Municipal Bond Assurance Corporation**
 FGIC—Financial Guaranty Insurance Company
 MBIA—Municipal Bond Investors Assurance

**The surety provider AMBAC recently had its rating withdrawn by Standard & Poor's and Moody's, which caused a non-payment default under the documentation for the two series of sales tax bonds. The non-payment default came about through no fault of the County and does not affect the ability of the County to make timely payments of its debt service obligations. The County is currently considering a number of alternatives that will result in the County being compliant with sales tax documentation.

Legal Debt Margins. The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3% of the first \$100 million or part of the tax list, plus 1½% of the tax list in excess of \$100 million and not in excess of \$300 million, plus 2½% of the tax list in excess of \$300 million. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1% of the tax list of the County. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3%, 1½% and 2½% limitation described above is \$504.0 million. The total County net debt subject to this limitation is \$80.6 million, leaving a borrowing capacity of \$423.4 million within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1% limitation is \$202.2 million. The total County debt subject to such limitation is \$80.6 million, leaving a borrowing capacity of \$121.6 million within the 1% limitation for unvoted non-exempt debt.

Other Long-Term Obligations. The County's long-term obligations for 2010 also include compensated absences of \$40.0 million related to governmental activities and \$9.3 million related to business-type activities; forgivable loan contracts of \$5.7 million; State loans of \$19.8 million; and various long-term operating leases for office space amounting to \$3.5 million.

Interest and fiscal charges for governmental activities were \$4.7 million, 0.6% of the total expenses in 2010.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES*

The local economy has historically tracked the nation very closely. Recently, the region has experienced slower growth. Here are some highlights and recent trends of the region:

Positives

- 24th largest U.S. metro area
- Top ten ranking in the number of Fortune 500 firms per million residents
- Increase in Gross Regional Product in 2010
- Relatively low cost of doing business
- Skilled labor force
- Manufacturing activity spread across a wide range of industries
- High concentration of and competitive advantage for companies in aerospace, automotive, chemistry and plastic, and financial services industries
- Emerging industries in advanced energy, consumer products and creative services, information technology and life sciences
- Affordable cost of living and housing
- Increase in permits for new residential housing units in 2010 after a four-year decline
- A major transportation hub, including an international airport

Negatives

- Labor market recovery at a slower pace than the rest of the country
- Unemployment rate higher than in 2009
- Negative population growth in Hamilton County since 2000
- Foreclosure filings showing only slight decrease versus 2009
- Overall decline in number of goods-producing and service-producing employers since 2005

For 2011 the Board of County Commissioners (BOCC) approved a total budget of \$922.5 million. General Fund appropriations are \$210.7 million, a \$1.1 million, or 0.5%, decrease from the 2010 budget. The 2011 budget marks the lowest revenue and expenditure levels in the County since 1998. General fund employee positions are estimated to decrease by less than one position from the 2010 budget.

The BOCC focused on the following in developing the 2011 budget:

- achieving a balanced General Fund budget and replenishing County reserves;
- providing for basic community needs in the face of declining revenues;
- emphasizing policy areas that might positively impact key trends and indicators within the purview of the BOCC; and
- establishing consensus priorities within the areas of economic development, public safety and government consolidation.

The County faces particular fiscal challenges caused by revenue declines in recent years, and the expectation is that it could take several years before the County sees growth in the following key General Fund revenues:

- Sales tax—Sales tax revenues rebounded during the last seven months of 2010, averaging increases of 8% monthly compared to 2009. For 2011, modest growth is anticipated for the early months, but the latter months are expected to be slightly below 2010 levels.

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- Real estate transaction taxes—New revenue in property taxes can only be realized through new development and periodic reappraisals of real property. For 2011, General Fund property tax revenue is projected to decrease \$1.5 million versus 2010. The decrease accounts for the state phaseout of the personal property tax reimbursement, suspended public utility tax payments from Duke Energy, and a 1% reduction from the Auditor's estimated real estate tax collections based on prior-year performance. In the next property reassessment for the 2012 collection year, the General Fund will likely see a decrease in property tax revenue.
- Local Government Fund (LGF)—The State's General Fund performance is directly tied to the State's revenue sharing (LGF revenue). For 2011, due to continued State budget pressures, LGF revenues are estimated to be \$2.4 million (12%) less than 2010's collections.
- Real estate transaction fees—Real estate transaction fees (recording, conveyance and transfer fees) increased modestly (2%) in 2010 due to the federal new homebuyer tax credit and record low interest rates. Absent this scenario, 2011 real estate transaction-related revenues are estimated to generate \$8.6 million, a decrease of \$1.8 million (18%) from 2010 collections.
- Interest earnings—Returns on the County investments have declined along with the federal funds rate, which is anticipated to remain below 1% through 2011. The 2011 budgeted interest earnings of \$6.0 million are \$1.2 million (17%) below the 2010 collections.

These five revenue sources make up nearly 68% (\$141.7 million) of the General Fund revenue estimate. The total estimated revenues for the General Fund established the amount available to appropriate for General Fund expenditures. County departments identified expenditures that should be exempt from budget reductions, e.g., utility costs, State mandates, and contractual obligations. Once these amounts were identified, the remaining amount available to appropriate was allocated to the various County agencies to budget according to departmental needs.

The total 2011 budget for the County's restricted funds is \$711.8 million, a \$246.2 million reduction from 2010's original appropriations. The following issues are of note related to special revenue funds.

Reasons for Major Decreases in Restricted Funds

- State of Ohio's assumption of the direct payment of child care support
- Appropriation of a partial-year budget for MSD
- Job and Family Services' continued State funding reductions

Offsets for Decreases in Restricted Funds

- Increases in the Developmental Disabilities levy due to additional capital costs
- Increases in the Mental Health levy to offset State funding reductions
- Increase in the Parking Revenue fund to reflect additional capacity and complexity of operations for the new riverfront garages

* Sources: Hamilton County, Ohio, 2011 Budget in Brief; Cincinnati USA Partnership's online Information Center, 2010 *Regional Economic Outlook and 2011 Regional Economic Outlook*

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS*

This list of currently known facts, decisions or conditions identifies information that management is aware of as of the date of the Auditor's report that have occurred either between December 31, 2003, and December 31, 2006, or subsequent to December 31, 2010. At the end of 2010, the special audit of Hamilton County Department of Job and Family Services (HCDJFS) had not been finalized. This special audit affects financial reports dated 2004 and later, and the financial audits

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of the County for years 2004–2006 have not been finalized. Therefore, significant events outlined below date back to year-end 2003, since 2003's audit was the last one finalized before the start of the special audit. Activities that have already been included with the audited financials for 2007–2010 are not included in this list. The issues identified here have had or are expected to have a material effect on financial position (net assets) or results of operations (revenues, expenses and other changes in net assets). Please see the Notes to the Basic Financial Statements for further information on the special audit of HCDJFS (note IV H) and the items listed below.

- The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio, are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, MSD's Revised Wet Weather Plan was approved by the federal government. The Plan commits MSD to complete a Phase 1 group of projects totaling \$1.145 billion (in 2006 dollars and including \$400 million that MSD has already spent on projects [amounts not rounded]) by 2018 before scheduling future work (Phase 2). The consent decree documents are posted on the MSD website, MSDgc.org, under Consent Decree.
- The County issued the following debt in the years 2004–2006:
 - \$70.8 million Various Purpose Limited Tax General Obligation Refunding Bonds,
 - \$0.7 million Emergency Management and Operations Center General Obligation Bonds,
 - \$19.5 million Emergency Services Communications System General Obligation Bonds,
 - \$0.7 million Water and Sewer Special Assessment Bonds,
 - \$0.1 million Sewer System Special Assessment Bonds,
 - \$452.3 million Ohio Sales Tax Bonds,
 - \$133.4 million Sewer System Refunding Revenue Bonds for MSD, and
 - \$166.6 million Sewer System Improvement Revenue Bonds for MSD.
- The County redeemed \$5.6 million of outstanding general obligation debt in 2004.
- In 2011, the County issued \$0.3 million Sewer District Special Assessment Bonds, \$5.5 million Ohio Air Quality Development Authority Revenue Bonds and \$72.7 million Sales Tax Refunding Bonds.
- In 2012, the County issued \$9.5 million Energy Conservation Bonds and \$0.4 million Sewer District Special Assessment Bonds.
- In 2012, the County sold its real property at 237 William Howard Taft for \$6.2 million and used the proceeds to defease a portion of the Series 2001, 2005 and 2007 general obligation bonds.
- In 2012, the County sold Drake Hospital for \$15 million.
- In 2004–2006, there were real property acquisitions totaling \$2.8 million, plus land obtained in a swap with the City of Cincinnati. The County received \$6.8 million plus swapped land for disposed real properties.
- A 2004 litigation settlement awarded the County \$14.2 million. Settlements of claims against the County resulted in payments of \$10.9 million in 2004–2006.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2010
UNAUDITED**

- For 2005, 2006, 2011 and 2012, the Board of County Commissioners approved sewerage rate increases for MSD of 12%, 4%, 8% and 8%, respectively.
- In 2011, the City of Cincinnati approved a major plan revision to the City of Cincinnati Retirement System, which includes MSD.

* Sources: Board of County Commissioners' meeting minutes and Metropolitan Sewer District of Greater Cincinnati 2010 Audited Financial Statements

REQUESTS FOR INFORMATION

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

COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
December 31, 2010
(Amounts in Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Convention Facility Authority
ASSETS				
Equity in Pooled Cash and Investments	\$ 322,136	\$ 18,588	\$ 340,724	\$ 4,714
Cash and Cash Equivalents—Segregated Accounts	221	20,636	20,857	-
Accounts Receivable	4,126	39,934	44,060	-
Sales Tax Receivable	23,290	5,751	29,041	-
Interest Receivable	1,786	-	1,786	-
Intergovernmental Receivable	44,568	5,522	50,090	-
Real and Other Taxes Receivable	268,632	-	268,632	1,821
Property and Other Local Taxes Receivable	9,802	-	9,802	-
Internal Balances	1,420	(1,420)	-	-
Prepaid Expenses	-	2,710	2,710	1,231
Inventories	2,948	-	2,948	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	40,185	40,185	-
Amount to Be Transferred to Surplus Account	-	36,835	36,835	-
Held by Trustees:				
Cash and Cash Equivalents	-	96,038	96,038	-
Investments—Held to Maturity	-	250,028	250,028	-
Special Assessments Receivable	6,343	-	6,343	-
Nondepreciable Capital Assets	105,838	439,406	545,244	-
Depreciable Capital Assets, Net	332,995	1,504,423	1,837,418	-
Unamortized Financing Cost	568	13,034	13,602	806
Other Long-Term Assets	-	471	471	-
TOTAL ASSETS	1,124,673	2,472,141	3,596,814	8,572
LIABILITIES				
Accounts Payable	27,359	7,255	34,614	-
Accrued Wages and Benefits Payable	5,377	3,091	8,468	-
Matured Compensated Absences Payable	564	3,739	4,303	-
Intergovernmental Payable	2,478	904	3,382	-
Accrued Interest Payable	343	6,415	6,758	333
Construction Accounts Payable	-	9,113	9,113	-
Retainage Payable	372	921	1,293	-
Due to Other Governments	-	-	-	2,566
Due to Component Unit	1,262	-	1,262	-
Deferred Revenue	282,857	18,065	300,922	-
Escheat	5,608	-	5,608	-
Estimated Future Claims	9,674	-	9,674	-
Long-Term Liabilities:				
Due Within One Year	14,929	43,272	58,201	2,355
Due in More Than One Year	128,078	1,518,271	1,646,349	83,047
TOTAL LIABILITIES	478,901	1,611,046	2,089,947	88,301
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	350,462	507,742	858,204	-
Restricted for:				
Debt Service	8,095	8,408	16,503	-
Capital Projects	274	-	274	-
Special Revenue Funds	269,164	-	269,164	-
Unrestricted	17,777	344,945	362,722	(79,729)
TOTAL NET ASSETS	\$ 645,772	\$ 861,095	\$ 1,506,867	\$ (79,729)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

FUNCTION/PROGRAMS	Program Revenues					Net (Expense) Revenue and Changes in Net Assets			Component Unit Convention Facility Authority
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-Type Activities	Total	
Governmental Activities									
General Government	\$ 100,171	\$ (5,212)	\$ 41,937	\$ 26,059	\$ -	\$ (26,963)	\$ -	\$ (26,963)	\$
Judicial	91,196	582	28,518	23,051	-	(40,209)	-	(40,209)	
Public Safety	101,631	46	16,139	10,368	153	(75,017)	-	(75,017)	
Social Services	167,874	4,060	5,091	108,893	-	(57,950)	-	(57,950)	
Health	250,968	20	8,188	87,466	-	(155,334)	-	(155,334)	
Public Works	50,330	191	3,858	5,745	3,290	(37,628)	-	(37,628)	
Environmental Control	6,720	298	3,502	3,307	-	(209)	-	(209)	
Economic Development	7,527	4	43	664	-	(6,824)	-	(6,824)	
Parks and Recreation	8,481	11	-	1,008	-	(7,484)	-	(7,484)	
Debt Service:									
Interest and Fiscal Charges	4,689	-	3,180	257	-	(1,252)	-	(1,252)	
Total Governmental Activities	<u>789,587</u>	<u>-</u>	<u>110,456</u>	<u>266,818</u>	<u>3,443</u>	<u>(408,870)</u>	<u>-</u>	<u>(408,870)</u>	
Business-Type Activities									
Metropolitan Sewer District	194,947	-	217,915	-	4,027	-	26,995	26,995	
Paul Brown Stadium	45,582	-	809	-	-	-	(44,773)	(44,773)	
Baseball Stadium	29,671	-	1,071	-	-	-	(28,600)	(28,600)	
Riverfront Development	10,868	-	6,493	-	25,157	-	20,782	20,782	
Main Street Parking Garage	866	-	722	-	-	-	(144)	(144)	
Sales Tax Stabilization	-	-	-	-	(5,500)	-	(5,500)	(5,500)	
Rotary Funds	7,868	-	9,376	-	-	-	1,508	1,508	
Communications Center	7,004	-	5,250	-	-	-	(1,754)	(1,754)	
Total Business-Type Activities	<u>296,806</u>	<u>-</u>	<u>241,636</u>	<u>-</u>	<u>23,684</u>	<u>-</u>	<u>(31,486)</u>	<u>(31,486)</u>	
Total Primary Government	<u>\$ 1,086,393</u>	<u>\$ -</u>	<u>\$ 352,092</u>	<u>\$ 266,818</u>	<u>\$ 27,127</u>	<u>(408,870)</u>	<u>(31,486)</u>	<u>(440,356)</u>	
Component Unit:									
Convention Facility Authority	<u>\$ 6,542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,338</u>				<u>(5,204)</u>
General Revenues									
Property Taxes						238,961	-	238,961	-
Sales and Use Taxes						72,029	50,222	122,251	-
Hotel Occupancy Taxes						-	-	-	7,609
Other Taxes						43,606	-	43,606	-
Grants and Entitlements not Restricted to Specific Programs						34,474	-	34,474	-
Gifts and Donations						82	-	82	-
Unrestricted Investment Earnings						7,277	6,436	13,713	-
Gain on Sale of Capital Assets						1,546	126	1,672	-
Other						-	3,994	3,994	-
Transfers						(1,663)	1,663	-	-
Total General Revenues and Transfers						<u>396,312</u>	<u>62,441</u>	<u>458,753</u>	<u>7,609</u>
Change in Net Assets						<u>(12,558)</u>	<u>30,955</u>	<u>18,397</u>	<u>2,405</u>
Net Assets—Beginning						<u>658,330</u>	<u>830,140</u>	<u>1,488,470</u>	<u>(82,134)</u>
Net Assets—Ending						<u>\$ 645,772</u>	<u>\$ 861,095</u>	<u>\$ 1,506,867</u>	<u>\$ (79,729)</u>

See accompanying notes to the basic financial statements.

**COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010
(Amounts in Thousands)**

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 52,822	\$ 32,108	\$ 149,377	\$ 77,117	\$ 311,424
Cash and Cash Equivalents—Segregated Accounts	-	-	-	221	221
Accounts Receivable	1,475	21	914	1,715	4,125
Sales Tax Receivable	22,028	-	-	1,262	23,290
Interest Receivable	1,786	-	-	-	1,786
Intergovernmental Receivable	785	4,129	12,547	27,107	44,568
Real and Other Taxes Receivable	44,444	-	224,188	9,802	278,434
Due from Other Funds	5,310	917	-	4,106	10,333
Inventories	-	-	-	2,948	2,948
Due from Advances to Other Funds	600	-	-	-	600
Special Assessments Receivable	-	-	-	6,343	6,343
TOTAL ASSETS	\$ 129,250	\$ 37,175	\$ 387,026	\$ 130,621	\$ 684,072
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 3,543	\$ 3,009	\$ 10,762	\$ 8,825	\$ 26,139
Accrued Wages and Benefits Payable	2,819	692	847	994	5,352
Matured Compensated Absences Payable	260	10	63	231	564
Intergovernmental Payable	297	21	540	1,620	2,478
Retainage Payable	8	-	143	221	372
Due to Component Unit	-	-	-	1,262	1,262
Due to Other Funds	78	242	5,831	3,788	9,939
Advances from Other Funds	-	-	-	600	600
Deferred Revenue	52,009	4,161	231,846	41,873	329,889
Escheat	5,608	-	-	-	5,608
TOTAL LIABILITIES	64,622	8,135	250,032	59,414	382,203
FUND BALANCES					
Reserved for:					
Judgments and Claims	995	-	-	-	995
Advances to Other Funds	600	-	-	-	600
Encumbrances	9,253	6,377	11,704	20,152	47,486
Inventories	-	-	-	2,948	2,948
Unreserved:					
Designated for Capital Outlay	-	-	5,768	-	5,768
Undesignated, Reported in:					
General Fund	53,780	-	-	-	53,780
Special Revenue Funds	-	22,663	119,522	45,774	187,959
Debt Service Funds	-	-	-	2,059	2,059
Capital Projects Fund	-	-	-	274	274
TOTAL FUND BALANCES	64,628	29,040	136,994	71,207	301,869
TOTAL LIABILITIES AND FUND BALANCES	\$ 129,250	\$ 37,175	\$ 387,026	\$ 130,621	\$ 684,072

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2010
(Amounts in Thousands)

Total Governmental Funds Balances \$ 301,869

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Capital Assets	\$1,268,735	
Accumulated Depreciation	(830,017)	
Total	438,718	438,718

Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.

Property Taxes	24,259	
Grants	16,430	
Special Assessments	6,343	
Total	47,032	47,032

Unamortized bond issuance costs associated with the bond refunding, reported as expenditures in the governmental fund, are deferred in the Statement of Net Assets. 568

Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and the Multi-County System Agencies to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Assets. 803

Long-term liabilities, including bonds and notes payable, loans and loan contracts, compensated absences, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.

General Obligation Bonds and Notes	(89,995)	
Deferred Amount on Refunding	1,107	
Unamortized Premium	(1,168)	
Special Assessment Bonds	(4,623)	
Loan Contracts	(4,468)	
State Loan	(3,840)	
Compensated Absences	(39,888)	
Accrued Interest Payable	(343)	
Total	(143,218)	(143,218)

Net Assets of Governmental Activities \$ 645,772

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Special Assessments	\$ 39,699	\$ -	\$ 194,789	\$ 530	\$ 235,018
Sales and Use Tax	62,872	-	-	9,157	72,029
State Shared Taxes	22,138	-	-	21,468	43,606
Charges for Services	38,425	-	381	25,929	64,735
Licenses and Permits	1,815	-	-	4,592	6,407
Fines and Forfeitures	8,773	-	-	5,733	14,506
Intergovernmental	17,169	81,263	114,216	135,936	348,584
Investment Earnings	7,358	56	(123)	(46)	7,245
Other	3,829	2,078	7,698	13,600	27,205
TOTAL REVENUES	<u>202,078</u>	<u>83,397</u>	<u>316,961</u>	<u>216,899</u>	<u>819,335</u>
EXPENDITURES					
Current:					
General Government	36,130	-	9,115	29,049	74,294
Judicial	60,800	-	6,346	25,898	93,044
Public Safety	72,389	-	13,779	14,370	100,538
Social Services	1,363	62,435	92,826	18,922	175,546
Health	-	-	186,066	66,022	252,088
Public Works	572	-	-	32,331	32,903
Environmental Control	-	-	-	7,114	7,114
Economic and Community Development	1,219	-	-	6,315	7,534
Recreational Activities	-	-	8,470	-	8,470
Capital Outlay	-	-	-	378	378
Debt Service:					
Principal Retirement	-	-	-	11,419	11,419
Interest and Fiscal Charges	-	-	-	4,541	4,541
TOTAL EXPENDITURES	<u>172,473</u>	<u>62,435</u>	<u>316,602</u>	<u>216,359</u>	<u>767,869</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>29,605</u>	<u>20,962</u>	<u>359</u>	<u>540</u>	<u>51,466</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	769	1,311	3,682	18,687	24,449
Transfers Out	(14,229)	-	(3,744)	(8,139)	(26,112)
Proceeds from Sale of Bonds	-	-	-	387	387
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(13,460)</u>	<u>1,311</u>	<u>(62)</u>	<u>10,935</u>	<u>(1,276)</u>
NET CHANGE IN FUND BALANCES	16,145	22,273	297	11,475	50,190
FUND BALANCES AT BEGINNING OF YEAR	<u>48,483</u>	<u>6,767</u>	<u>136,697</u>	<u>59,732</u>	<u>251,679</u>
FUND BALANCES AT END OF YEAR	<u>\$ 64,628</u>	<u>\$ 29,040</u>	<u>\$ 136,994</u>	<u>\$ 71,207</u>	<u>\$ 301,869</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds \$ 50,190

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

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

Capital Outlays	\$ 21,984	
Depreciation Expense	(61,532)	
Excess of Capital Outlays over Depreciation		(39,548)

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

Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(1,866)	
Gain Earned on Sale of Capital Assets	1,546	
Loss on Sale of Capital Assets	(192)	
Net Book Value of Capital Assets Sold		(512)

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

Property Taxes	3,968	
Grants	(44,010)	
Nongrants	(18)	
Special Assessments	(25)	
Total Revenues		(40,085)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Governmental funds also report issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Debt Issued:		
Special Assessment Bonds	(387)	
Principal Retirement	11,419	
Total		11,032

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due. 34

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

State Loan Payable	537	
Compensated Absences Payable	316	
Amortization of Deferred Amount on Refundings	(374)	
Amortization of Premium on Bonds	315	
Amortization of Bond Issuance Costs	(126)	
Amortization of Mortgages Payable for Forgiveness of Loan Contracts	261	
Total		929

The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center and the Multi-County System Agencies to individual funds. The net increases of these internal service funds are reported with governmental activities. 5,402

Change in Net Assets of Governmental Activities \$ (12,558)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 40,315	\$ 40,315	\$ 39,698	\$ (617)
Sales and Use Tax	57,560	57,560	62,181	4,621
State Shared Taxes	18,771	18,771	21,795	3,024
Charges for Services	40,252	40,252	45,365	5,113
Licenses and Permits	1,543	1,543	1,874	331
Fines and Forfeitures	9,833	9,833	8,901	(932)
Intergovernmental	24,247	24,247	24,262	15
Investment Earnings	9,129	9,129	7,460	(1,669)
Other	10,615	10,615	9,590	(1,025)
TOTAL REVENUES	<u>212,265</u>	<u>212,265</u>	<u>221,126</u>	<u>8,861</u>
EXPENDITURES				
Current:				
General Government	55,360	53,485	50,159	3,326
Judicial	76,236	75,299	73,923	1,376
Public Safety	76,111	77,156	75,208	1,948
Social Services	1,577	1,518	1,385	133
Public Works	572	572	572	-
Economic and Community Development	1,360	1,360	1,350	10
TOTAL EXPENDITURES	<u>211,216</u>	<u>209,390</u>	<u>202,597</u>	<u>6,793</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,049</u>	<u>2,875</u>	<u>18,529</u>	<u>15,654</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	388	703	769	66
Advances In	50	50	50	-
Transfers Out	(13,472)	(14,276)	(14,229)	47
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(13,034)</u>	<u>(13,523)</u>	<u>(13,410)</u>	<u>113</u>
NET CHANGE IN FUND BALANCE	(11,985)	(10,648)	5,119	15,767
FUND BALANCE AT BEGINNING OF YEAR	20,246	20,246	20,246	-
Prior-Year Encumbrances Appropriated	12,890	12,890	12,890	-
FUND BALANCE AT END OF YEAR	<u>\$ 21,151</u>	<u>\$ 22,488</u>	<u>\$ 38,255</u>	<u>\$ 15,767</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 34,262	\$ 34,262	\$ 39,701	\$ 5,439
Intergovernmental	160,399	89,299	76,255	(13,044)
Other	2,346	2,346	2,081	(265)
TOTAL REVENUES	<u>197,007</u>	<u>125,907</u>	<u>118,037</u>	<u>(7,870)</u>
EXPENDITURES				
Current:				
Social Services	200,375	125,241	115,574	9,667
TOTAL EXPENDITURES	<u>200,375</u>	<u>125,241</u>	<u>115,574</u>	<u>9,667</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,368)</u>	<u>666</u>	<u>2,463</u>	<u>1,797</u>
OTHER FINANCING SOURCES				
Transfers In	1,313	1,313	1,311	(2)
TOTAL OTHER FINANCING SOURCES	<u>1,313</u>	<u>1,313</u>	<u>1,311</u>	<u>(2)</u>
NET CHANGE IN FUND BALANCE	(2,055)	1,979	3,774	1,795
FUND BALANCE AT BEGINNING OF YEAR	8,553	8,553	8,553	-
Prior-Year Encumbrances Appropriated	10,048	10,048	10,048	-
FUND BALANCE AT END OF YEAR	<u>\$ 16,546</u>	<u>\$ 20,580</u>	<u>\$ 22,375</u>	<u>\$ 1,795</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 204,453	\$ 197,214	\$ 194,789	\$ (2,425)
Charges for Services	4,814	4,814	4,877	63
Intergovernmental	111,639	133,583	119,174	(14,409)
Other	5,259	5,259	8,242	2,983
TOTAL REVENUES	<u>326,165</u>	<u>340,870</u>	<u>327,082</u>	<u>(13,788)</u>
EXPENDITURES				
Current:				
General Government	13,050	13,754	10,998	2,756
Judicial	7,178	7,392	7,235	157
Public Safety	17,965	17,576	16,495	1,081
Social Services	118,948	149,358	111,427	37,931
Health	198,577	201,668	194,542	7,126
Recreational Activities	8,711	8,732	8,680	52
TOTAL EXPENDITURES	<u>364,429</u>	<u>398,480</u>	<u>349,377</u>	<u>49,103</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38,264)</u>	<u>(57,610)</u>	<u>(22,295)</u>	<u>35,315</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	3,682	3,682
Transfers Out	(652)	(4,396)	(3,744)	652
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(652)</u>	<u>(4,396)</u>	<u>(62)</u>	<u>4,334</u>
NET CHANGE IN FUND BALANCE	(38,916)	(62,006)	(22,357)	39,649
FUND BALANCE AT BEGINNING OF YEAR	121,417	121,417	121,417	-
Prior-Year Encumbrances Appropriated	27,459	27,459	27,459	-
FUND BALANCE AT END OF YEAR	<u>\$ 109,960</u>	<u>\$ 86,870</u>	<u>\$ 126,519</u>	<u>\$ 39,649</u>

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2010

(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 3,236	\$ 4,724
Cash and Cash Equivalents—Segregated Accounts	20,113	-	260
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	3,427	1,935	955
MSD Construction Account Held by the City of Cincinnati	9,113	-	-
Accounts Receivable	38,786	204	-
Sales Tax Receivable	-	3,843	1,908
Intergovernmental Receivable	-	-	-
Due from Other Funds	-	-	-
Prepaid Expenses	2,710	-	-
Total Current Assets	74,149	9,218	7,847
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	31,072	-	-
Amount to Be Transferred to Surplus Account	36,835	-	-
Held by Trustees:			
Cash and Cash Equivalents	86,581	-	-
Investments—Held to Maturity	250,028	-	-
Total Restricted Assets	404,516	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	4,977	67,916	17,685
Construction in Progress	266,674	-	-
Total Nondepreciable Capital Assets	271,651	67,916	17,685
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	1,115,330	379,178	351,731
Processing Systems	361,254	-	-
Furniture, Fixtures and Equipment	49,002	10,502	8,734
Less Accumulated Depreciation	(629,596)	(153,505)	(101,986)
Total Depreciable Capital Assets, Net	895,990	236,175	258,479
Total Capital Assets, Net	1,167,641	304,091	276,164
Unamortized Financing Costs	7,806	2,725	1,951
Other	471	-	-
Total Noncurrent Assets	1,580,434	306,816	278,115
TOTAL ASSETS	1,654,583	316,034	285,962
LIABILITIES			
Current Liabilities:			
Accounts Payable	3,765	795	1
Construction Accounts Payable	9,113	-	-
Due to Other Funds	-	4	-
Accrued Wages and Benefits Payable	2,886	36	1
Intergovernmental Payable	-	304	178
Deferred Revenue	-	7	-
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	3,427	1,935	955
Retainage Payable	-	-	260
Accrued Compensated Absences	3,739	-	-
Deferred Lease Rent Revenue	-	1	-
Current Portion of Long-Term Debt	38,712	2,127	1,273
Total Current Liabilities	61,642	5,209	2,668
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	4,700	180	-
Deferred Lease Rent Revenue	-	4,978	13,065
State Loans Payable	-	-	-
Long-Term Debt	880,329	360,199	195,463
Net Pension Obligation	24,957	-	-
Net Other Post Employment Benefit Obligation	8,842	-	-
Total Noncurrent Liabilities	918,828	365,357	208,528
TOTAL LIABILITIES	980,470	370,566	211,196
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	330,623	(58,235)	79,428
Restricted for Debt Service	8,408	-	-
Unrestricted	335,082	3,703	(4,662)
TOTAL NET ASSETS	\$ 674,113	\$ (54,532)	\$ 74,766

Net assets reported for business-type activities in the government-wide Statement of Net Assets are different from enterprise fund net assets because the business-type net assets include the net liabilities for amounts charged to participating business-type activities to completely cover costs of services provided by internal service funds.

Net assets of business-type activities:

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 10,628	\$ 18,588	\$ 10,712
263	20,636	-
3,140	9,457	-
-	9,113	-
425	39,415	520
-	5,751	-
5,522	5,522	-
95	95	1,026
-	2,710	-
<u>20,073</u>	<u>111,287</u>	<u>12,258</u>
-	31,072	-
-	36,835	-
-	86,581	-
-	250,028	-
-	404,516	-
5,465	96,043	-
<u>76,689</u>	<u>343,363</u>	-
<u>82,154</u>	<u>439,406</u>	-
160,430	2,006,669	41
-	361,254	-
6,618	74,856	614
<u>(53,269)</u>	<u>(938,356)</u>	<u>(540)</u>
<u>113,779</u>	<u>1,504,423</u>	<u>115</u>
<u>195,933</u>	<u>1,943,829</u>	<u>115</u>
552	13,034	-
-	471	-
<u>196,485</u>	<u>2,361,850</u>	<u>115</u>
<u>216,558</u>	<u>2,473,137</u>	<u>12,373</u>
2,175	6,736	1,739
-	9,113	-
1,511	1,515	-
168	3,091	25
422	904	-
14	21	-
29	29	-
69	6,386	-
661	921	-
-	3,739	-
-	1	-
<u>1,160</u>	<u>43,272</u>	<u>-</u>
<u>6,209</u>	<u>75,728</u>	<u>1,764</u>
-	-	9,674
697	5,577	132
-	18,043	-
17,160	17,160	-
25,744	1,461,735	-
-	24,957	-
-	8,842	-
<u>43,601</u>	<u>1,536,314</u>	<u>9,806</u>
<u>49,810</u>	<u>1,612,042</u>	<u>11,570</u>
155,926	507,742	115
-	8,408	-
<u>10,822</u>	<u>344,945</u>	<u>688</u>
<u>\$ 166,748</u>	<u>861,095</u>	<u>\$ 803</u>
-	-	-
-	\$ 861,095	-

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF NET ASSETS—PROPRIETARY FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2010
(Amounts in Thousands)

	Total Enterprise Funds	Business-Type Activities Internal Service Funds	Business-Type Activities Statement of Net Assets
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 18,588	\$ -	\$ 18,588
Cash and Cash Equivalents —Segregated Accounts	20,636	-	20,636
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	9,457	-	9,457
MSD Construction Account Held by the City of Cincinnati	9,113	-	9,113
Accounts Receivable	39,415	519	39,934
Sales Tax Receivable	5,751	-	5,751
Intergovernmental Receivable	5,522	-	5,522
Due from Other Funds	95	-	95
Prepaid Expenses	2,710	-	2,710
Total Current Assets	111,287	519	111,806
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	31,072	-	31,072
Amount to Be Transferred to Surplus Account	36,835	-	36,835
Held by Trustees:			
Cash and Cash Equivalents	86,581	-	86,581
Investments—Held to Maturity	250,028	-	250,028
Total Restricted Assets	404,516	-	404,516
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	96,043	-	96,043
Construction in Progress	343,363	-	343,363
Total Nondepreciable Capital Assets	439,406	-	439,406
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	2,006,669	-	2,006,669
Processing Systems	361,254	-	361,254
Furniture, Fixtures and Equipment	74,856	-	74,856
Less Accumulated Depreciation	(938,356)	-	(938,356)
Total Depreciable Capital Assets, Net	1,504,423	-	1,504,423
Total Capital Assets, Net	1,943,829	-	1,943,829
Unamortized Financing Costs	13,034	-	13,034
Other	471	-	471
Total Noncurrent Assets	2,361,850	-	2,361,850
TOTAL ASSETS	2,473,137	519	2,473,656
LIABILITIES			
Current Liabilities:			
Accounts Payable	6,736	519	7,255
Construction Accounts Payable	9,113	-	9,113
Due to Other Funds	1,515	-	1,515
Accrued Wages and Benefits Payable	3,091	-	3,091
Intergovernmental Payable	904	-	904
Deferred Revenue	21	-	21
Accrued Interest Payable	29	-	29
Accrued Interest Payable from Restricted Assets	6,386	-	6,386
Retainage Payable	921	-	921
Accrued Compensated Absences	3,739	-	3,739
Deferred Lease Rent Revenue	1	-	1
Current Portion of Long-Term Debt	43,272	-	43,272
Total Current Liabilities	75,728	519	76,247
Noncurrent Liabilities:			
Accrued Compensated Absences	5,577	-	5,577
Deferred Lease Rent Revenue	18,043	-	18,043
State Loans Payable	17,160	-	17,160
Long-Term Debt	1,461,735	-	1,461,735
Net Pension Obligation	24,957	-	24,957
Net Other Post Employment Benefit Obligation	8,842	-	8,842
Total Noncurrent Liabilities	1,536,314	-	1,536,314
TOTAL LIABILITIES	1,612,042	519	1,612,561
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	507,742	-	507,742
Restricted for Debt Service	8,408	-	8,408
Unrestricted	344,945	-	344,945
TOTAL NET ASSETS	\$ 861,095	\$ -	\$ 861,095

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 488	\$ 532
Lease Rent Revenue	-	321	539
Sewerage Service Charges	198,435	-	-
Sewerage Surcharges	19,480	-	-
Other	3,372	65	-
TOTAL OPERATING REVENUES	<u>221,287</u>	<u>874</u>	<u>1,071</u>
OPERATING EXPENSES			
Personnel Services	62,198	1,606	102
Utilities, Fuel and Supplies	24,030	3,565	1,489
Purchased Services	23,952	2,456	713
Claims	-	-	-
Depreciation and Amortization	44,674	14,255	13,468
Other	10,188	693	758
TOTAL OPERATING EXPENSES	<u>165,042</u>	<u>22,575</u>	<u>16,530</u>
OPERATING INCOME (LOSS)	<u>56,245</u>	<u>(21,701)</u>	<u>(15,459)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	3,045	1	7
Sales and Use Tax for Debt Service	-	19,307	8,472
Sales and Use Tax	-	14,936	1,888
Other Nonoperating Revenue	-	21	12
Other Nonoperating Expense	-	(6,270)	(4,650)
Interest Expense	(29,905)	(16,489)	(8,269)
Retirement of Capital Assets	126	(17)	(38)
Fiscal Charges on Long-Term Debt	-	(231)	(94)
Change in Fair Value of Investments	3,434	6	(30)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(23,300)</u>	<u>11,264</u>	<u>(2,702)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>32,945</u>	<u>(10,437)</u>	<u>(18,161)</u>
Capital Contributions	4,027	-	-
Transfers In	-	250	250
Transfers Out	-	-	-
CHANGE IN NET ASSETS	<u>36,972</u>	<u>(10,187)</u>	<u>(17,911)</u>
TOTAL NET ASSETS—BEGINNING	<u>637,141</u>	<u>(44,345)</u>	<u>92,677</u>
TOTAL NET ASSETS—ENDING	<u>\$ 674,113</u>	<u>\$ (54,532)</u>	<u>\$ 74,766</u>

Change in net assets reported for business-type activities in the government-wide Statement of Activities is different from enterprise fund change in net assets because additional amounts charged to business-type activities to completely cover yearly costs of internal service funds are reported with business-type activities.

Change in net assets of business-type activities:

See accompanying notes to the basic financial statements.

Business-Type Activities— Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 21,802	\$ 22,822	\$ 55,281
39	899	-
-	198,435	-
-	19,480	-
5	3,442	520
<u>21,846</u>	<u>245,078</u>	<u>55,801</u>
12,325	76,231	1,236
754	29,838	86
4,697	31,818	11,071
-	-	37,304
7,127	79,524	48
963	12,602	257
<u>25,866</u>	<u>230,013</u>	<u>50,002</u>
<u>(4,020)</u>	<u>15,065</u>	<u>5,799</u>
6	3,059	-
-	27,779	-
5,619	22,443	-
-	33	-
-	(10,920)	-
(567)	(55,230)	-
-	71	-
(173)	(498)	-
(33)	3,377	32
<u>4,852</u>	<u>(9,886)</u>	<u>32</u>
<u>832</u>	<u>5,179</u>	<u>5,831</u>
19,657	23,684	-
2,173	2,673	-
<u>(1,010)</u>	<u>(1,010)</u>	<u>-</u>
21,652	30,526	5,831
<u>145,096</u>		<u>(5,028)</u>
<u>\$ 166,748</u>	861,095	<u>\$ 803</u>
	429	
	<u>\$ 30,955</u>	

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS—PROPRIETARY FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Total Enterprise Funds	Business-Type Activities Internal Service Fund Allocations	Business-Type Activities Statement of Activities
OPERATING REVENUES			
Charges for Services	\$ 22,822	\$ -	\$ 22,822
Lease Rent Revenue	899	-	899
Sewerage Service Charges	198,435	-	198,435
Sewerage Surcharges	19,480	-	19,480
Other	3,442	519	3,961
TOTAL OPERATING REVENUES	<u>245,078</u>	<u>519</u>	<u>245,597</u>
OPERATING EXPENSES			
Personnel Services	76,231	-	76,231
Utilities, Fuel and Supplies	29,838	-	29,838
Purchased Services	31,818	-	31,818
Claims	-	90	90
Depreciation and Amortization	79,524	-	79,524
Other	12,602	-	12,602
TOTAL OPERATING EXPENSES	<u>230,013</u>	<u>90</u>	<u>230,103</u>
OPERATING INCOME	<u>15,065</u>	<u>429</u>	<u>15,494</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	3,059	-	3,059
Sales and Use Tax for Debt Service	27,779	-	27,779
Sales and Use Tax	22,443	-	22,443
Other Nonoperating Revenue	33	-	33
Other Nonoperating Expense	(10,920)	-	(10,920)
Interest Expense	(55,230)	-	(55,230)
Retirement of Capital Assets	71	-	71
Fiscal Charges on Long-Term Debt	(498)	-	(498)
Change in Fair Value of Investments	3,377	-	3,377
TOTAL NONOPERATING EXPENSES	<u>(9,886)</u>	<u>-</u>	<u>(9,886)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>5,179</u>	<u>429</u>	<u>5,608</u>
Capital Contributions	23,684	-	23,684
Transfers In	2,673	-	2,673
Transfers Out	(1,010)	-	(1,010)
CHANGE IN NET ASSETS	<u>30,526</u>	<u>429</u>	<u>30,955</u>
TOTAL NET ASSETS—BEGINNING	<u>830,569</u>	<u>(429)</u>	<u>830,140</u>
TOTAL NET ASSETS—ENDING	<u>\$ 861,095</u>	<u>\$ -</u>	<u>\$ 861,095</u>

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan		Baseball
	Sewer District	Paul Brown Stadium	Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 217,449	\$ 504	\$ 2,032
Lease Rent Revenue	-	-	-
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(59,375)	(5,911)	(2,299)
Cash Payments for Interfund Services Provided	-	-	-
Cash Payments for Personnel Costs	(43,941)	(1,553)	(103)
Other Operating Revenues	2,407	3	-
Other Operating Expenses	-	(534)	(1,432)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>116,540</u>	<u>(7,491)</u>	<u>(1,802)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	14,936	1,888
Other Nonoperating Revenue	-	21	12
Other Nonoperating Expense	-	(6,270)	(4,650)
Transfers from Other Funds	-	250	250
Transfers to Other Funds	-	-	-
Deduction from Capital Contributions	-	-	-
Negative Cash Balance Implicitly Financed from the General Fund	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>8,937</u>	<u>(2,500)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax for Debt Service	-	19,332	8,218
Other Revenue	-	-	-
Principal Payments on Long-Term Debt	(36,774)	(2,140)	-
Interest Payments on Long-Term Debt	(38,261)	(17,201)	(8,269)
Fiscal Charges on Long-Term Debt	-	(4)	(1)
MSD Loan Proceeds	30,438	-	-
Transfer into Construction Account from Trustee Investment Account	108,348	-	-
Transfer from Operating Cash to Trustee Investment Account	(36,201)	-	-
Revenue Bond Proceeds	137,004	-	-
Revenue Bond Issuance Costs	(1,240)	-	-
Tap-in Fees	2,027	-	-
Capital Contributions	4,027	-	-
Acquisition and Construction of Property, Plant and Equipment	(120,951)	(21)	(16)
Gain on Sale of Property, Plant and Equipment	126	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>48,543</u>	<u>(34)</u>	<u>(68)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	(96,015)	-	-
Interest on Investments and Pooled Cash and Investments	2,925	1	7
Change in Fair Value of Investments	300	6	(30)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(92,790)</u>	<u>7</u>	<u>(23)</u>
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	72,293	1,419	(4,393)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>114,848</u>	<u>3,752</u>	<u>10,332</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 187,141</u>	<u>\$ 5,171</u>	<u>\$ 5,939</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 56,245	\$ (21,701)	\$ (15,459)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	44,674	14,255	13,468
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(2,914)	20	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	-	-
Other Assets	923	-	-
Operating Accounts Payable	(1,116)	(41)	(949)
Accrued Payroll and Other Related Withholdings	896	5	(1)
Intergovernmental Payable	-	282	178
Deferred Lease Rent Revenue	-	(321)	961
Deferred Revenue	-	8	-
Compensated Absences	-	(2)	-
Due to Other Funds	-	4	-
Estimated Future Claims	-	-	-
Net Pension Obligation	14,087	-	-
Net Other Post Employment Benefit Obligation	3,745	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 116,540</u>	<u>\$ (7,491)</u>	<u>\$ (1,802)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 3,236	\$ 4,724
Cash and Cash Equivalents—Segregated Accounts	20,113	-	260
Restricted Cash and Cash Equivalents:			
Restricted Cash and Cash Equivalents Held by Trustees	90,008	1,935	955
Construction Account Held by the City of Cincinnati	40,185	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	36,835	-	-
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 187,141</u>	<u>\$ 5,171</u>	<u>\$ 5,939</u>
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 1,517	\$ -	\$ -
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	<u>\$ 1,517</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 20,153	\$ 240,138	\$ -
36	36	-
-	-	54,255
(5,781)	(73,366)	(43,153)
-	-	(3,137)
(11,838)	(57,435)	(1,223)
1	2,411	-
(430)	(2,396)	(186)
<u>2,141</u>	<u>109,388</u>	<u>6,556</u>
5,619	22,443	-
-	33	-
-	(10,920)	-
2,173	2,673	-
(1,010)	(1,010)	-
(5,500)	(5,500)	-
1,467	1,467	-
<u>2,749</u>	<u>9,186</u>	<u>-</u>
-	27,550	-
14	14	-
(1,095)	(40,009)	-
(766)	(64,497)	-
(95)	(100)	-
-	30,438	-
-	108,348	-
-	(36,201)	-
-	137,004	-
-	(1,240)	-
-	2,027	-
23,100	27,127	-
(37,114)	(158,102)	(26)
-	126	-
<u>(15,956)</u>	<u>32,485</u>	<u>(26)</u>
-	(96,015)	-
6	2,939	-
(33)	243	32
<u>(27)</u>	<u>(92,833)</u>	<u>32</u>
(11,093)	58,226	6,562
25,124	154,056	4,150
<u>\$ 14,031</u>	<u>\$ 212,282</u>	<u>\$ 10,712</u>
\$ (4,020)	\$ 15,065	\$ 5,799
7,127	79,524	48
(22)	(2,916)	(379)
(1,626)	(1,626)	-
(21)	(21)	(1,026)
-	923	-
179	(1,927)	971
32	932	2
419	879	-
-	640	-
-	8	-
33	31	11
40	44	-
-	-	1,130
-	14,087	-
-	3,745	-
<u>\$ 2,141</u>	<u>\$ 109,388</u>	<u>\$ 6,556</u>
\$ 10,628	\$ 18,588	\$ 10,712
263	20,636	-
3,140	96,038	-
-	40,185	-
-	36,835	-
<u>\$ 14,031</u>	<u>\$ 212,282</u>	<u>\$ 10,712</u>
\$ -	\$ 1,517	\$ -
<u>\$ -</u>	<u>\$ 1,517</u>	<u>\$ -</u>

COUNTY OF HAMILTON, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2010
(Amounts in Thousands)

	Agency
ASSETS	
Equity in Pooled Cash and Investments	\$ 76,576
Cash and Cash Equivalents—Segregated Accounts	28,930
Real and Other Taxes Receivable	1,276,635
TOTAL ASSETS	\$ 1,382,141
 LIABILITIES	
Intergovernmental Payable	\$ 69,749
Future Tax Collections to Be Distributed	1,276,635
Other Current Liabilities	35,757
TOTAL LIABILITIES	\$ 1,382,141

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Dollar Amounts Expressed in Thousands)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Dollar Amounts Expressed in Thousands)

the County Auditor and County Treasurer serve as statutory fiscal agent and custodian of funds, respectively. The County, however, is not otherwise accountable for these entities. Accordingly, only the cash for the following boards and commissions that is being held by the County Treasurer is reflected in accompanying agency funds statements:

The *Hamilton County Family and Children First Council* was formed under Ohio Revised Code Section 121.37. This Council is charged with the task of reviewing existing programs that serve children and families and modifying those programs as needed to improve services delivery systems and ensure that the programs reinforce each other. The County Board of Commissioners appoints an Executive Committee for the Council and delegates administrative powers to the Committee.

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

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

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

Jointly Governed Organization. Hamilton County Board of Developmental Disabilities is a member of the Southwest Ohio Regional Council of Governments formed by Hamilton, Clermont, Butler and Warren Counties. The purpose of this Council is to coordinate the powers and duties of the member counties to better serve and benefit persons with developmental disabilities. (See note IV C, Jointly Governed Organization.)

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

B. Basis of Presentation

The financial statements of the County and CFA have been prepared in conformity with GAAP as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010
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body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, to its government-wide and proprietary fund financial statements, provided the guidelines do not conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for business-type activities and enterprise funds, subject to the same limitation. Hamilton County and the CFA have elected not to follow subsequent private-sector guidance. The most significant of the County's accounting policies are described below.

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

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

The Statement of Net Assets presents the financial condition of the County's governmental and business-type activities and the component unit's activities at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities. Direct expenses are those that are specifically associated with a service, program or department and are, therefore, clearly identifiable to a particular function. The policy of the County is to allocate indirect expenses to functions in the Statement of Activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County or the component unit, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements. During the year, in order to aid financial management and to demonstrate legal compliance, the County segregates in separate funds the transactions related to certain County functions or activities. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are segregated into their governmental and business-type components in the combining statements. The total for all internal service funds is presented in a separate column on the face of the proprietary fund statements. Separate financial statements are provided for the agency funds, even though they are not included in the government-wide statements.

C. Fund Accounting

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

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

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

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

The other governmental funds of the County account for grants and other resources with uses restricted to particular purposes.

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

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

The following are the County's major enterprise funds:

Metropolitan Sewer District (MSD) is the County-owned sewer district operated by the City of Cincinnati under a management contract. MSD employees are employees of the City. Bond indentures require separate audited financial statements of MSD that are included in this report as a major enterprise fund with appropriate note disclosure. The MSD fund accounts for County-provided wastewater service to residential and industrial users in Hamilton County. Sewer charges are based upon water usage and serve as the major revenue source for financing operations and maintenance of the sewer system.

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

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

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

Fiduciary Funds. Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds

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

D. Measurement Focus

Government-Wide Financial Statements. The government-wide financial statements are prepared using the *economic resources* measurement focus. All assets and all liabilities associated with the operation of the County and its component unit are included on the Statement of Net Assets.

Fund Financial Statements. All governmental funds are accounted for using a flow of *current financial resources* measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of *economic resources* measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The Statement of Cash Flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the *accrual* basis of accounting. Governmental funds use the *modified accrual* basis of accounting. Proprietary and fiduciary funds use the *accrual* basis of accounting. Differences in the accrual basis and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and the presentation of expenses versus expenditures.

Revenues—Exchange and Non-exchange Transactions. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. *Measurable* means the amount of the transaction can be determined, and *available* means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Hamilton County considers revenues available if they are expected to be received within 60 days of year-end.

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

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Deferred Revenue. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The County's deferred revenue components are as follows: (1) property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 operations, (2) grants and entitlements received before eligibility requirements have been met, (3) revolving loan funds used in the County's Housing Rehab Program and (4) lease revenue that must be recognized over the life of the lease.

On governmental fund financial statements, receivables that will not be collected within the available period are also reported as deferred revenue. These include (1) delinquent property taxes, (2) grants for which eligibility requirements have been met and (3) special assessments.

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

F. Budgetary Process

The County is required by Ohio law to adopt annual budgets for the General Fund, some special revenue funds and all debt service funds. Under the direction of the County Administrator, staff of the Commissioners' Office and County Administration Department prepares the budget and issues a separate budgetary report. The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the County certifying the proposed budget to the County Auditor by July 20. By January 1, the County Commissioners may adopt annual or temporary measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and the tax rates certified by the County Auditor. By April 1, the County Commissioners must adopt an annual appropriation resolution. Modifications to the original budget are approved by the Board of County Commissioners throughout the year as allowed by State statute.

All budgetary amendments and supplemental appropriations made during 2010 are included in the revised budget amounts presented in the budget-to-actual comparisons. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations within three major categories—Personnel Services, Other Expenditures and Capital Outlay.

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

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

G. Cash, Cash Equivalents and Investments

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

COUNTY OF HAMILTON, OHIO
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or CFA investments with original maturities of three months or less are considered to be cash and cash equivalents.

State statutes authorize the County Treasurer to invest in obligations of the U.S. Treasury; obligations or securities issued by any government agency; certificates of deposit; bonds and other obligations of the State; and written repurchase agreements, where the institution agrees unconditionally to repurchase only securities of the U.S. Treasury or any other government agency. In 2010, investments were limited to federal securities, repurchase agreements, STAR Ohio and money market funds. Investments in STAR Ohio, an investment pool managed by the State Treasurer's Office, are valued at STAR Ohio's share price, which is the price for which the investment could be sold on December 31, 2010. (See note III A for a detailed disclosure of cash, cash equivalents and investments held by the County.)

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

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

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

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during 2010 amounted to \$7,460, which includes \$23 assigned from other County funds.

The County has segregated bank accounts for moneys held separate from the County's central bank accounts. These accounts are presented in the statements of net assets and the balance sheets as Cash and Cash Equivalents—Segregated Accounts since they are not required to be deposited into the County treasury.

H. Inventories

Inventories of governmental funds are valued at cost. Costs are determined by the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in the governmental funds when consumed. Recorded inventories in the governmental fund types are equally offset by a fund balance reserve, which indicates that they do not constitute expendable available resources even though they are a component of net current assets.

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

I. Prepaid Expenses

MSD payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as Prepaid Expenses using the consumption method. Under this method, a current asset is recorded for the prepaid amount and expenses are reflected in the year in which services are consumed.

COUNTY OF HAMILTON, OHIO
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J. Interfund Transactions

On fund financial statements, receivables resulting from interfund loans are classified as Due from Advances to Other Funds. Payables resulting from interfund loans are classified as Advances from Other Funds. Advances between funds are offset by a fund balance reserve account to indicate that they are not available for appropriation and are not expendable available financial resources.

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

K. Restricted Assets

The Trust Agreement for the Series A Revenue bonds (see note III F) requires the establishment of certain trust accounts, including a Bond Account, Bond Reserve Account, Replacement and Improvement Account and Surplus Account to be held by the trustee. The Bond Account will be used to accumulate periodic principal and interest payments. The Bond Reserve Account will be funded in an amount equal to the highest annual future debt service requirement. The Replacement and Improvement Account will be maintained with a balance of \$5,000. The Surplus Account is available to be used for any other sewer system purpose. The Trust Agreement also requires the creation of a Construction Account to be held by the City to pay for project costs. At December 31, 2010, the following balances (at fair value) were maintained in trust accounts for MSD:

Held by Trustees:	
Bond Retirement	\$ 8,408
Reserve	76,408
Replacement and Improvement	5,611
Surplus	249,609
Total	\$ 340,036

L. Capital Assets

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

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

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Construction in progress includes the cost of in-force labor and costs incurred for projects not placed in use as of December 31, 2010. Additionally, in the enterprise funds, this amount includes interest capitalized on debt during the period of construction. For 2010, the amount of capitalized interest was \$255.

Land acquired for MSD's use is titled to either the City or the County. The cost of the land has been recorded on the books of MSD, since it has the full benefits of the land as an economic resource.

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

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

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

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

M. Compensated Absences

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

For governmental funds, the portion of unpaid compensated absences expected to be paid within a year is noted next to the total Compensated Absences in the Long-Term Debt and Other Obligations table (see note III F). This amount is a portion of what is reported as Long-Term Liabilities Due Within One Year in the government-wide Statement of Net Assets. In proprietary funds, the entire amount of accrued compensated absences is reported as a fund liability.

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

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

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities and long-term obligations payable from proprietary funds are reported in the proprietary fund financial statements.

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In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an Other Financing Source net of applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as Debt Service expenditures.

O. Unamortized Financing Costs

Unamortized financing costs include (1) bond premiums, discounts and issuance costs and (2) insurance, consulting and attorney fees incurred in connection with revenue bond obligations. The County amortizes these amounts using the interest method and straight-line method, respectively, over the lives of the bonds. The CFA amortizes bond issuance costs over the life of the bond in the same proportion as the annual principal payment to total outstanding principal.

P. Fund Balance Reserves

The County reserves those portions of fund equity that are legally segregated for a specific future use or that do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity that is available for appropriation in future periods. Fund equity reserves have been established for judgments and claims, advances to other funds, encumbrances and inventories.

Q. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or CFA, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. MSD's restricted net assets relate to debt service. MSD did not have net assets restricted by enabling legislation. The County and CFA apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

R. Operating Revenues and Expenses

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

S. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction, or from transfers from governmental funds. These assets, which are recorded at their fair market values on the dates contributed, are not subject to repayment. Capital contributions in 2010 totaled \$23,684.

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T. Interfund Activity

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

U. Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Basis of Budgeting

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

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

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

	General Fund	Public Assistance	Health and Human Services Levies
<u>Net Change in Fund Balance</u>			
<i>GAAP Basis</i>	\$ 16,145	\$ 22,273	\$ 297
Increase (Decrease):			
Net Adjustment for Revenue Accruals	571	3,922	8,024
Net Adjustment for Expenditure Accruals	(610)	(12,803)	(8,741)
Net Adjustment for Unrealized Gains	(44)	(56)	124
Net Adjustment for Change in Escheat Estimate	1,148	-	-
Net Adjustment for Change in Loans and Advances	950	-	-
Encumbrances	(13,041)	(9,562)	(22,061)
<i>Basis of Budgeting</i>	<u>\$ 5,119</u>	<u>\$ 3,774</u>	<u>\$ (22,357)</u>

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B. Accountability

At December 31, 2010, the following nonmajor grant fund groups had deficit fund balances:

<u>Fund Group</u>	<u>Fund Balance</u>
Community Development Block Grants	\$ (518)
Judicial Services Grants	(3,386)
Health Grants	(4,685)

These deficits were caused by deferring revenue for which eligibility requirements had not yet been met.

The deficit net assets of (\$54,532) in the Paul Brown Stadium enterprise fund is due to the outstanding debt on the capital assets exceeding the cost of the assets net of depreciation. In the Workers' Compensation Reserve internal service fund, though the 2010 interfund billings were increased over 2009 billings and were adequate to cover current-year fund activity, collections were insufficient to cover the liability for claims estimated to be incurred in the future. This resulted in deficit unrestricted net assets of (\$2,849). County Administration is addressing the deficit by increasing future interfund billings. The Medical Self-Insurance fund is a new internal service fund established in 2010. Interdepartmental collections were adequate to cover 2010 expenses and to start to establish a reserve, but estimated future claims exceed the current cash balance and leave deficit unreserved net assets of (\$137). Fund activity continues to be carefully scrutinized so that sufficient reserves are built as required.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

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

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

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

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9. high-grade commercial paper for a period not to exceed 270 days in an amount not to exceed (a) 10% of the aggregate value of the issuing corporation's outstanding commercial paper or (b) 25% of the County's total average portfolio; or
10. bankers' acceptances for a period not to exceed 180 days and in an amount not to exceed 25% of the County's total average portfolio.

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

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

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

Cash on Hand. At year-end, the County had \$1,070 in undeposited cash on hand. This amount is included on the Statement of Net Assets of the County as part of Equity in Pooled Cash and Investments.

Deposits—County. At year-end, the County's carrying amount of deposits was \$75,968 and the bank balance was \$83,775.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's policy for deposits is that any balance not covered by the Federal Deposit Insurance Corporation will be collateralized by the financial institutions with pledged securities. Of the year-end bank balance, \$5,722 was covered by federal depository insurance or by collateral held by the County's agent in the County's name. The remaining balance of \$78,053 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

Investments—County. At December 31, 2010, investment balances were as follows:

Investments	Fair Value	Investment Maturities		% of Portfolio
		Less Than 1 Year	1–5 Years	
Federal Home Loan Bank (FHLB)	\$ 138,263	\$ 22,881	\$ 115,382	36.67
Federal National Mortgage Association (FNMA)	167,094	14,984	152,110	44.32
U.S. Treasury Notes	29,432	8,490	20,942	7.81
Repurchase Agreements	36,057	-	36,057	9.56
Investment in STAR Ohio	160	160	-	0.04
Money Market Funds—Trustee	6,030	6,030	-	1.60
Total County Investments	\$ 377,036	\$ 52,545	\$ 324,491	100.00

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

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

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Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has implemented several controls to mitigate custodial risk. All security transactions are executed on a delivery versus payment basis. All securities are delivered to the County's custodian bank before payment is made to the broker dealer for the security. Securities delivered to the custodian are held in the name of the County. If the market conditions or liquidity needs require the sale of the security, the County will identify securities that mitigate the amount of the loss. With repurchase agreements, the County requires that the counterparty deliver securities with a market value at least equal to 102% of the purchase price of the securities. If the counterparty fails to repurchase the securities per the terms of the agreement, the County reserves the right to sell the securities in the market.

Concentration of Credit Risk. The County's investment policy provides for diversification to avoid undue concentration in one type of securities. The County has invested more than 5% of the County's investments in the FHLB (36.67%), the FNMA (44.32%), U.S. Treasury Notes (7.81%) and repurchase agreements (9.56%).

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

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

At December 31, 2010, the carrying amount of MSD's deposits totaled \$97,133. Amounts held by the City are invested on MSD's behalf in accordance with the City's Municipal Code. These amounts are collateralized as part of the City's cash and investment balances.

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

For additional GASB 40 disclosure requirements, refer to the financial statements as of December 31, 2010, for the City of Cincinnati.

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

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investment policy above: (1) limitations on repurchase agreements, (2) prohibited investments, and (3) guidelines governing dealers and payments. Investments made by MSD are summarized below:

<u>Investments</u>	<u>Fair Value</u>	<u>% of Portfolio</u>
Investments Held by the City of Cincinnati	\$ 97,133	22.22
U.S. Government Securities	250,028	57.19
Money Market Funds	90,008	20.59
Total Investments	<u>\$ 437,169</u>	<u>100.00</u>

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

Concentration of Credit Risk: MSD uses the City of Cincinnati's investment policy, which addresses concentration of credit risk by requiring investments to be diversified to reduce risk of loss resulting from over-concentration of assets in a specific issue or class of security. The table above includes the percentage of each investment type held by MSD at December 31, 2010.

MSD has no policy that addresses interest rate risk.

Deposits—CFA. At year-end, the carrying amount of CFA deposits held by the trustee totaled \$4,714 and the bank balance was \$4,714. The accounts are held in custodial accounts at The Bank of New York and are not collateralized.

Investments—CFA. The trustee for the CFA held no investments at December 31, 2010.

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

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

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

Carrying Amount of Deposits	\$ 173,101	Equity in Pooled Cash and Investments	\$ 417,300
Carrying Amount of Investments	<u>717,072</u>	Cash and Cash Equivalents—Segregated Accounts	49,787
Total	<u>\$ 890,173</u>	Cash and Cash Equivalents—Restricted	173,058
		Investments—Restricted	<u>250,028</u>
		Total	<u>\$ 890,173</u>

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B. Receivables

Receivables at December 31, 2010, consisted of taxes, interest, special assessments, accounts (billings for user-charged services, including unbilled utility services), loans, lease rent, and intergovernmental receivables arising from grants, entitlements and shared revenues. All trade and property tax receivables, including those for MSD, are shown net of an allowance for uncollectibles. Receivables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectibility.

Property Tax. Property taxes include amounts levied against real, public utility and tangible (personal) property. The assessed value by property classification upon which the 2010 tax collection was based is as follows:

Real Property—2010 Valuation:		
Residential/Agricultural	\$	14,268,850
Commercial/Industrial/Public Utilities		5,264,783
Tangible Personal Property—2010 Valuation:		
Tangible Personal Property		34,201
Public Utility Personal Property		650,513
Total Valuation	<u>\$</u>	<u>20,218,347</u>

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 2.26 mills of this 10-mill limit for its General Fund. In addition to the 2.26 mills, voted levies in the amount of 17.19 mills have been approved for health and hospitalization, law enforcement, developmental disabilities and health, children's services, zoological parks, senior services, family treatment services and the museum center.

A summary of the voted levies follows:

Purpose	Voter Authorized Rate ⁽¹⁾	Rates Levied for Current Year Collection ⁽²⁾		Final Collection Year
		Residential/ Agricultural	Commercial/ Industrial	
University Hospital	4.49	1.59	2.49	2011
Police Information Center	0.54	0.15	0.25	Continuing
Developmental Disabilities	4.13	3.52	3.86	2014
Mental Health	2.99	1.48	1.99	2012
Children's Services	2.77	1.65	2.25	2011
Zoo	0.46	0.32	0.38	2013
Senior Services	1.29	0.89	1.08	2012
Family Treatment Services	0.34	0.34	0.34	2014
Museum Center	0.18	0.15	0.17	2014
Total Voted Millage	17.19	10.09	12.81	

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

⁽²⁾reduction factors applied to levies

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

The County Commissioners allocated approximately 30% of the ½ cent permissive sales tax receipts to reduce residential property taxes in the County. In 2010, this represented a 2.4% reduction for all owner-occupied homeowners in the County.

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Taxes collected on real property (other than public utilities) in one calendar year are levied on the preceding calendar year's assessed values as of January 1 of that preceding year, the lien date. Assessed values are established the preceding year by the County Auditor at 35% of appraised market value. A physical reappraisal of all real property is required every six years, with a statistical update every third year. The last physical reappraisal was completed during 2005.

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

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the collection year, the lien date. The majority of public utility tangible personal property currently is assessed at 25% of its true value. Public utility taxes are payable on the same date as real property taxes described previously.

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

Property tax revenues were recorded in the following funds in 2010:

General Fund	\$ 39,699
Health and Human Services Levies Fund	194,789
Nonmajor Special Revenue Funds	530
Total Property Tax Revenues	\$ 235,018

Property tax revenues include levies collected from both the current levy and delinquent levies. The cumulative delinquency as of December 31, 2010, was \$25,016 of real and public utility taxes and \$4,459 of tangible personal property taxes, for a total of \$29,475. The delinquent property tax revenue was not recorded in the financial statements due to the uncertainty of collection. Recording the delinquency would not have an impact on the fund balance of the County since it would be offset by a reserve for delinquent accounts.

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

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

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Intergovernmental. State subsidies for local property tax reductions are recorded as Intergovernmental Receivable when measurable and Intergovernmental Revenues when measurable and available. Federal and State grants and assistance awards made on the basis of entitlement are recorded as Intergovernmental Receivable and Revenues when entitlement occurs. All other federal and State reimbursement-type grants are recorded as receivables and revenues when the related expenditures/expenses are incurred. A summary of the principal items of Intergovernmental Receivable for the year ended December 31, 2010, follows.

<u>Governmental Activities</u>	<u>Amount</u>
General Fund:	
Sheriff—Grants	\$ 5
Clerk of Courts—Grants	18
Facilities—Miscellaneous Receipts	7
Board of Elections—Miscellaneous Reimbursements	18
Sheriff—Miscellaneous Receipts and Reimbursements	19
Juvenile Court—Miscellaneous Receipts and Reimbursements	36
Clerk of Courts—Miscellaneous Receipts	6
Public Defender—Miscellaneous Reimbursements	676
General Fund Total	<u>785</u>
Public Assistance—Special Revenue Fund:	
Job and Family Services—Grants	4,109
Job and Family Services— Miscellaneous Receipts and Reimbursements	20
Public Assistance Total	<u>4,129</u>
Health and Human Services Levies—Special Revenue Fund:	
Facilities—Grants	85
Job and Family Services—Grants	5,006
Developmental Disabilities Services—Grants	7,414
Developmental Disabilities Services — Miscellaneous Reimbursements	41
Mental Health and Recovery Services Board—Miscellaneous Reimbursements	1
Health and Human Services Levies Total	<u>12,547</u>
Nonmajor Special Revenue Funds:	
Job and Family Services—Grants	1,197
Planning and Development/Community Development—Grants	894
Sheriff—Grants	442
Prosecutor—Grants	14
Coroner—Grants	23
Emergency Management Agency—Grants	3,915
River City Correctional Center—Grants	2,909
Juvenile Court—Grants	355
Municipal Court—Grants	493
Adult Probation—Grants	1,162
Engineer—Grants	411
Environmental Services—Grants	2,662
Mental Health and Recovery Services Board—Grants	12,272
Planning and Development/Community Development— Miscellaneous Reimbursements	10
Emergency Management Agency—Miscellaneous Reimbursements	1
Juvenile Court—Miscellaneous Reimbursements	14
Engineer—Miscellaneous Reimbursements	303
Prosecutor—Miscellaneous Receipts	30
Nonmajor Special Revenue Funds Total	<u>27,107</u>
Governmental Activities Total	<u>\$ 44,568</u>

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<u>Business-Type Activities</u>	<u>Amount</u>
Nonmajor Enterprise Funds:	
Riverfront Development—Grants	\$ 3,808
Sheriff—Township Patrol Fees	1,714
Nonmajor Enterprise Funds Total	<u>5,522</u>
Business-Type Activities Total	<u>\$ 5,522</u>

Loans. The Hamilton County Housing Rehab Program provides low-interest loans to income-qualifying homeowners to provide an affordable means for making major repairs on their homes. The program is funded by the Board of County Commissioners through the Hamilton County Community Block Grant Program, with funds from the U.S. Department of Housing and Urban Development. Funds from loan repayments by previous program recipients are made available for use through a revolving loan fund. These loans (\$571) are classified as Accounts Receivable on the Balance Sheet—Governmental Funds.

In 2002, the County Commissioners adopted the Home Improvement Program (HIP). HIP allows homeowners in Hamilton County to borrow money from banks to repair or remodel their homes or rental property at interest rates 3% below the lowest rate the banks would normally offer. These loans are collateralized by Hamilton County certificates of deposit (CDs). These CDs totaled \$6,992 at December 31, 2010, and are included in Equity in Pooled Cash and Investments on the Balance Sheet—Governmental Funds.

C. Restricted Assets

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

Restricted Cash and Cash Equivalents:		
Held by the City of Cincinnati:		
Construction Account	\$ 40,185	
Amount to Be Transferred to Surplus Account	36,835	
Held by Trustees	96,038	
Total Restricted Cash and Cash Equivalents	<u>173,058</u>	
Restricted Investments:		
Held by Trustees—Held to Maturity	250,028	
Total Restricted Assets	<u>\$ 423,086</u>	

D. Capital Assets

Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance 1/1/2010	Additions	Reductions	Balance 12/31/2010
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 98,808	\$ -	\$ (78)	\$ 98,730
Construction in Progress	8,467	8,285	(9,644)	7,108
Total Capital Assets Not Being Depreciated	<u>107,275</u>	<u>8,285</u>	<u>(9,722)</u>	<u>105,838</u>
Capital Assets Being Depreciated:				
Land Improvements	98	-	-	98
Buildings, Structures and Improvements	392,093	9,123	(4,921)	396,295
Infrastructure	670,883	7,126	-	678,009
Furniture, Fixtures and Equipment	83,351	7,120	(1,321)	89,150
Total Capital Assets Being Depreciated	<u>1,146,425</u>	<u>23,369</u>	<u>(6,242)</u>	<u>1,163,552</u>
Less Accumulated Depreciation:				
Land Improvements	(29)	(5)	-	(34)
Buildings, Structures and Improvements	(254,156)	(28,041)	4,595	(277,602)
Infrastructure	(463,559)	(24,536)	-	(488,095)
Furniture, Fixtures and Equipment	(57,041)	(8,998)	1,213	(64,826)
Total Accumulated Depreciation	<u>(774,785)</u>	<u>(61,580)</u>	<u>5,808</u>	<u>(830,557)</u>
Capital Assets Being Depreciated, Net	<u>371,640</u>	<u>(38,211)</u>	<u>(434)</u>	<u>332,995</u>
Governmental Activities Capital Assets, Net	<u>\$ 478,915</u>	<u>\$ (29,926)</u>	<u>\$ (10,156)</u>	<u>\$ 438,833</u>

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Business-Type Activities

Capital Assets Not Being Depreciated:

Land	\$ 96,043	\$ -	\$ -	\$ 96,043
Construction in Progress	327,768	169,996	(154,401)	343,363
Total Capital Assets Not Being Depreciated	<u>423,811</u>	<u>169,996</u>	<u>(154,401)</u>	<u>439,406</u>

Capital Assets Being Depreciated:

Buildings, Structures and Improvements	1,847,911	158,758	-	2,006,669
Processing System	351,791	13,929	(4,466)	361,254
Furniture, Fixtures and Equipment	70,457	6,293	(1,894)	74,856
Total Capital Assets Being Depreciated	<u>2,270,159</u>	<u>178,980</u>	<u>(6,360)</u>	<u>2,442,779</u>

Less Accumulated Depreciation:

Buildings, Structures and Improvements	(647,088)	(42,173)	-	(689,261)
Processing System	(172,994)	(19,456)	-	(192,450)
Furniture, Fixtures and Equipment	(45,404)	(13,081)	1,840	(56,645)
Total Accumulated Depreciation	<u>(865,486)</u>	<u>(74,710)</u>	<u>1,840</u>	<u>(938,356)</u>

Capital Assets Being Depreciated, Net	<u>1,404,673</u>	<u>104,270</u>	<u>(4,520)</u>	<u>1,504,423</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,828,484</u>	<u>\$ 274,266</u>	<u>\$ (158,921)</u>	<u>\$ 1,943,829</u>

Construction in Progress includes assets that upon completion will be transferred to the Health and Human Services Levies governmental fund or to the MSD, nonmajor Riverfront Development or nonmajor Communications Center enterprise fund.

Depreciation expense was charged to functions/funds as follows:

Governmental Activities

General Government	\$ 32,547
Judicial	408
Public Safety	2,835
Social Services	18
Health	664
Public Works	24,951
Environmental Control	108
Economic Development	1
Internal Service Funds—Charged to Functions Based on Usage	48
Total Depreciation Expense	<u>\$ 61,580</u>

Business-Type Activities

MSD	\$ 39,858
Paul Brown Stadium	14,257
Baseball Stadium	13,468
Nonmajor Enterprise Funds	7,127
Total Depreciation Expense	<u>\$ 74,710</u>

E. Interfund Balances and Transfers

Interfund balances at December 31, 2010, consisted of the following amounts and represent charges for services or reimbursable expenses except for the General Fund's coverage of the (\$3,709) negative cash balance for the Judicial Service Grants (\$1,683) and the Social Service Grants (\$559) nonmajor governmental funds and for the Riverfront Development nonmajor enterprise fund (\$1,467).

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

Due to Other Funds	Due from Other Funds					Total
	General Fund	Public Assistance	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Internal Service Funds	
General Fund	\$ -	\$ -	\$ 11	\$ 67	\$ -	\$ 78
Public Assistance	211	-	9	22	-	242
Health and Human Services Levies	1,008	-	3,823	-	1,000	5,831
Nonmajor Governmental Funds	2,604	917	235	6	26	3,788
Paul Brown Stadium	-	-	4	-	-	4
Nonmajor Enterprise Funds	1,487	-	24	-	-	1,511
Total	\$ 5,310	\$ 917	\$ 4,106	\$ 95	\$ 1,026	\$ 11,454

Advances to/from balances are amounts that are owed, other than charges for goods and services rendered, by a particular fund to another fund and that are not due within one year. At year-end, these advances totaled \$600, which was advanced from the General Fund to a nonmajor governmental fund.

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to segregate money for anticipated capital projects, to provide additional resources for current operations or debt service, and to return money to the fund from which it was originally provided once a project is completed.

Included in the transfers out/in are residual equity transfers between funds. Residual transfers were made between funds in the nonmajor Motor Vehicle Gas Tax fund group (\$1,073) and between funds in the nonmajor Health Grants fund group (\$22); from the nonmajor Health and Community Services Nongrants fund group to the General Fund (\$769); the nonmajor Health and Community Services Grants fund group to the Health and Human Services Levies fund group (\$1,177); from the Health and Human Services Levies fund group to the nonmajor Health Grants fund group (\$1,960); from the nonmajor Health Grants fund group to the Health and Human Services Levies fund group (\$417); between funds in the nonmajor Riverfront Development enterprise fund group (\$353) and from the nonmajor Riverfront Development enterprise fund group to the Paul Brown Stadium enterprise fund group (\$250) and the Baseball Stadium enterprise fund group (\$250).

Interfund transfers for the year ended December 31, 2010, consisted of the following:

Transfers In	Transfers Out				Total
	General Fund	Health and Human Services Levies	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	
General Fund	\$ -	\$ -	\$ 769	\$ -	\$ 769
Public Assistance	1,311	-	-	-	1,311
Health and Human Services Levies	304	1,784	1,594	-	3,682
Nonmajor Governmental Funds	10,794	1,960	5,776	157	18,687
Paul Brown Stadium	-	-	-	250	250
Baseball Stadium	-	-	-	250	250
Nonmajor Enterprise Funds	1,820	-	-	353	2,173
Total	\$14,229	\$ 3,744	\$ 8,139	\$ 1,010	\$27,122

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

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F. Long-Term Debt and Other Obligations

The long-term obligations of the County payable as of December 31, 2010, are as follows:

Governmental Activities	<u>Maturity</u>	<u>Interest Rate %</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>	<u>Due in One Year</u>
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>General Obligation Bonds—Unvoted</u>							
2001 Various Purpose—\$9,050	2012	3.00-4.00	\$ 2,295	\$ -	\$ (780)	\$ 1,515	\$ 765
2001 Various Purpose—\$1,455	2021	3.00-5.00	1,005	-	(65)	940	70
2001 Water West Phase 2—\$1,660	2021	3.00-5.00	1,145	-	(75)	1,070	80
2004 Various Purpose Refunding—\$21,915	2015	1.70-4.00	10,330	-	(1,990)	8,340	2,030
2004 Various Purpose Refunding—\$16,115	2015	1.70-4.00	7,595	-	(1,465)	6,130	1,490
2004 Various Purpose Refunding—\$4,100	2015	1.70-4.00	1,940	-	(375)	1,565	380
2005 Various Purpose Refunding—\$28,715	2017	3.00-5.00	20,335	-	(2,355)	17,980	2,430
2006 Emergency Management and Operations Center—\$725	2025	4.00-4.50	645	-	(30)	615	30
2006 Emergency Services Communications System—\$19,520	2021	3.50-4.00	16,405	-	(1,115)	15,290	1,150
2007 Various Purpose Refunding—\$18,130	2024	3.75-4.15	16,420	-	(1,550)	14,870	1,615
2007 Communications Center—\$1,025	2016	3.75-4.00	755	-	(95)	660	100
2008 Various Purpose—\$8,795	2018	3.00-4.00	8,015	-	(795)	7,220	815
2009 Emergency System Alert—\$1,615	2024	2.00-4.25	1,615	-	(95)	1,520	95
2009 Urban Redevelopment —\$12,550	2039	1.875-6.8	12,550	-	(270)	12,280	270
Deferred Amounts:							
For Issuance Premiums			1,483	-	(315)	1,168	-
For Refundings			(1,481)	-	374	(1,107)	-
Total General Obligation Bonds—Unvoted			101,052	-	(10,996)	90,056	11,320
<u>Special Assessment Bonds</u>							
1990 Sewer District—\$410	2010	6.9	35	-	(35)	-	-
1993 Sewer District—\$600	2013	4.90-5.20	170	-	(40)	130	40
1994 Sewer District—\$175	2014	5.75	45	-	(10)	35	5
1995 Sewer District—\$210	2015	5.10-5.80	95	-	(15)	80	15
1996 Sewer District—\$445	2016	5.55-5.625	210	-	(25)	185	30
1997 Sewer District—\$340	2017	5.125-5.30	180	-	(20)	160	20
1998 Sewer District—\$705	2018	4.65-4.75	400	-	(35)	365	40
1999 Sewer District—\$170	2019	5.5	110	-	(10)	100	10
2000 Sewer District—\$545	2020	5.40-5.55	360	-	(25)	335	25
2001 Sewer District—\$150	2021	4.00-5.10	110	-	(5)	105	5
2002 Sewer District—\$295	2022	3.50-5.05	215	-	(15)	200	10
2003 Sewer District—\$460	2023	1.25-5.75	355	-	(20)	335	20
2004 Water and Sewer—\$625	2024	1.8-4.9	500	-	(30)	470	25
2005 Sewer District—\$110	2025	4.35-4.40	90	-	(5)	85	5
2006 Sewer District—\$76	2026	4.65-4.75	65	-	(4)	61	4
2007 Sewer District—\$750	2027	4.15-4.65	700	-	(30)	670	25
2008 Sewer District—\$262	2028	4.625-5.50	250	-	(10)	240	10
2009 Sewer District—\$710	2029	2.50-4.50	710	-	(30)	680	25
2010 Sewer District—\$387	2030	2.00-4.35	-	387	-	387	17
Total Special Assessment Bonds			4,600	387	(364)	4,623	331
Total Governmental Long-Term Debt			105,652	387	(11,360)	94,679	11,651
<i>Other Long-Term Liabilities</i>							
<u>Compensated Absences</u>							
			40,295	31,271	(31,546)	40,020	2,684
<u>State Loans</u>							
			3,144	534	(1,071)	2,607	333
<u>Loan Contracts</u>							
			4,661	-	(193)	4,468	193
<u>Forgivable Mortgage</u>							
			1,301	-	(68)	1,233	68
Total Governmental Long-Term Liabilities			\$ 155,053	\$ 32,192	\$ (44,238)	\$ 143,007	\$ 14,929

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Business-Type Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>MSD Obligations</u>							
2010 Series A & B Revenue Bonds—\$130,675	2035	2.00-5.37	\$ -	\$ 130,675	\$ -	\$ 130,675	\$ 1,540
2009 Series A Revenue Bonds—\$149,815	2034	4.00-6.50	149,815	-	-	149,815	-
2007 Series A Revenue Bonds—\$72,385	2032	3.50-5.25	69,010	-	(1,820)	67,190	1,885
2006 Series A Revenue Bonds—\$83,045	2031	4.00-5.00	77,345	-	(2,115)	75,230	2,200
2005 Series A & B Revenue Bonds—\$170,560	2030	2.50-5.00	151,690	-	(2,355)	149,335	2,445
2004 Series A Revenue Bonds—\$46,385	2017	2.00-5.00	37,415	-	-	37,415	-
2003 Series A & B Revenue Bonds—\$215,575	2028	1.50-5.25	203,200	-	(33,945)	169,255	17,690
2001 Series A Revenue Bonds—\$76,000	2026	2.30-5.25	29,260	-	(27,030)	2,230	1,805
2000 Series A Revenue Bonds—\$40,085	2025	4.50-5.75	3,995	-	(3,995)	-	-
1997 Series A Revenue Bonds—\$105,245	2017	3.85-5.13	11,595	-	(5,640)	5,955	5,955
Ohio Water Development Authority Contracts (OWDA)—\$41,830	2016	2.00-7.49	574	-	(181)	393	-
Ohio Water and Sewer Rotary Commission	-	-	50	-	-	50	-
Ohio Public Works Commission (OPWC)	2017	3.54-4.80	3,065	-	(439)	2,626	311
Water Pollution Control Loan Fund (WPCLF) Construction Drawdown	2018	0.00-3.00	41,029	53,982	(4,263)	90,748	4,321
Deferred Amounts:							
For Issuance Discounts			(12)	-	8	(4)	-
For Issuance Premiums			28,355	6,329	(4,693)	29,991	-
For Refundings			(4,051)	(3,379)	1,107	(6,323)	-
Total MSD Obligations			802,335	187,607	(85,361)	904,581	38,152
<u>Enterprise Fund Debt—Parking Facility</u>							
		Market Value Based					
2001 Parking Facility—\$24,500	2026		20,455	-	(725)	19,730	770
<u>Sales Tax Bonds</u>							
1998 Football Project Series A—\$71,610	2027	3.95-4.75	19,675	-	-	19,675	-
2000 Stadium Series B—\$349,992	2032	5.57	95,552	-	(2,140)	93,412	1,885
2006 Stadium Series A—\$452,270	2032	4.00-5.00	445,695	-	-	445,695	1,515
Deferred Amounts:							
For Issuance Discounts			(2,040)	-	91	(1,949)	-
For Issuance Premiums			25,466	-	(1,825)	23,641	-
For Refundings			(22,498)	-	1,086	(21,412)	-
Total Sales Tax Bonds			561,850	-	(2,788)	559,062	3,400
<u>General Obligation—Parking Facility</u>							
1998 Parking Facility—\$10,090	2024	4.15-5.00	340	-	(340)	-	-
2007 Various Purpose Refunding—\$7,335	2024	3.75-4.15	7,220	-	(30)	7,190	390
Deferred Amounts:							
For Issuance Discounts			(18)	-	2	(16)	-
For Issuance Premiums			1	-	(1)	-	-
For Refundings			(55)	-	55	-	-
Total General Obligation Bonds			7,488	-	(314)	7,174	390
Total Business-Type Long-Term Debt			1,392,128	187,607	(89,188)	1,490,547	42,712
<i>Other Long-Term Liabilities</i>							
<u>Compensated Absences</u>							
			9,339	4,852	(4,875)	9,316	3,739
<u>Urban Redevelopment Loan</u>							
			5,475	-	-	5,475	-
<u>State Infrastructure Bank Loan</u>							
			11,685	-	-	11,685	-
Total Business-Type Long-Term Liabilities			\$1,418,627	\$ 192,459	\$ (94,063)	\$1,517,023	\$ 46,451
Convention Facilities Authority							
	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>CFA Obligations</u>							
2004 First Lien Improvement Bonds—\$70,065	2033	2.00-5.00	\$ 62,940	\$ -	\$ (1,490)	\$ 61,450	\$ 1,525
2004 Second Lien Improvement Bonds—\$35,940	2033	2.00-5.25	21,250	-	(810)	20,440	830
Deferred Amounts:							
For Issuance Premium			3,599	-	(87)	3,512	-
Total CFA Obligations			\$ 87,789	\$ -	\$ (2,387)	\$ 85,402	\$ 2,355

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

Year	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2011	\$ 11,320	\$ 3,900	\$ 331	\$ 218
2012	11,425	3,487	364	199
2013	11,000	3,037	374	183
2014	10,785	2,588	338	166
2015	8,120	2,143	339	150
2016–2020	25,350	6,113	1,464	525
2021–2025	4,435	2,997	954	229
2026–2030	2,190	2,236	459	50
2031–2035	2,715	1,462	-	-
2036–2040	2,655	461	-	-
Total	<u>\$ 89,995</u>	<u>\$28,424</u>	<u>\$ 4,623</u>	<u>\$ 1,720</u>

Year	Business-Type Activities					
	MSD*		General Obligation Bonds**		Sales Tax Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 38,152	\$ 30,620	\$ 1,160	\$ 351	\$ 3,400	\$ 25,354
2012	40,489	29,027	1,220	334	2,420	25,185
2013	45,082	30,201	1,290	316	14,625	25,066
2014	46,728	28,534	1,355	297	16,795	24,327
2015	36,667	26,830	1,430	277	19,110	23,480
2016–2020	219,328	110,759	8,390	1,051	114,773	110,107
2021–2025	218,547	78,136	10,235	374	127,572	133,092
2026–2030	217,466	39,114	1,840	6	160,667	113,446
2031–2035	105,157	9,263	-	-	99,420	7,269
2036–2040	56	-	-	-	-	-
Total	<u>\$967,672</u>	<u>\$382,484</u>	<u>\$26,920</u>	<u>\$ 3,006</u>	<u>\$558,782</u>	<u>\$ 487,326</u>

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

**Adjustable Rate Parking System Revenue Bonds, in the amount of \$24,500, were issued to pay the costs of making improvements and enlargements to the County's above-ground parking structures and surface parking lots in the Cincinnati central riverfront area, near the stadia and at the US Bank Arena. The interest rate is to be determined at the close of business each Wednesday. The interest rate at the close of business on December 31, 2010, was 0.34%. Using this rate as a basis, the projected interest to be paid on this bond issue will be \$652.

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

Year	CFA	
	Improvement Bonds	
	Principal	Interest
2011	\$ 2,355	\$ 3,935
2012	2,420	3,870
2013	2,515	3,777
2014	2,625	3,667
2015	2,740	3,549
2016–2020	15,840	15,623
2021–2025	18,990	11,265
2026–2030	22,010	6,165
2031–2035	12,395	1,260
Total	<u>\$ 81,890</u>	<u>\$ 53,111</u>

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

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General obligation bonds are generally issued as 20-year serial bonds with various amounts of principal maturing each year. Under State law applicable to the County, general obligation bond anticipation notes may be issued from time to time up to a maximum maturity of 20 years from the date of issuance of the original notes.

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

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3.0%, 1.5% and 2.5% limitation described above is \$503,958. The total County net debt subject to this limitation is \$80,541, leaving a borrowing capacity of \$423,417 within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1.0% limitation is \$202,183. The total County debt subject to such limitation is \$80,541, leaving a borrowing capacity of \$121,642 within the 1.0% limitation for unvoted non-exempt debt.

2010 Special Assessment Bonds. Outstanding special assessment bonds consist of water and sewer line improvements, which are payable from the proceeds of tax assessments against the individual property owners. The full faith and credit of the County as additional security also backs these bonds. In 2010, new special assessment bonds were issued in the amount of \$387, with a final maturity date of December 1, 2030. These bonds carry interest rates ranging from 2.00% to 4.35%.

Series A and B Revenue Bonds. In 2010, MSD issued \$43,595 Series A Sewer System Refunding Revenue Bonds dated November 3, 2010. The proceeds from the 2010 Series A bonds were used to defease portions of the 2000, 2001 and 2003 revenue bonds and pay for the cost of issuance. The 2010A bonds are special obligations of MSD, payable solely from the net revenues of MSD and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A and 2009B bonds, secured equally and ratably under the Trust Agreement. A portion of the proceeds was used to purchase U.S. Government Securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund \$2,730 of outstanding 2000 Series A bonds, \$25,290 of outstanding 2001 Series A bonds and \$17,035 of outstanding 2003 Series A bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the Statement of Net Assets. Although the refunding resulted in the recognition of an accounting loss of \$3,379 in accordance with GASB 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, MSD in effect reduced its aggregate debt service payments by \$8,824 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$5,304.

Also in 2010, MSD issued \$87,080 Series B Sewer System Improvement Revenue Bonds (Build America Bonds) dated November 3, 2010. The proceeds from the 2010 Series B bonds were used to permanently fund certain previous capital expenditures, fund the new bond reserve requirements and pay the cost of issuance. The 2010 Series B bonds are special obligations of MSD, payable solely from the net revenues of MSD and were issued on a parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, and 2009B bonds, secured equally and ratably under the Trust Agreement.

In 2009, 2007, 2000 and 1997, MSD issued County of Hamilton, Ohio, Series A Sewer System Improvement Revenue Bonds. In 2006, 2005 and 2004, MSD issued County of Hamilton, Ohio, Series A Sewer System Refunding Revenue bonds. In 2009 and 2005, MSD also issued Series B Sewer System Improvement Revenue Bonds. In 2003, 2001, 1995 and 1993, MSD issued County of Hamilton, Ohio, Series A Sewer System Improvement and Refunding Revenue bonds. In 2003, MSD also issued County of Hamilton, Ohio, Series B Sewer System Improvement and Refunding Revenue bonds. The proceeds of all of these bonds were used to permanently fund certain previous capital expenditures, provide funds for new projects, defease portions of previous Series A bond issues, fund the new bond reserve requirements and pay the costs of issuance.

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The 2010, 2009, 2007, 2006, 2005, 2004, 2003, 2001 and 1997 bonds may be redeemed prior to their maturities in accordance with provisions of the bond resolutions. The redemption process for the bonds includes declining premiums up to 2% of principal. Under the terms of the amended revenue bond trust indenture, MSD has agreed to certain covenants, among other things to restrict additional borrowing, maintain rates sufficient to meet debt service requirements and maintain specified balances under trust agreements. The revenue bond issues contain covenants that require MSD to maintain a maximum level of debt service coverage of 125%.

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

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

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

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

Prior Defeased Debt. In prior years, the County has defeased various general obligation serial bonds and revenue serial bonds through refinancing and operations. Separate irrevocable trust funds were established and funded to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and is not included in the financial statements. At December 31, 2010, \$1,615 general obligation bonds and \$15,355 of sales tax-supported bonds were considered defeased. For MSD, the amount of defeased debt outstanding was \$61,605. For CFA, the amount is \$11,255.

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

Revenue Bonds—Advance Refunding and In-Substance Defeasance. In August 2007, CFA issued \$11,915 in defeasance obligations resulting in an in-substance defeasance of \$11,255 of its revenue bonds. The refunded bonds are considered defeased, and the liability for these bonds has been removed from the statement of net assets.

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

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At December 31, 2010, in accordance with GASB 16, the following liabilities associated with employees' compensated absences have been recognized in the government-wide Statement of Net Assets:

<u>Liability</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Vacation Leave	\$ 15,869	\$ 3,772
Sick Leave	23,683	5,230
Compensatory Time	468	314
Totals	<u>\$ 40,020</u>	<u>\$ 9,316</u>

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

	<u>MSD</u>
Interest Incurred	\$ 36,471
Less Interest Capitalization	(6,566)
Interest Expense	<u>\$ 29,905</u>

Other Long-Term Obligations. Other long-term obligations of the County consist of (1) two loans from the State of Ohio for road improvement projects, (2) a loan from the State of Ohio for acquiring a building and land, (3) a State loan to be used for the construction of an intermodal transit facility, (4) a State loan to be used for the Riverfront development, (5) loan contracts for the purchase of and improvement to various properties in the County, and (6) a forgivable mortgage for renovation work on a building. These are reported as part of Long-Term Liabilities in the government-wide Statement of Net Assets.

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

In April 2001, the County's agency for Alcohol and Drug Addiction Services (now part of the Mental Health and Recovery Services Board—MHR SB) purchased property for \$600 and financed it with an interest-free loan from the State's Department of Administrative Services. After initial payments of \$60 and \$135 in 2001 and 2002, respectively, the terms call for annual installments through 2012. In 2010, MHR SB paid the final three installments due in 2010–2012.

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

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

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

Year	Engineer		Riverfront Development	
	Principal	Interest	Principal	Interest
2011	\$ 333	\$ 34	\$ -	\$ 417
2012	341	27	745	417
2013	349	19	1,530	383
2014	357	11	1,575	336
2015	220	2	2,107	442
2016–2020	388	-	8,815	1,077
2021–2025	388	-	2,388	149
2026–2030	231	-	-	-
Total	<u>\$ 2,607</u>	<u>\$ 93</u>	<u>\$17,160</u>	<u>\$ 3,221</u>

Loan Contracts. The County's loan contracts are made between the Hamilton County Mental Health and Recovery Services Board (MHR SB) and the Ohio Department of Mental Health (ODMH), for the purchase of and improvement to various properties in the County for use in providing mental health services. The terms of the contracts are essentially equivalent to a mortgage on the property, with MHR SB being obligated to provide mental health services for a period of 40 years from the inception of the contract. Should MHR SB discontinue mental health services at a particular facility, the balance of the contract would become due immediately. Failure to pay the balance could result in foreclosure by ODMH. The balance due is reduced on a month-by-month basis over the term of the contract as long as the facility is used for mental health services. The amount outstanding on these loan contracts at December 31, 2010, amounted to \$4,468. There is no interest charged on these obligations.

Year Ending December 31	Loan Contracts Forgiveness
2011	\$ 193
2012	193
2013	193
2014	193
2015	193
2016–2020	966
2021–2025	966
2026–2030	933
2031–2035	504
2036–2040	93
2041–2045	41
Total	<u>\$ 4,468</u>

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

Year Ending December 31	Mortgage Forgiveness
2011	\$ 68
2012	68
2013	68
2014	68
2015	68
2016–2020	339
2021–2025	339
2026–2030	215
Total	<u>\$ 1,233</u>

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Conduit Debt Obligations. Periodically, the County issues Hospital Facility, Health-Care System or Facility, Economic Development, Industrial Development, Multifamily Housing and Student Housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. These bonds are backed by the property financed and are payable solely from payment received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County and, therefore, are not reported in the financial statements. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. As of December 31, 2010, the aggregate principal amount outstanding for these bonds was as follows:

Hospital Facilities	\$ 707,305
Health-Care Systems and Facilities	92,555
Economic Development	134,219
Industrial Development	2,400
Multifamily Housing	17,115
Student Housing	51,960
Total	\$ 1,005,554

G. Leases

Operating Leases—Lessee. At December 31, 2010, the County had entered into various long-term operating leases for office and storage space and for land for communications towers. The lease terms range from 2 years to perpetuity. Operating lease payments are recorded in the period they are paid. These payments are made from the General Fund and from the Public Assistance, Health and Human Services Levies and nonmajor special revenue funds. Sublease payments are made from nonmajor special revenue and enterprise funds. Operating lease payments, excluding subleases, for 2010 amounted to \$1,499. Sublease payments totaled \$51. Future rental obligations are as follows:

Year Ending December 31	Operating Lease Payments	Sublease Payments
2011	\$ 1,293	\$ 28
2012	1,024	6
2013	741	6
2014	335	6
2015	19	6
2016–2020	20	4
Total	\$ 3,432	\$ 56

Operating Leases—Lessor. The County has contractual agreements for the rental of properties, including stadia, office space, group homes, land and communications towers, to commercial and not-for-profit enterprises. These rentals are reported as operating leases for accounting purposes. Total rent received in 2010 was \$1,501 in governmental funds and \$1,536 in business-type funds.

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

Year Ending December 31	Operating Lease Payments
2011	\$ 1,500
Remaining Years	Less than 1
Total	\$ 1,500

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

Future rental revenues for other leases are as follows:

Year Ending December 31	Operating Lease Payments	
	Business-Type Activities	Governmental Activities
2011	\$ 58	\$ 1,285
2012	44	1,276
2013	36	1,255
2014	29	1,235
2015	21	1,161
2016–2020	-	3,804
Total	<u>\$ 188</u>	<u>\$ 10,016</u>

Assets and accumulated depreciation related to the operating leases, as of December 31, 2010, are included in the financial statements as follows:

	Business-Type Activities	Governmental Activities
Land	\$ 85,601	\$ 2,580
Buildings	731,651	9,447
Accumulated Depreciation	239,254	9,285

Capital Lease. MSD issued a capital lease for a new engineering building. The lease obligation meets the criteria of a capital lease as defined by Financial Accounting Standards Board (FASB) guidance. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease. The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments at year-end:

Year Ending December 31	MSD
2011	\$ 1,113
2012	1,111
2013	1,115
2014	1,112
2015	1,115
2016–2020	5,567
2021–2025	5,569
2026–2030	4,458
Total Minimum Lease Payments	21,160
Less Amount Representing Interest	(6,700)
Present Value of Minimum Lease Payments	<u>\$ 14,460</u>

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

H. Segment Information

The Riverfront Development and Main Street Parking Garage funds, reported as nonmajor enterprise funds, have one or more bonds or other debt instruments outstanding with a revenue stream pledged in support of that debt. Riverfront Development accounts for the redevelopment of the County's scenic riverfront. The Main Street Parking

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Garage affords citizens downtown parking. Summary financial information for these funds, for the year ended December 31, 2010, follows.

<u>Condensed Statement of Net Assets</u>	Riverfront Development	Main Street Parking Garage
Assets:		
Current Assets	\$ 7,211	\$ 556
Capital Assets	170,204	7,687
Unamortized Financing Costs	495	57
Total Assets	<u>177,910</u>	<u>8,300</u>
Liabilities:		
Current Liabilities	5,033	453
Noncurrent Liabilities	36,120	6,784
Total Liabilities	<u>41,153</u>	<u>7,237</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	137,371	513
Unrestricted	(614)	550
Total Net Assets	<u>\$ 136,757</u>	<u>\$ 1,063</u>

<u>Condensed Statement of Revenues, Expenses and Changes in Fund Net Assets</u>	Riverfront Development	Main Street Parking Garage
Charges for Services	\$ 6,493	\$ 722
Depreciation and Amortization	(5,746)	(310)
Other Operating Expenses	(4,745)	(193)
Operating Income (Loss)	(3,998)	219
Nonoperating Revenues (Expenses):		
Sales and Use Tax	119	-
Interest Income	(29)	2
Interest Expense	(212)	(355)
Debt-Related Costs	(165)	(8)
Capital Contributions	25,157	-
Transfers In	353	445
Transfers Out	(853)	-
Change in Net Assets	20,372	303
Net Assets at Beginning of Year	116,385	760
Net Assets at End of Year	<u>\$ 136,757</u>	<u>\$ 1,063</u>

<u>Condensed Statement of Cash Flows</u>	Riverfront Development	Main Street Parking Garage
Net Cash Provided (Used) by:		
Operating Activities	\$ 2,077	\$ 559
Noncapital Financing Activities	1,086	445
Capital and Related Financing Activities	(15,286)	(670)
Investing Activities	(29)	2
Net Increase (Decrease)	(12,152)	336
Cash and Cash Equivalents at Beginning of Year	15,555	198
Cash and Cash Equivalents at End of Year	<u>\$ 3,403</u>	<u>\$ 534</u>

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage. The County purchases commercial insurance to cover losses due to theft of, damage to or destruction of assets and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are retained by the County. There has been no reduction in

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insurance coverage or limits from coverage provided in 2009. Over the past three years, claim amounts from risks covered by commercial insurance have not exceeded the specific policy's limit.

The County retains risk of loss related to court judgments resulting from tort and general liability claims of County officials and employees. A designation of the General Fund balance has been established to pay potential, court-ordered judgments, and at December 31, 2010, this amounted to \$995.

Beginning in 1990, the County established an internal service fund titled Workers' Compensation Reserve to account for and finance its workers' compensation claims risk. The County uses a retrospectively rated program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims. All departments of the County participate in the program and make per capita payments to the internal service fund.

Changes in the balances of workers' compensation claims liabilities during the past two years are as follows:

	2010	2009
Unpaid Claims at Beginning of Year	\$ 8,544	\$ 6,180
Incurred Claims (Including IBNRs)	2,106	10,568
Claim Payments	(3,085)	(8,200)
Unpaid Claims at End of Year	7,565	8,548
Less: Claims Payable, Current	(519)	(4)
Estimated Future Claims	\$ 7,046	\$ 8,544

The County has elected to provide employees' health-care coverage through a self-insurance program, beginning in 2010. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third-party administrator, Humana, reviews all claims, which are then paid by the County. The County purchases stop-loss coverage of \$400 per employee and an aggregate limit of 125% of expected claims and a \$5,000 lifetime (per member) maximum. The County pays into the self-insurance internal service fund based on one of four plan options, according to the grid below.

Medical Plan Name	Coverage Level	Total Monthly Actuarial Value	Monthly Employer Cost	Monthly Employee Cost
CoverageFirst 2500	Single	\$336.00	\$314.92	\$21.08
	Double	\$672.00	\$629.85	\$42.15
	Family	\$1,041.00	\$975.67	\$65.33
CoverageFirst 1000	Single	\$360.00	\$316.40	\$43.60
	Double	\$720.00	\$632.81	\$87.19
	Family	\$1,116.00	\$980.85	\$135.15
POS 250	Single	\$418.00	\$270.80	\$147.20
	Double	\$836.00	\$541.63	\$294.37
	Family	\$1,296.00	\$839.71	\$456.29
HMO	Single	\$419.00	\$251.57	\$167.43
	Double	\$837.00	\$502.16	\$334.84
	Family	\$1,297.00	\$778.00	\$519.00

The premium is paid by the fund that pays the salary for the employee and is based on historic cost information. The claims liability of \$2,628 reported in the Medical Self-Insurance Fund at December 31, 2010, is estimated by the third-party administrator and is based on the requirements of GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported if information prior to the issuance of the financial

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statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the self-insurance fund's claims liability amount in 2010:

Beginning Claims Balance	\$	0
Changes in Claims Estimate		37,037
Payments		<u>(34,409)</u>
Ending Claims Balance		<u>\$ 2,628</u>

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

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

B. Related Party Transactions

Cincinnati Water Works provides billing and collection services on customers' accounts for MSD. Fees for these services for 2010 were \$5,056. Fees are also paid to other municipalities and villages within the County for collection of sewerage bills.

The City provides overhead services to MSD, such as check disbursement and investment and legal services. The fees for these services for 2010 were \$2,471. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for MSD. Fees for these services were \$1,372 for 2010.

C. Jointly Governed Organization

The Southwest Ohio Council of Governments was created by the Board of Development Disabilities of Butler, Hamilton, Clermont, and Warren Counties. The Council consists of four members representing each of the four counties. Other County Boards of Development Disabilities may petition for membership to the Council; however, membership must be approved by a two-thirds vote of the Council members. The role of the Council is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the four counties. The Council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2010, Hamilton County contributed \$1,073 to the council. Financial information for the Southwest Ohio Council of Governments may be obtained at 1910 Fairgrove Avenue, Suite E, Hamilton, Ohio 45011.

D. Commitments and Contingent Liabilities

The County has contracted construction commitments for the following:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Riverfront Development	\$ 209,502	\$ 23,293

The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio, are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, MSD's Revised Wet Weather Plan was approved by the

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federal government. The Plan commits MSD to complete a Phase 1 group of projects totaling \$1.145 billion (in 2006 dollars and including \$400 million that MSD has already spent on projects [amounts not rounded]) by 2018 before scheduling future work (Phase 2). The consent decree documents are posted on the MSD website, MSDgc.org, under Consent Decree.

MSD is involved in litigation with the City of Loveland, Ohio, regarding termination of the 1985 agreement. MSD is also involved in various other lawsuits. The outcomes of these lawsuits are undeterminable at this time.

As part of MSD's capital improvement program, MSD has entered into a number of contracts for construction, design and other services. Commitments under these contracts aggregate approximately \$161,000 as of December 31, 2010.

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

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

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

E. Deferred Compensation Plan

Employees of the County may elect to participate in a deferred compensation plan administered by one of the following: (1) The Ohio Public Employees Deferred Compensation Plan; (2) ING Financial Services, Inc.; or (3) The County Commissioners Association of Ohio. Under these plans, employees could defer up to 25% of their annual salary not to exceed \$16,500 (amount not in thousands) in 2010. The deferred amounts, as well as any income related to the deferral, are not subject to federal or State income tax until actually received by the employee. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and Internal Revenue Code Section 457, assets of the aforementioned plans were placed in trust for the exclusive benefit of the participants and beneficiaries during 1999. The amounts held in all three plans are no longer reported as assets of the County.

F. Employee Retirement Systems and Plans

All County and MSD employees are covered by one of three pension systems. These are the Ohio Public Employees Retirement System (OPERS) and the State Teachers Retirement System of Ohio (STRS Ohio), which are State pension systems, and the City of Cincinnati Retirement System (CRS), a municipal pension plan. County employees hired after April 1, 1986, are also covered under the Federal Social Security Act for the Medicare portion only. Pension costs reflect a percentage of employees' gross pay, as defined by the terms of pension plans in which employees participate. MSD's policy is to fund pension costs accrued.

OPERS administers three separate pension plans:

(1) The Traditional Pension Plan is a cost-sharing, multiple-employer, defined-benefit pension plan.

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(2) The Member-Directed Plan is a defined-contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and vested employer contributions plus any investment earnings thereon.

(3) The Combined Plan is a cost-sharing, multiple-employer, defined-benefit pension plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

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

STRS Ohio administers three separate pension plans:

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

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

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

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

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

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

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

The Ohio Revised Code provides OPERS and STRS Ohio statutory authority for employee and employer contributions. The Cincinnati Municipal Code provides this authority for CRS. The required, actuarially determined contribution rates for 2010 for the Hamilton County and MSD employees are as follows:

<u>Employees of the County</u>	<u>Retirement System</u>	<u>County Share</u>	<u>Employee Share</u>
Law Enforcement Officers	OPERS	17.87%	11.10%
Public Safety Officers	OPERS	17.87%	10.50%
All Other Eligible County	OPERS	14.00%	10.00%
County Board of MRDD/Juvenile Court	STRS Ohio	14.00%	10.00%
MSD and Other Eligible County	CRS	17.00%	7.50%
MSD Other Eligible	OPERS	14.00%	10.00%

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MSD's contribution rate for 2010 was not equal to the required contribution rate based on the City's actuarial report. MSD contributed 95% of the required contributions for 2010. The County's contributions, representing 100% of employer contributions, for the year ended December 31, 2010, and for each of the two preceding years, are as follows:

Fiscal Year	OPERS	STRS	CRS
2008	\$ 37,396	\$ 927	\$ 4,567
2009	31,604	891	4,948
2010	29,574	853	6,013

G. Other Post-Employment Benefits (OPEB)

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

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

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

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

As noted above, in 2010, local government employers contributed at a rate of 14.00% of covered payroll, and public safety and law enforcement employers contributed at 17.87%. The ORC currently limits the employer contribution to a rate not to exceed 14.00% of covered payroll for local employers and 18.10% of covered payroll for law and public safety employers. Active members do not make contributions to the post-employment benefit plan.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health-care benefits, based on authority granted by State statute. The portion of employer contributions allocated to the health-care plan was 5.5% of covered payroll from January 1 through March 31, 2010, and 5.0% from April 1 through December 31, 2010. The County's actual contribution for the year ended December 31, 2010, used to fund OPEB, was \$9,435. The County's contribution for law enforcement and public safety officers for the year ended December 31, 2010, was \$1,010 to fund OPEB.

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

On September 9, 2004, the OPERS Retirement Board adopted the Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health-care coverage to improve the financial solvency of the Health Care Fund in response to rapidly increasing health-care costs. As an additional component of HCPP, member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which will allow additional funds to be allocated to the health-care plan. Rates for both law enforcement

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and public safety employers increased over a six-year period beginning January 1, 2006, with a final rate increase January 1, 2011. These rate increases allowed additional funds to be allocated to the health-care plan.

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

Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to a Health-Care Reserve Fund, from which health-care benefits are paid. For STRS Ohio's fiscal year ended June 30, 2010, the board allocated employer contributions equal to 1.00% of covered payroll to the Health-Care Reserve Fund. This totaled \$.06 million for the County in 2010.

CRS. CRS provides hospital and surgical insurance to retired members who have earned 15 years of credited service at the time of termination or terminate after age 60 with 5 years of credited service. Those who are receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance premiums paid by CRS. When benefits under the coverage would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal Social Security laws, CRS will pay whatever additional fees are required for the federal medical coverage.

The health-care coverage provided by CRS is advance funded on an actuarially determined basis as a portion of the employer contribution requirement to the System. The Cincinnati Municipal Code provides authority for employer contributions. The County's cost to fund health-care coverage was \$1.72 million in 2010.

H. Significant Events from Unaudited Years and Years Subsequent to 2010

Due to the special audit of Hamilton County Job and Family Services described in note IV H, the County's financial audits for the years 2004 through 2006 have not been finalized. Accordingly, events described here date back to December 31, 2003; however, any 2007–2010 significant events that are already reflected in those years' financial statements and notes are not repeated in the following list.

- The following debt issuances were approved by the County Commissioners:
 - 2004—\$42,130 Various Purpose Limited Tax General Obligation Refunding Bonds used to advance refund \$40,475 in outstanding general obligation bonds on four debt issuances; \$625 Water and Sewer Special Assessment Bonds used for water and sewer line improvements and \$46,385 Sewer System Refunding Revenue Bonds for MSD used to advance refund \$46,895 in outstanding revenue bonds on three debt issuances;
 - 2005—\$28,715 Various Purpose Limited Tax General Obligation Refunding Bonds used to advance refund \$28,180 in outstanding general obligation bonds on four debt issuances; \$110 Sewer System Special Assessment Bonds used for sewer line improvements; \$86,960 Sewer System Refunding Revenue Bonds used to advance refund \$86,925 in outstanding revenue bonds on three debt issuances; and \$83,600 Sewer System Improvement Revenue Bonds for MSD used to permanently fund certain previous capital expenditures, fund the new bond reserve requirements and pay the cost of issuance;
 - 2006—\$725 Emergency Management and Operations Center General Obligation Bonds used to pay a portion of the costs to construct and improve office facilities for the Emergency Management Agency and the Emergency Operations Center and to equip those facilities; \$19,520 Emergency Services Communications System General Obligation Bonds used to acquire an 800 megahertz radio system and retire maturing notes heretofore issued for this purpose; \$76 Water and Sewer Special Assessment Bonds used to construct certain water and sewer system improvements; \$452,270 Ohio

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Sales Tax Bonds used to advance refund \$462,465 in outstanding sales tax bonds on three debt issuances, fund a reserve and pay costs of issuance; and \$83,045 Sewer System Improvement Revenue Bonds for MSD used to permanently fund certain previous capital expenditures, fund the new bond reserve requirements and pay the cost of issuance;

- 2011—\$275 Sewer District Special Assessment Bonds to be used to construct certain sewer system improvements; \$3,449 (tax-exempt) and \$2,064 (taxable) State of Ohio Air Quality Development Authority Revenue Bonds for energy efficiency and conservation projects; \$72,665 Sales Tax Refunding Bonds used to currently refund remaining principal of the Senior Lien Bonds and a portion of the 2006B bonds, and also to fund a portion of the reserve requirement;
- 2012—\$9,400 Energy Conservation Phase 1A General Obligation Bonds to be used to implement energy conservation measures in various County buildings.
- In 2004, the County redeemed the 1993 Courthouse Improvement Refunding bond issue at a redemption price of 101% of the principal amount plus accrued interest to the date of redemption (\$5,687).
- In 2012, the County sold its real property at 237 William Howard Taft for \$6,150 and used the proceeds to defease a portion of the Series 2001, 2005 and 2007 general obligation bonds.
- In 2012, the County sold Drake Hospital for \$15,000.
- In 2004–2006, there were several real property acquisitions: building and land to be used for Super Jobs Center (\$300), land being used for parking lot and land under County’s Hillcrest School (part of swap with City for County property), and building and land to be used for administrative offices for the Board of Mental Retardation and Developmental Disabilities (\$2,500). During that same period, the County disposed the following real property for the amounts indicated: three land parcels and buildings used for office space (\$4,413 plus land obtained from swap with City), home and land used for residence services for Mental Health and Recovery Services Board clients (\$122), and Educational Services Center building (\$2,299).
- In 2004, the County settled all claims relating to the design and construction of Paul Brown Stadium. The litigation settlement awarded the County was \$14,250, which was accounted for as a reduction of the constructed cost of the Stadium.
- In 2005, the County settled all claims that involved a dispute between the parties related to riverfront redevelopment. In addition to \$2,800 paid in 2004 related to this issue, in 2005, the County paid \$1,450 to Arena Management Holdings LLC for the purpose of Arena-related operations and improvements, signing a new parking lease agreement and funding part of the construction costs for new parking lots near the Arena.
- In 2005, the County settled a civil lawsuit regarding disputes related to contracted costs for the installation of portions of the Sound/MATV/BPM Systems for the Paul Brown Stadium Project. Per the Settlement Agreement, in 2005, the County issued checks totaling \$700 to Great American Insurance Company.
- In 2006, the County settled a civil lawsuit regarding claims for injuries and damages arising from occurrences from 1991 to 2002 in which the then-Hamilton County Coroner or members of his staff retained whole organs for the purpose of examination and testing without notification to the next-of-kin and an opportunity to recover the retained organ. In 2006, the County issued a check for \$6,000 to the Hailey Class Action Qualified Settlement Fund.
- The Board of County Commissioners approved a 12% sewerage rate increase for MSD effective March 2005, 4% effective January 2006, 8% effective January 2011 and 8% effective January 2012.
- On March 16, 2011, the City of Cincinnati’s City Council approved a major plan revision to the City of Cincinnati Retirement System (CRS), which includes MSD. The plan allows for a two-and-half-year transition period from July 1, 2011, to January 1, 2014. Active members who are eligible or become

COUNTY OF HAMILTON, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2010
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eligible to retire and elect to retire during this transition period can retire with 30 years of creditable service or at age 60 with at least five years of creditable service and will receive benefits according to the current plan. Active members who are not eligible to retire and retire before January 1, 2014, will be subject to the new plan benefits. To be eligible to retire, an active employee must have completed 30 years of creditable service and have reached age 60 or older or an employee must have 5 years of creditable service and have reached age 65 or older. The annual retirement allowance through June 30, 2011, will be the same as the current plan. For years of service beginning July 1, 2011, all active employees will receive 2.2% per year of creditable service through 30 years and 2.0% for every year after 30 years of creditable service. Benefits will be calculated using the average of the highest five years' compensation. Under the new plan, pensions are increased based on the Consumer Price Index for All Urban Consumers (CPI-U) with a maximum of 2.0% annually and will be based on simple interest.

- In 2011, the County formed a land reutilization corporation. The Board of County Commissioners legislated that 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes and assessments will be available for appropriation for the use of the Hamilton County Land Reutilization Corporation.

I. Contingent Liabilities—Special Audit

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

One issue raised by the State Auditor in 2004 involved the transfer of funds. At that time, the State Auditor disclosed that she could not make any final determination because the rules and regulations of ODJFS were unclear and at that time ODJFS was unable to provide any additional assistance to the State Auditor. The issue of the transfer of funds by HCJFS has again been raised by the Office of the Auditor of State. The Hamilton County Prosecutor's Office is currently in discussions with the Office of the Auditor of State with regard to the resolution of this issue.

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

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

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

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

COUNTY OF HAMILTON, OHIO
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FOR THE YEAR ENDED DECEMBER 31, 2010
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ODJFS, subsequent to May 2008, requested the assistance of the United States Department of Health and Human Services (HHS) to audit the records of HCJFS with particular regard to expenditures in federally funded programs. HHS commenced its audit of the programs established through ODJFS in which HCJFS participated. HHS commenced its work in September 2008.

In November of 2010, HCJFS received a copy of a draft report issued by the Department of Health and Human Services Office of Inspector General titled Review of Ohio Department of Job and Family Services Claims for Costs Reported by the Hamilton County Department of Job and Family Services. In December of 2010, Hamilton County, through the Office of the Prosecuting Attorney, forwarded correspondence to the Director of the Ohio Department of Job and Family Services offering assistance through the resolution phase of the audit. In February 2011, the Office of the Hamilton County Prosecuting Attorney received a copy of the final report. The final report recommended that the Ohio Department of Job and Family Services refund approximately \$59 million to the federal government, for county agency costs inappropriately claimed through the administrative cost pools.

Since the issuance of the final report by the Department of Health and Human Services, the ODJFS has received information that the \$59 million sought by the federal government from ODJFS is likely to be further reduced by a determination that the collection involving Temporary Assistance for Needy Family Costs (TANF) has been resolved by corrective compliance actions. A final determination on this matter has not yet been received.

In terms of direct liability, ODJFS would have the first responsibility for the payment of any sums to HHS because of the contractual relationship between HHS and ODJFS. HHS has indicated that there are several different scenarios that could be involved with regard to the eventual obligation for the repayment of any federal funds that were not properly expended. The scenarios include a sharing of the payment obligation between ODJFS and HCJFS and/or the recoding and further adjustment of expenditures to fall within allowable federal expenditures and/or the adjustment of funds to be received in the future. Once HHS and ODJFS have agreed on the actual amount that must be refunded and the method by which payment will be made, then ODJFS and HCJFS will meet to discuss an appropriate remedy that reflects each party's individual responsibility for the finding.

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

COUNTY OF HAMILTON, OHIO

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

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

COMBINING FINANCIAL STATEMENTS

NONMAJOR SPECIAL REVENUE FUNDS

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

ANNUALLY BUDGETED

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

MULTIYEAR BUDGETED

Judicial Services Grants

To account for revenue from the federal, State and County governments and expenditures used to provide legal services to eligible County residents.

Public Safety Grants

To account for revenue from the federal, State and County governments and expenditures thereof as prescribed under the various public safety functions.

Health Grants

To account for revenue from the federal, State and County governments and expenditures used to provide health-related services to eligible County residents.

Environmental Control Grants

To account for revenue from the federal, State and County governments and expenditures for the purpose of environmental protection for the community.

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

COMBINING FINANCIAL STATEMENTS

NONMAJOR DEBT SERVICE FUNDS

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

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

NONMAJOR CAPITAL PROJECTS FUND

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

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**COUNTY OF HAMILTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2010**
(Amounts in Thousands)

	Annually Budgeted				Special Revenue					Total Nonmajor Special Revenue Funds
	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Community Development Block Grants	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	
ASSETS										
Equity in Pooled Cash and Investments	\$ 20,852	\$ 49,433	\$ 1,371	\$ 536	\$ -	\$ 653	\$ -	\$ 1,899	\$ -	\$ 74,744
Cash and Cash Equivalents—Segregated Accounts	221	-	-	-	-	-	-	-	-	221
Accounts Receivable	22	1,020	49	597	4	-	-	23	-	1,715
Intergovernmental Receivable	713	1,690	555	799	8,781	135	11,809	2,625	-	27,107
Real and Other Taxes Receivable	9,802	-	-	-	-	-	-	-	-	9,802
Sales Taxes Receivable	-	1,262	-	-	-	-	-	-	-	1,262
Due from Other Funds	242	3,862	2	-	-	-	-	-	-	4,106
Inventories	2,948	-	-	-	-	-	-	-	-	2,948
Special Assessments Receivable	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 34,800	\$ 57,267	\$ 1,977	\$ 1,932	\$ 8,785	\$ 788	\$ 11,809	\$ 4,547	\$ -	\$ 121,905
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts Payable	\$ 762	\$ 1,694	\$ 483	\$ 771	\$ 827	\$ 7	\$ 4,169	\$ 108	\$ -	\$ 8,821
Accrued Wages and Benefits Payable	220	379	12	13	242	3	68	57	-	994
Matured Compensated Absences Payable	39	91	3	22	3	-	73	-	-	231
Intergovernmental Payable	102	545	-	840	70	24	37	2	-	1,620
Retainage Payable	221	-	-	-	-	-	-	-	-	221
Due to Component Unit	-	1,262	-	-	-	-	-	-	-	1,262
Due to Other Funds	4	1,218	53	31	1,886	-	580	16	-	3,788
Advances from Other Funds	-	600	-	-	-	-	-	-	-	600
Deferred Revenue	8,202	1,611	1,077	773	9,143	719	11,567	2,438	-	35,530
Total Liabilities	9,550	7,400	1,628	2,450	12,171	753	16,494	2,621	-	53,067
FUND BALANCES										
Reserved for Encumbrances	9,992	5,436	251	335	3,366	54	10	672	-	20,116
Reserved for Inventories	2,948	-	-	-	-	-	-	-	-	2,948
Unreserved, Undesignated	12,310	44,431	98	(853)	(6,752)	(19)	(4,695)	1,254	-	45,774
TOTAL FUND BALANCES	25,250	49,867	349	(518)	(3,386)	35	(4,685)	1,926	-	68,838
TOTAL LIABILITIES AND FUND BALANCES	\$ 34,800	\$ 57,267	\$ 1,977	\$ 1,932	\$ 8,785	\$ 788	\$ 11,809	\$ 4,547	\$ -	\$ 121,905

	Debt Service			Capital Projects		Total Nonmajor Governmental Funds
	Bond Retirement	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	
ASSETS						
Equity in Pooled Cash and Investments	\$ 300	\$ 928	\$ 871	\$ 2,099	\$ 274	\$ 77,117
Cash and Cash Equivalents—Segregated Accounts	-	-	-	-	-	221
Accounts Receivable	-	-	-	-	-	1,715
Intergovernmental Receivable	-	-	-	-	-	27,107
Real and Other Taxes Receivable	-	-	-	-	-	9,802
Sales Taxes Receivable	-	-	-	-	-	1,262
Due from Other Funds	-	-	-	-	-	4,106
Inventories	-	-	-	-	-	2,948
Special Assessments Receivable	-	-	6,343	6,343	-	6,343
TOTAL ASSETS	\$ 300	\$ 928	\$ 7,214	\$ 8,442	\$ 274	\$ 130,621
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ -	\$ 4	\$ -	\$ 4	\$ -	\$ 8,825
Accrued Wages and Benefits Payable	-	-	-	-	-	994
Compensated Absences Payable	-	-	-	-	-	231
Intergovernmental Payable	-	-	-	-	-	1,620
Retainage Payable	-	-	-	-	-	221
Due to Component Unit	-	-	-	-	-	1,262
Due to Other Funds	-	-	-	-	-	3,788
Advances from Other Funds	-	-	-	-	-	600
Deferred Revenue	-	-	6,343	6,343	-	41,873
Total Liabilities	-	4	6,343	6,347	-	59,414
FUND BALANCES						
Reserved for Encumbrances	-	36	-	36	-	20,152
Reserved for Inventories	-	-	-	-	-	2,948
Unreserved, Undesignated	300	888	871	2,059	274	48,107
TOTAL FUND BALANCES	300	924	871	2,095	274	71,207
TOTAL LIABILITIES AND FUND BALANCES	\$ 300	\$ 928	\$ 7,214	\$ 8,442	\$ 274	\$ 130,621

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Annually Budgeted				Special Revenue					Total Nonmajor Special Revenue Funds
	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Community Development Block Grants	Multiyear Budgeted					
					Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	
REVENUES										
Property Taxes and Special Assessments	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18
Sales and Use Tax	-	8,410	-	-	-	-	-	-	-	8,410
State Shared Taxes	21,468	-	-	-	-	-	-	-	-	21,468
Charges for Services	3,910	21,062	429	-	156	-	-	372	-	25,929
Licenses and Permits	-	4,592	-	-	-	-	-	-	-	4,592
Fines and Forfeitures	324	5,407	2	-	-	-	-	-	-	5,733
Intergovernmental	8,592	14,069	10,030	14,217	23,911	1,154	59,497	4,189	20	135,679
Investment Earnings	15	(47)	(5)	-	(3)	(2)	-	(5)	-	(47)
Other	772	7,743	131	439	741	105	-	489	-	10,420
TOTAL REVENUES	35,099	61,236	10,587	14,656	24,805	1,257	59,497	5,045	20	212,202
EXPENDITURES										
Current:										
General Government	1,175	12,842	-	14,119	142	-	-	766	5	29,049
Judicial	-	9,049	555	-	16,182	112	-	-	-	25,898
Public Safety	-	4,216	202	-	8,752	916	184	100	-	14,370
Social Services	-	11,550	7,372	-	-	-	-	-	-	18,922
Health	-	6,639	-	-	-	-	59,383	-	-	66,022
Public Works	29,690	2,446	-	-	195	-	-	-	-	32,331
Environmental Control	-	2,636	806	-	-	-	-	3,672	-	7,114
Economic and Community Development	-	5,657	-	658	-	-	-	-	-	6,315
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal Retirement	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	30,865	55,035	8,935	14,777	25,271	1,028	59,567	4,538	5	200,021
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,234	6,201	1,652	(121)	(466)	229	(70)	507	15	12,181
OTHER FINANCING SOURCES (USES)										
Transfers In	3,814	1,666	-	-	-	-	1,982	-	-	7,462
Transfers Out	(4,924)	(1,590)	(1,177)	-	-	-	(439)	-	-	(8,130)
Proceeds from Sale of Bonds	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	(1,110)	76	(1,177)	-	-	-	1,543	-	-	(688)
NET CHANGE IN FUND BALANCES	3,124	6,277	475	(121)	(466)	229	1,473	507	15	11,513
FUND BALANCES AT BEGINNING OF YEAR	22,126	43,590	(126)	(397)	(2,920)	(194)	(6,158)	1,419	(15)	57,325
FUND BALANCES AT END OF YEAR	\$ 25,250	\$ 49,867	\$ 349	\$ (518)	\$ (3,386)	\$ 35	\$ (4,685)	\$ 1,926	\$ -	\$ 68,838

	Debt Service				Capital Projects	
	Bond Retirement	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	Total Nonmajor Governmental Funds
REVENUES						
Property Taxes and Special Assessments	\$ -	\$ -	\$ 512	\$ 512	\$ -	\$ 530
Sales and Use Tax	-	747	-	747	-	9,157
State Shared Taxes	-	-	-	-	-	21,468
Charges for Services	-	-	-	-	-	25,929
Licenses and Permits	-	-	-	-	-	4,592
Fines and Forfeitures	-	-	-	-	-	5,733
Intergovernmental	-	257	-	257	-	135,936
Investment Earnings	-	-	-	-	1	(46)
Other	-	3,180	-	3,180	-	13,600
TOTAL REVENUES	-	4,184	512	4,696	1	216,899
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	29,049
Judicial	-	-	-	-	-	25,898
Public Safety	-	-	-	-	-	14,370
Social Services	-	-	-	-	-	18,922
Health	-	-	-	-	-	66,022
Public Works	-	-	-	-	-	32,331
Environmental Control	-	-	-	-	-	7,114
Economic and Community Development	-	-	-	-	-	6,315
Capital Outlay	-	-	-	-	378	378
Debt Service:						
Principal Retirement	-	11,055	364	11,419	-	11,419
Interest and Fiscal Charges	3	4,313	225	4,541	-	4,541
TOTAL EXPENDITURES	3	15,368	589	15,960	378	216,359
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3)	(11,184)	(77)	(11,264)	(377)	540
OTHER FINANCING SOURCES (USES)						
Transfers In	-	11,160	65	11,225	-	18,687
Transfers Out	-	-	-	-	(9)	(8,139)
Proceeds from Sale of Bonds	-	-	-	-	387	387
TOTAL OTHER FINANCING SOURCES (USES), NET	-	11,160	65	11,225	378	10,935
NET CHANGE IN FUND BALANCES	(3)	(24)	(12)	(39)	1	11,475
FUND BALANCES AT BEGINNING OF YEAR	303	948	883	2,134	273	59,732
FUND BALANCES AT END OF YEAR	\$ 300	\$ 924	\$ 871	\$ 2,095	\$ 274	\$ 71,207

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 40,315	\$ 40,315	\$ 39,698	\$ (617)
Sales and Use Tax	57,560	57,560	62,181	4,621
State Shared Taxes	18,771	18,771	21,795	3,024
Charges for Services	40,252	40,252	45,365	5,113
Licenses and Permits	1,543	1,543	1,874	331
Fines and Forfeitures	9,833	9,833	8,901	(932)
Intergovernmental	24,247	24,247	24,262	15
Investment Earnings	9,129	9,129	7,460	(1,669)
Other	10,615	10,615	9,590	(1,025)
TOTAL REVENUES	<u>212,265</u>	<u>212,265</u>	<u>221,126</u>	<u>8,861</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Commissioners/County Administration				
Personnel Services	1,925	1,960	1,947	13
Other Expenditures	868	556	555	1
Capital Outlay	7	-	-	-
Total County Commissioners	<u>2,800</u>	<u>2,516</u>	<u>2,502</u>	<u>14</u>
County Facilities				
Personnel Services	6,427	6,362	6,199	163
Other Expenditures	19,325	18,041	16,005	2,036
Capital Outlay	104	77	76	1
Total County Facilities	<u>25,856</u>	<u>24,480</u>	<u>22,280</u>	<u>2,200</u>
Nondepartmentals				
Personnel Services	853	1,458	1,454	4
Other Expenditures	2,760	2,686	2,660	26
Total Nondepartmental Accounts	<u>3,613</u>	<u>4,144</u>	<u>4,114</u>	<u>30</u>
Contracts and Subsidies				
Other Expenditures	1,171	1,171	1,171	-
Capital Outlay	10	10	-	10
Total Contracts and Subsidies	<u>1,181</u>	<u>1,181</u>	<u>1,171</u>	<u>10</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Administrative Services				
Other Expenditures	\$ 329	\$ 329	\$ 326	\$ 3
Total Administrative Services	<u>329</u>	<u>329</u>	<u>326</u>	<u>3</u>
Auditor				
Personnel Services	1,561	1,471	1,440	31
Other Expenditures	922	984	960	24
Capital Outlay	2	2	2	-
Total Auditor	<u>2,485</u>	<u>2,457</u>	<u>2,402</u>	<u>55</u>
Treasurer				
Personnel Services	383	270	269	1
Other Expenditures	492	355	351	4
Total Treasurer	<u>875</u>	<u>625</u>	<u>620</u>	<u>5</u>
Recorder				
Personnel Services	1,478	1,459	1,457	2
Other Expenditures	156	164	162	2
Capital Outlay	49	177	177	-
Total Recorder	<u>1,683</u>	<u>1,800</u>	<u>1,796</u>	<u>4</u>
Board of Elections				
Personnel Services	4,923	4,923	4,752	171
Other Expenditures	3,514	3,134	2,627	507
Capital Outlay	72	72	8	64
Total Board of Elections	<u>8,509</u>	<u>8,129</u>	<u>7,387</u>	<u>742</u>
Human Resources				
Personnel Services	1,883	1,883	1,833	50
Other Expenditures	790	608	512	96
Total County Personnel	<u>2,673</u>	<u>2,491</u>	<u>2,345</u>	<u>146</u>
Planning and Development				
Personnel Services	2,906	2,838	2,804	34
Other Expenditures	2,447	2,455	2,376	79
Capital Outlay	3	40	36	4
Total Planning and Development	<u>5,356</u>	<u>5,333</u>	<u>5,216</u>	<u>117</u>
TOTAL GENERAL GOVERNMENT	<u>55,360</u>	<u>53,485</u>	<u>50,159</u>	<u>3,326</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
JUDICIAL				
Juvenile Court				
Personnel Services	\$ 16,952	\$ 16,952	\$ 16,561	\$ 391
Other Expenditures	5,316	5,081	5,029	52
Capital Outlay	-	25	23	2
Total Juvenile Court	<u>22,268</u>	<u>22,058</u>	<u>21,613</u>	<u>445</u>
Court of Appeals				
Other Expenditures	67	63	44	19
Capital Outlay	21	22	16	6
Total Court of Appeals	<u>88</u>	<u>85</u>	<u>60</u>	<u>25</u>
Court of Common Pleas				
Personnel Services	1,841	1,841	1,817	24
Other Expenditures	6,707	5,957	5,739	218
Total Court of Common Pleas	<u>8,548</u>	<u>7,798</u>	<u>7,556</u>	<u>242</u>
Municipal Court				
Personnel Services	4,916	4,916	4,882	34
Other Expenditures	343	333	333	-
Total Municipal Court	<u>5,259</u>	<u>5,249</u>	<u>5,215</u>	<u>34</u>
Domestic Relations				
Personnel Services	3,581	3,549	3,531	18
Other Expenditures	114	124	119	5
Total Domestic Relations	<u>3,695</u>	<u>3,673</u>	<u>3,650</u>	<u>23</u>
Probate Court				
Personnel Services	2,254	2,254	2,244	10
Other Expenditures	528	528	524	4
Total Probate Court	<u>2,782</u>	<u>2,782</u>	<u>2,768</u>	<u>14</u>
Clerk of Courts				
Personnel Services	8,858	8,858	8,838	20
Other Expenditures	2,580	2,570	2,475	95
Total Clerk of Courts	<u>11,438</u>	<u>11,428</u>	<u>11,313</u>	<u>115</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public Defender				
Personnel Services	\$ 6,862	\$ 7,015	\$ 6,923	\$ 92
Other Expenditures	6,332	6,329	6,072	257
Total Public Defender	<u>13,194</u>	<u>13,344</u>	<u>12,995</u>	<u>349</u>
Court Reporters				
Personnel Services	2,413	2,338	2,233	105
Other Expenditures	76	76	63	13
Capital Outlay	2	2	1	1
Total Court Reporters	<u>2,491</u>	<u>2,416</u>	<u>2,297</u>	<u>119</u>
Adult Probation				
Personnel Services	6,344	6,344	6,338	6
Other Expenditures	129	122	118	4
Total Adult Probation	<u>6,473</u>	<u>6,466</u>	<u>6,456</u>	<u>10</u>
TOTAL JUDICIAL	<u>76,236</u>	<u>75,299</u>	<u>73,923</u>	<u>1,376</u>
PUBLIC SAFETY				
Communications Center				
Personnel Services	675	675	624	51
Other Expenditures	1,013	792	784	8
Capital Outlay	202	202	166	36
Total Communications Center	<u>1,890</u>	<u>1,669</u>	<u>1,574</u>	<u>95</u>
Sheriff				
Personnel Services	50,592	50,907	49,710	1,197
Other Expenditures	8,970	8,090	7,608	482
Capital Outlay	297	1,042	1,016	26
Total Sheriff	<u>59,859</u>	<u>60,039</u>	<u>58,334</u>	<u>1,705</u>
Prosecutor				
Personnel Services	10,018	11,104	11,086	18
Other Expenditures	558	558	474	84
Capital Outlay	40	40	28	12
Total Prosecutor	<u>10,616</u>	<u>11,702</u>	<u>11,588</u>	<u>114</u>

(Continued)

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Coroner				
Personnel Services	\$ 3,247	\$ 3,297	\$ 3,269	\$ 28
Other Expenditures	499	445	439	6
Capital Outlay	-	4	4	-
Total Coroner	<u>3,746</u>	<u>3,746</u>	<u>3,712</u>	<u>34</u>
TOTAL PUBLIC SAFETY	<u>76,111</u>	<u>77,156</u>	<u>75,208</u>	<u>1,948</u>
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	5	5	1	4
Total Job and Family Services	<u>5</u>	<u>5</u>	<u>1</u>	<u>4</u>
Veterans Service Commission				
Personnel Services	553	544	514	30
Other Expenditures	1,019	969	870	99
Total Veterans Service Commission	<u>1,572</u>	<u>1,513</u>	<u>1,384</u>	<u>129</u>
TOTAL SOCIAL SERVICES	<u>1,577</u>	<u>1,518</u>	<u>1,385</u>	<u>133</u>
PUBLIC WORKS				
Engineer				
Other Expenditures	572	572	572	-
Total Engineer	<u>572</u>	<u>572</u>	<u>572</u>	<u>-</u>
TOTAL PUBLIC WORKS	<u>572</u>	<u>572</u>	<u>572</u>	<u>-</u>
ECONOMIC AND COMMUNITY DEVELOPMENT				
Economic Development				
Personnel Services	156	151	142	9
Other Expenditures	1,204	1,209	1,208	1
Total Economic and Community Development	<u>1,360</u>	<u>1,360</u>	<u>1,350</u>	<u>10</u>
TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT	<u>1,360</u>	<u>1,360</u>	<u>1,350</u>	<u>10</u>
TOTAL EXPENDITURES	<u>211,216</u>	<u>209,390</u>	<u>202,597</u>	<u>6,793</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXCESS OF REVENUES OVER EXPENDITURES	\$ 1,049	\$ 2,875	\$ 18,529	\$ 15,654
OTHER FINANCING SOURCES (USES)				
Transfers In	388	703	769	66
Advances In	50	50	50	-
Transfers Out	(13,472)	(14,276)	(14,229)	47
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(13,034)</u>	<u>(13,523)</u>	<u>(13,410)</u>	<u>113</u>
NET CHANGE IN FUND BALANCE	(11,985)	(10,648)	5,119	15,767
FUND BALANCE AT BEGINNING OF YEAR	20,246	20,246	20,246	-
Prior-Year Encumbrances Appropriated	12,890	12,890	12,890	-
FUND BALANCE AT END OF YEAR	<u>\$ 21,151</u>	<u>\$ 22,488</u>	<u>\$ 38,255</u>	<u>\$ 15,767</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for Services	\$ 34,262	\$ 34,262	\$ 39,701	\$ 5,439
Intergovernmental	160,399	89,299	76,255	(13,044)
Other	2,346	2,346	2,081	(265)
TOTAL REVENUES	<u>197,007</u>	<u>125,907</u>	<u>118,037</u>	<u>(7,870)</u>
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Personnel Services	42,774	42,774	39,873	2,901
Other Expenditures	157,244	81,861	75,153	6,708
Capital Outlay	357	606	548	58
TOTAL SOCIAL SERVICES	<u>200,375</u>	<u>125,241</u>	<u>115,574</u>	<u>9,667</u>
TOTAL EXPENDITURES	<u>200,375</u>	<u>125,241</u>	<u>115,574</u>	<u>9,667</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,368)</u>	<u>666</u>	<u>2,463</u>	<u>1,797</u>
OTHER FINANCING SOURCES				
Transfers In	1,313	1,313	1,311	(2)
TOTAL OTHER FINANCING SOURCES	<u>1,313</u>	<u>1,313</u>	<u>1,311</u>	<u>(2)</u>
NET CHANGE IN FUND BALANCE	(2,055)	1,979	3,774	1,795
FUND BALANCE AT BEGINNING OF YEAR	8,553	8,553	8,553	-
Prior-Year Encumbrances Appropriated	10,048	10,048	10,048	-
FUND BALANCE AT END OF YEAR	<u>\$ 16,546</u>	<u>\$ 20,580</u>	<u>\$ 22,375</u>	<u>\$ 1,795</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 204,453	\$ 197,214	\$ 194,789	\$ (2,425)
Charges for Services	4,814	4,814	4,877	63
Intergovernmental	111,639	133,583	119,174	(14,409)
Other	5,259	5,259	8,242	2,983
TOTAL REVENUES	<u>326,165</u>	<u>340,870</u>	<u>327,082</u>	<u>(13,788)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Personnel Services	14	14	14	-
Other Expenditures	5,964	6,364	4,106	2,258
Capital Outlay	7,072	7,376	6,878	498
TOTAL GENERAL GOVERNMENT	<u>13,050</u>	<u>13,754</u>	<u>10,998</u>	<u>2,756</u>
JUDICIAL				
Personnel Services	323	323	305	18
Other Expenditures	6,855	7,069	6,930	139
TOTAL JUDICIAL	<u>7,178</u>	<u>7,392</u>	<u>7,235</u>	<u>157</u>
PUBLIC SAFETY				
Personnel Services	2,779	2,779	2,662	117
Other Expenditures	15,186	14,797	13,833	964
TOTAL PUBLIC SAFETY	<u>17,965</u>	<u>17,576</u>	<u>16,495</u>	<u>1,081</u>
SOCIAL SERVICES				
Personnel Services	7	7	7	-
Other Expenditures	118,941	149,351	111,420	37,931
TOTAL SOCIAL SERVICES	<u>118,948</u>	<u>149,358</u>	<u>111,427</u>	<u>37,931</u>
HEALTH				
Personnel Services	39,813	40,213	39,878	335
Other Expenditures	152,691	153,266	152,969	297
Capital Outlay	6,073	8,189	1,695	6,494
TOTAL HEALTH	<u>198,577</u>	<u>201,668</u>	<u>194,542</u>	<u>7,126</u>
RECREATIONAL ACTIVITIES				
Personnel Services	7	7	7	-
Other Expenditures	8,704	8,725	8,673	52
TOTAL RECREATIONAL ACTIVITIES	<u>8,711</u>	<u>8,732</u>	<u>8,680</u>	<u>52</u>
TOTAL EXPENDITURES	<u>364,429</u>	<u>398,480</u>	<u>349,377</u>	<u>49,103</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38,264)</u>	<u>(57,610)</u>	<u>(22,295)</u>	<u>35,315</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	3,682	3,682
Transfers Out	(652)	(4,396)	(3,744)	652
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(652)</u>	<u>(4,396)</u>	<u>(62)</u>	<u>4,334</u>
NET CHANGE IN FUND BALANCE	(38,916)	(62,006)	(22,357)	39,649
FUND BALANCE AT BEGINNING OF YEAR	121,417	121,417	121,417	-
Prior-Year Encumbrances Appropriated	27,459	27,459	27,459	-
FUND BALANCE AT END OF YEAR	<u>\$ 109,960</u>	<u>\$ 86,870</u>	<u>\$ 126,519</u>	<u>\$ 39,649</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
MOTOR VEHICLE GAS TAX—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 12	\$ 12	\$ 18	\$ 6
State Shared Taxes	21,712	21,712	21,456	(256)
Charges for Services	2,698	2,698	2,541	(157)
Fines and Forfeitures	364	364	345	(19)
Intergovernmental	760	6,702	7,938	1,236
Investment Earnings	22	22	19	(3)
Other	2,347	2,347	2,636	289
TOTAL REVENUES	<u>27,915</u>	<u>33,857</u>	<u>34,953</u>	<u>1,096</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Personnel Services	1,153	1,153	1,081	72
Other Expenditures	123	123	79	44
Capital Outlay	47	47	42	5
TOTAL GENERAL GOVERNMENT	<u>1,323</u>	<u>1,323</u>	<u>1,202</u>	<u>121</u>
PUBLIC WORKS				
Personnel Services	11,281	11,281	10,128	1,153
Other Expenditures	8,128	8,046	7,761	285
Capital Outlay	23,652	35,798	23,664	12,134
TOTAL PUBLIC WORKS	<u>43,061</u>	<u>55,125</u>	<u>41,553</u>	<u>13,572</u>
TOTAL EXPENDITURES	<u>44,384</u>	<u>56,448</u>	<u>42,755</u>	<u>13,693</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(16,469)</u>	<u>(22,591)</u>	<u>(7,802)</u>	<u>14,789</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	75	1,222	3,814	2,592
Transfers Out	(3,850)	(4,924)	(4,924)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(3,775)</u>	<u>(3,702)</u>	<u>(1,110)</u>	<u>2,592</u>
NET CHANGE IN FUND BALANCE	(20,244)	(26,293)	(8,912)	17,381
FUND BALANCE AT BEGINNING OF YEAR	11,984	11,984	11,984	-
Prior-Year Encumbrances Appropriated	6,619	6,619	6,619	-
FUND BALANCE AT END OF YEAR	<u>\$ (1,641)</u>	<u>\$ (7,690)</u>	<u>\$ 9,691</u>	<u>\$ 17,381</u>

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COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and Use Tax	\$ -	\$ -	\$ 5,578	\$ 5,578
Charges for Services	28,682	28,682	23,172	(5,510)
Licenses and Permits	4,090	4,160	4,616	456
Fines and Forfeitures	4,419	4,419	5,491	1,072
Intergovernmental	35,236	35,236	11,151	(24,085)
Investment Earnings	60	60	16	(44)
Other	11,257	11,257	4,534	(6,723)
TOTAL REVENUES	<u>83,744</u>	<u>83,814</u>	<u>54,558</u>	<u>(29,256)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Personnel Services	6,669	6,794	5,858	936
Other Expenditures	9,481	9,288	8,369	919
Capital Outlay	584	817	730	87
TOTAL GENERAL GOVERNMENT	<u>16,734</u>	<u>16,899</u>	<u>14,957</u>	<u>1,942</u>
JUDICIAL				
Personnel Services	7,191	7,228	6,468	760
Other Expenditures	4,748	4,657	3,450	1,207
Capital Outlay	1,302	1,460	1,246	214
TOTAL JUDICIAL	<u>13,241</u>	<u>13,345</u>	<u>11,164</u>	<u>2,181</u>
PUBLIC SAFETY				
Personnel Services	1,667	1,667	1,530	137
Other Expenditures	3,624	3,558	3,039	519
Capital Outlay	47	564	536	28
TOTAL PUBLIC SAFETY	<u>5,338</u>	<u>5,789</u>	<u>5,105</u>	<u>684</u>
SOCIAL SERVICES				
Personnel Services	6,869	6,869	6,358	511
Other Expenditures	7,263	6,371	4,999	1,372
TOTAL SOCIAL SERVICES	<u>14,132</u>	<u>13,240</u>	<u>11,357</u>	<u>1,883</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
HEALTH				
Personnel Services	\$ 204	\$ 203	\$ 119	\$ 84
Other Expenditures	11,900	12,602	10,803	1,799
TOTAL HEALTH	<u>12,104</u>	<u>12,805</u>	<u>10,922</u>	<u>1,883</u>
PUBLIC WORKS				
Other Expenditures	16,852	17,962	2,282	15,680
Capital Outlay	3,851	2,798	426	2,372
TOTAL PUBLIC WORKS	<u>20,703</u>	<u>20,760</u>	<u>2,708</u>	<u>18,052</u>
ENVIRONMENTAL CONTROL				
Personnel Services	507	507	482	25
Other Expenditures	2,441	2,428	2,252	176
Capital Outlay	6	6	5	1
TOTAL ENVIRONMENTAL CONTROL	<u>2,954</u>	<u>2,941</u>	<u>2,739</u>	<u>202</u>
ECONOMIC AND COMMUNITY DEVELOPMENT				
Other Expenditures	6,500	6,500	5,578	922
TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT	<u>6,500</u>	<u>6,500</u>	<u>5,578</u>	<u>922</u>
TOTAL EXPENDITURES	<u>91,706</u>	<u>92,279</u>	<u>64,530</u>	<u>27,749</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(7,962)</u>	<u>(8,465)</u>	<u>(9,972)</u>	<u>(1,507)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,408	2,409	1,666	(743)
Transfers Out	(1,421)	(2,191)	(1,590)	601
Advances Out	(50)	(50)	(50)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>937</u>	<u>168</u>	<u>26</u>	<u>(142)</u>
NET CHANGE IN FUND BALANCE	(7,025)	(8,297)	(9,946)	(1,649)
FUND BALANCE AT BEGINNING OF YEAR	45,145	45,145	45,145	-
Prior-Year Encumbrances Appropriated	7,039	7,039	7,039	-
FUND BALANCE AT END OF YEAR	<u>\$ 45,159</u>	<u>\$ 43,887</u>	<u>\$ 42,238</u>	<u>\$ (1,649)</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES GRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for Services	\$ 370	\$ 370	\$ 426	\$ 56
Fines and Forfeitures	1	1	2	1
Intergovernmental	6,814	13,192	10,454	(2,738)
Other	65	65	92	27
TOTAL REVENUES	<u>7,250</u>	<u>13,628</u>	<u>10,974</u>	<u>(2,654)</u>
EXPENDITURES				
Current:				
JUDICIAL				
Personnel Services	590	678	447	231
Other Expenditures	165	427	69	358
TOTAL JUDICIAL	<u>755</u>	<u>1,105</u>	<u>516</u>	<u>589</u>
PUBLIC SAFETY				
Personnel Services	192	192	109	83
Other Expenditures	152	152	94	58
TOTAL PUBLIC SAFETY	<u>344</u>	<u>344</u>	<u>203</u>	<u>141</u>
SOCIAL SERVICES				
Other Expenditures	5,311	10,949	8,787	2,162
TOTAL SOCIAL SERVICES	<u>5,311</u>	<u>10,949</u>	<u>8,787</u>	<u>2,162</u>
ENVIRONMENTAL CONTROL				
Other Expenditures	864	1,128	1,128	-
TOTAL ENVIRONMENTAL CONTROL	<u>864</u>	<u>1,128</u>	<u>1,128</u>	<u>-</u>
TOTAL EXPENDITURES	<u>7,274</u>	<u>13,526</u>	<u>10,634</u>	<u>2,892</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(24)</u>	<u>102</u>	<u>340</u>	<u>238</u>
OTHER FINANCING USES				
Transfers Out	-	(1,177)	(1,177)	-
TOTAL OTHER FINANCING USES	<u>-</u>	<u>(1,177)</u>	<u>(1,177)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(24)	(1,075)	(837)	238
FUND BALANCE AT BEGINNING OF YEAR	1,078	1,078	1,078	-
Prior-Year Encumbrances Appropriated	864	864	864	-
FUND BALANCE AT END OF YEAR	<u>\$ 1,918</u>	<u>\$ 867</u>	<u>\$ 1,105</u>	<u>\$ 238</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 13,822	\$ 38,103	\$ 13,660	\$ (24,443)
Other	450	450	436	(14)
TOTAL REVENUES	<u>14,272</u>	<u>38,553</u>	<u>14,096</u>	<u>(24,457)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Personnel Services	1,732	1,579	488	1,091
Other Expenditures	37,244	39,518	23,432	16,086
Capital Outlay	17	30	24	6
TOTAL GENERAL GOVERNMENT	<u>38,993</u>	<u>41,127</u>	<u>23,944</u>	<u>17,183</u>
ECONOMIC AND COMMUNITY DEVELOPMENT				
Personnel Services	187	41	18	23
Other Expenditures	2,805	1,029	630	399
Capital Outlay	18	18	13	5
TOTAL ECONOMIC AND COMMUNITY DEVELOPMENT	<u>3,010</u>	<u>1,088</u>	<u>661</u>	<u>427</u>
TOTAL EXPENDITURES	<u>42,003</u>	<u>42,215</u>	<u>24,605</u>	<u>17,610</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(27,731)</u>	<u>(3,662)</u>	<u>(10,509)</u>	<u>(6,847)</u>
NET CHANGE IN FUND BALANCE	(27,731)	(3,662)	(10,509)	(6,847)
FUND BALANCE AT BEGINNING OF YEAR	541	541	541	-
Prior-Year Encumbrances Appropriated	24	24	24	-
FUND BALANCE AT END OF YEAR	<u>\$ (27,166)</u>	<u>\$ (3,097)</u>	<u>\$ (9,944)</u>	<u>\$ (6,847)</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
BOND RETIREMENT—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Debt Service:				
Fiscal Charges	\$ -	\$ 3	\$ 3	\$ -
TOTAL EXPENDITURES	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>-</u>	<u>(3)</u>	<u>(3)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	(3)	(3)	-
FUND BALANCE AT BEGINNING OF YEAR	<u>303</u>	<u>303</u>	<u>303</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 303</u>	<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ -</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL OBLIGATION NONVOTED—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and Use Tax	\$ 747	\$ 747	\$ 747	\$ -
Intergovernmental	257	257	257	-
Other	3,200	3,200	3,180	(20)
TOTAL REVENUES	<u>4,204</u>	<u>4,204</u>	<u>4,184</u>	<u>(20)</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	11,055	11,055	11,055	-
Interest and Fiscal Charges	4,401	4,360	4,348	12
TOTAL EXPENDITURES	<u>15,456</u>	<u>15,415</u>	<u>15,403</u>	<u>12</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(11,252)</u>	<u>(11,211)</u>	<u>(11,219)</u>	<u>(8)</u>
OTHER FINANCING SOURCES				
Transfers In	11,210	11,210	11,160	(50)
TOTAL OTHER FINANCING SOURCES	<u>11,210</u>	<u>11,210</u>	<u>11,160</u>	<u>(50)</u>
NET CHANGE IN FUND BALANCE	(42)	(1)	(59)	(58)
FUND BALANCE AT BEGINNING OF YEAR	907	907	907	-
Prior-Year Encumbrances Appropriated	41	41	41	-
FUND BALANCE AT END OF YEAR	<u>\$ 906</u>	<u>\$ 947</u>	<u>\$ 889</u>	<u>\$ (58)</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
SPECIAL ASSESSMENTS—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2010**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 528	\$ 528	\$ 513	\$ (15)
TOTAL REVENUES	<u>528</u>	<u>528</u>	<u>513</u>	<u>(15)</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	364	364	364	-
Interest and Fiscal Charges	226	226	225	1
TOTAL EXPENDITURES	<u>590</u>	<u>590</u>	<u>589</u>	<u>1</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(62)</u>	<u>(62)</u>	<u>(76)</u>	<u>(14)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	65	65
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>65</u>	<u>65</u>
NET CHANGE IN FUND BALANCE	(62)	(62)	(11)	51
FUND BALANCE AT BEGINNING OF YEAR	<u>882</u>	<u>882</u>	<u>882</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 820</u>	<u>\$ 820</u>	<u>\$ 871</u>	<u>\$ 51</u>

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

COMBINING FINANCIAL STATEMENTS

The enterprise funds are established to account for operations that are financed and operated in a manner similar to business in the private sector. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

Riverfront Development	To account for revenue received for the construction and operations of future riverfront developments.
Main Street Parking Garage	To account for revenue received for the construction and operations of the Main Street Parking Garage.
Sales Tax Stabilization	To set aside a reserve to meet future debt service payments.
Rotary	To track the cost of various activities of the Sheriff's Department within the County.
Communications Center	To account for the financial activity relating to emergency 911 services for Hamilton County.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2010
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 534	\$ 6,670
Cash and Cash Equivalents—Segregated Accounts	263	-	-
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	3,140	-	-
Accounts Receivable	-	-	-
Intergovernmental Receivable	3,808	-	-
Due from Other Funds	-	22	-
Total Current Assets	<u>7,211</u>	<u>556</u>	<u>6,670</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	3,638	1,827	-
Construction in Progress	76,369	-	-
Total Nondepreciable Capital Assets	<u>80,007</u>	<u>1,827</u>	<u>-</u>
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	129,495	9,273	-
Furniture, Fixtures and Equipment	-	-	-
Less Accumulated Depreciation	<u>(39,298)</u>	<u>(3,413)</u>	<u>-</u>
Total Depreciable Capital Assets, Net	<u>90,197</u>	<u>5,860</u>	<u>-</u>
Total Capital Assets, Net	<u>170,204</u>	<u>7,687</u>	<u>-</u>
Unamortized Financing Costs	495	57	-
Total Noncurrent Assets	<u>170,699</u>	<u>7,744</u>	<u>-</u>
TOTAL ASSETS	<u>177,910</u>	<u>8,300</u>	<u>6,670</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,597	29	-
Due to Other Funds	1,508	-	-
Accrued Wages and Benefits Payable	10	-	-
Intergovernmental Payable	399	10	-
Deferred Revenue	14	-	-
Accrued Interest Payable	5	24	-
Accrued Interest Payable from Restricted Assets	69	-	-
Retainage Payable	661	-	-
Current Portion of Long-Term Debt	<u>770</u>	<u>390</u>	<u>-</u>
Total Current Liabilities	<u>5,033</u>	<u>453</u>	<u>-</u>
Noncurrent Liabilities:			
Accrued Compensated Absences	-	-	-
State Loans Payable	17,160	-	-
Long-Term Debt	<u>18,960</u>	<u>6,784</u>	<u>-</u>
Total Noncurrent Liabilities	<u>36,120</u>	<u>6,784</u>	<u>-</u>
TOTAL LIABILITIES	<u>41,153</u>	<u>7,237</u>	<u>-</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	137,371	513	-
Unrestricted	<u>(614)</u>	<u>550</u>	<u>6,670</u>
TOTAL NET ASSETS	<u>\$ 136,757</u>	<u>\$ 1,063</u>	<u>\$ 6,670</u>

Business-Type Activities

<u>Rotary Funds</u>	<u>Communications Center</u>	<u>Total Nonmajor Enterprise Funds</u>
\$ 598	\$ 2,826	\$ 10,628
-	-	263
-	-	3,140
-	425	425
1,714	-	5,522
2	71	95
<u>2,314</u>	<u>3,322</u>	<u>20,073</u>
-	-	5,465
-	320	76,689
-	<u>320</u>	<u>82,154</u>
-	21,662	160,430
40	6,578	6,618
<u>(27)</u>	<u>(10,531)</u>	<u>(53,269)</u>
13	17,709	113,779
13	18,029	195,933
-	-	552
13	18,029	196,485
<u>2,327</u>	<u>21,351</u>	<u>216,558</u>
1	548	2,175
-	3	1,511
40	118	168
-	13	422
-	-	14
-	-	29
-	-	69
-	-	661
-	-	1,160
<u>41</u>	<u>682</u>	<u>6,209</u>
239	458	697
-	-	17,160
-	-	25,744
<u>239</u>	<u>458</u>	<u>43,601</u>
<u>280</u>	<u>1,140</u>	<u>49,810</u>
13	18,029	155,926
2,034	2,182	10,822
<u>\$ 2,047</u>	<u>\$ 20,211</u>	<u>\$ 166,748</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
OPERATING REVENUES			
Charges for Services	\$ 6,493	\$ 722	\$ -
Lease Rent Revenue	-	-	-
Other	-	-	-
TOTAL OPERATING REVENUES	<u>6,493</u>	<u>722</u>	<u>-</u>
OPERATING EXPENSES			
Personnel Services	54	-	-
Utilities, Fuel and Supplies	464	32	-
Purchased Services	3,763	123	-
Depreciation and Amortization	5,746	310	-
Other	464	38	-
TOTAL OPERATING EXPENSES	<u>10,491</u>	<u>503</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>(3,998)</u>	<u>219</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	2	-	4
Sales and Use Tax	119	-	5,500
Interest Expense	(212)	(355)	-
Fiscal Charges on Long-Term Debt	(165)	(8)	-
Change in Fair Value of Investments	(31)	2	(5)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(287)</u>	<u>(361)</u>	<u>5,499</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(4,285)</u>	<u>(142)</u>	<u>5,499</u>
Capital Contributions	25,157	-	(5,500)
Transfers In	353	445	-
Transfers Out	(853)	-	-
CHANGE IN NET ASSETS	<u>20,372</u>	<u>303</u>	<u>(1)</u>
TOTAL NET ASSETS—BEGINNING	<u>116,385</u>	<u>760</u>	<u>6,671</u>
TOTAL NET ASSETS—ENDING	<u>\$ 136,757</u>	<u>\$ 1,063</u>	<u>\$ 6,670</u>

Business-Type Activities		
Rotary Funds	Communications Center	Nonmajor Enterprise Funds
\$ 9,376	\$ 5,211	\$ 21,802
-	39	39
4	1	5
<u>9,380</u>	<u>5,251</u>	<u>21,846</u>
7,745	4,526	12,325
34	224	754
56	755	4,697
5	1,066	7,127
28	433	963
<u>7,868</u>	<u>7,004</u>	<u>25,866</u>
<u>1,512</u>	<u>(1,753)</u>	<u>(4,020)</u>
-	-	6
-	-	5,619
-	-	(567)
-	-	(173)
(1)	2	(33)
<u>(1)</u>	<u>2</u>	<u>4,852</u>
<u>1,511</u>	<u>(1,751)</u>	<u>832</u>
-	-	19,657
-	1,375	2,173
-	(157)	(1,010)
1,511	(533)	21,652
<u>536</u>	<u>20,744</u>	<u>145,096</u>
<u>\$ 2,047</u>	<u>\$ 20,211</u>	<u>\$ 166,748</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 6,493	\$ 733	\$ -
Lease Rent Revenue	-	-	-
Cash Payments to Suppliers for Goods and Services	(4,407)	(150)	-
Cash Payments for Personnel Costs	(9)	-	-
Other Operating Revenue	-	-	-
Other Operating Expenses	-	(24)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2,077	559	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	119	-	5,500
Transfers from Other Funds	353	445	-
Transfers to Other Funds	(853)	-	-
Deduction from Capital Contributions	-	-	(5,500)
Negative Cash Balance Implicitly Financed from the General Fund	1,467	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	1,086	445	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Other Revenue	14	-	-
Principal Payments on Long-Term Debt	(725)	(370)	-
Interest Payments on Long-Term Debt	(466)	(300)	-
Fiscal Charges on Long-Term Debt	(95)	-	-
Capital Contributions	23,100	-	-
Acquisition and Construction of Property, Plant and Equipment	(37,114)	-	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(15,286)	(670)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments and Pooled Cash and Investments	2	-	4
Change in Fair Value of Investments	(31)	2	(5)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(29)	2	(1)
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	(12,152)	336	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	15,555	198	6,671
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 3,403	\$ 534	\$ 6,670
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (3,998)	\$ 219	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	5,746	310	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	-	32	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	(22)	-
Operating Accounts Payable	(114)	10	-
Accrued Payroll and Other Related Withholdings	4	-	-
Intergovernmental Payable	398	10	-
Compensated Absences	-	-	-
Due to Other Funds	41	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 2,077	\$ 559	\$ -
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 534	\$ 6,670
Cash and Cash Equivalents—Segregated Accounts	263	-	-
Restricted Cash and Cash Equivalents Held by Trustees	3,140	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 3,403	\$ 534	\$ 6,670

Business-Type Activities		
Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 7,779	\$ 5,148	\$ 20,153
-	36	36
(97)	(1,127)	(5,781)
(7,722)	(4,107)	(11,838)
-	1	1
(25)	(381)	(430)
<u>(65)</u>	<u>(430)</u>	<u>2,141</u>
-	-	5,619
-	1,375	2,173
-	(157)	(1,010)
-	-	(5,500)
-	-	1,467
<u>-</u>	<u>1,218</u>	<u>2,749</u>
-	-	14
-	-	(1,095)
-	-	(766)
-	-	(95)
-	-	23,100
-	-	(37,114)
<u>-</u>	<u>-</u>	<u>(15,956)</u>
-	-	6
(1)	2	(33)
<u>(1)</u>	<u>2</u>	<u>(27)</u>
(66)	790	(11,093)
664	2,036	25,124
<u>\$ 598</u>	<u>\$ 2,826</u>	<u>\$ 14,031</u>
\$ 1,512	\$ (1,753)	\$ (4,020)
5	1,066	7,127
27	(81)	(22)
(1,626)	-	(1,626)
(2)	3	(21)
(4)	287	179
6	22	32
-	11	419
17	16	33
-	(1)	40
<u>\$ (65)</u>	<u>\$ (430)</u>	<u>\$ 2,141</u>
\$ 598	\$ 2,826	\$ 10,628
-	-	263
-	-	3,140
<u>\$ 598</u>	<u>\$ 2,826</u>	<u>\$ 14,031</u>

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**COUNTY OF HAMILTON, OHIO
INTERNAL SERVICE FUNDS**

COMBINING FINANCIAL STATEMENTS

The internal service funds are established to account for the financing of goods or services provided by one department of the County to other departments of the County on a cost-reimbursement basis.

Workers' Compensation Reserve	To provide self-insurance to the County through a retrospective rating plan with the State of Ohio for workers' compensation.
Auditor's Computer Center	To account for the financial activity relating to the data processing center.
Multi-County System Agencies	To account for the financial activity of the managed care group involved in treating and caring for foster care children.
Medical Self-Insurance	To account for the financial activity of the County's health-care coverage for its employees.
Workers' Compensation Reserve for Stadiums	To provide the insurance to the labor force constructing Great American Ball Park Baseball Stadium.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2010
(Amounts in Thousands)

	Governmental Activities				
	Workers' Compensation Reserve	Auditor's Computer Center	Multi-County System Agencies	Medical Self- Insurance	Total Governmental Activities
ASSETS					
Current Assets:					
Equity in Pooled Cash and Investments	\$ 4,198	\$ 1,311	\$ 2,206	\$ 2,997	\$ 10,712
Accounts Receivable	-	-	-	1	1
Due from Other Funds	-	-	1,003	23	1,026
Total Current Assets	4,198	1,311	3,209	3,021	11,739
Noncurrent Assets:					
Capital Assets:					
Depreciable Capital Assets, Net:					
Buildings, Structures and Improvements	-	41	-	-	41
Furniture, Fixtures and Equipment	-	614	-	-	614
Less Accumulated Depreciation	-	(540)	-	-	(540)
Total Depreciable Capital Assets, Net	-	115	-	-	115
Total Capital Assets, Net	-	115	-	-	115
Total Noncurrent Assets	-	115	-	-	115
TOTAL ASSETS	4,198	1,426	3,209	3,021	11,854
LIABILITIES					
Current Liabilities:					
Accounts Payable	-	11	680	529	1,220
Accrued Wages and Benefits Payable	1	23	-	1	25
Total Current Liabilities	1	34	680	530	1,245
Noncurrent Liabilities:					
Estimated Future Claims	7,046	-	-	2,628	9,674
Accrued Compensated Absences	-	132	-	-	132
Total Noncurrent Liabilities	7,046	132	-	2,628	9,806
TOTAL LIABILITIES	7,047	166	680	3,158	11,051
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	-	115	-	-	115
Unrestricted	(2,849)	1,145	2,529	(137)	688
TOTAL NET ASSETS	\$ (2,849)	\$ 1,260	\$ 2,529	\$ (137)	\$ 803

Business-Type Activities		
Workers' Compensation Reserve for Stadiums		Totals
\$	-	\$ 10,712
	519	520
	-	1,026
	<u>519</u>	<u>12,258</u>
	-	41
	-	614
	-	(540)
	-	115
	-	115
	-	115
	<u>519</u>	<u>12,373</u>
	519	1,739
	-	25
	<u>519</u>	<u>1,764</u>
	-	9,674
	-	132
	-	9,806
	<u>519</u>	<u>11,570</u>
	-	115
	-	688
\$	<u>-</u>	<u>\$ 803</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Governmental Activities				
	Workers' Compensation Reserve	Auditor's Computer Center	Multi-County System Agencies	Medical Self- Insurance	Total Governmental Activities
OPERATING REVENUES					
Charges for Services	\$ 6,204	\$ 1,700	\$ 9,963	\$ 37,414	\$ 55,281
Other	-	1	-	-	1
TOTAL OPERATING REVENUES	<u>6,204</u>	<u>1,701</u>	<u>9,963</u>	<u>37,414</u>	<u>55,282</u>
OPERATING EXPENSES					
Personnel Services	60	1,175	-	1	1,236
Utilities, Fuel and Supplies	-	86	-	-	86
Purchased Services	-	79	8,497	2,495	11,071
Claims	2,010	-	-	35,071	37,081
Depreciation	-	48	-	-	48
Other	10	61	186	-	257
TOTAL OPERATING EXPENSES	<u>2,080</u>	<u>1,449</u>	<u>8,683</u>	<u>37,567</u>	<u>49,779</u>
OPERATING INCOME (LOSS)	4,124	252	1,280	(153)	5,503
NONOPERATING REVENUES					
Change in Fair Value of Investments	15	1	-	16	32
TOTAL NONOPERATING INCOME	<u>15</u>	<u>1</u>	<u>-</u>	<u>16</u>	<u>32</u>
INCOME (LOSS)	<u>4,139</u>	<u>253</u>	<u>1,280</u>	<u>(137)</u>	<u>5,535</u>
CHANGE IN NET ASSETS	4,139	253	1,280	(137)	5,535
TOTAL NET ASSETS—BEGINNING	<u>(6,988)</u>	<u>1,007</u>	<u>1,249</u>	<u>-</u>	<u>(4,732)</u>
TOTAL NET ASSETS—ENDING	<u>\$ (2,849)</u>	<u>\$ 1,260</u>	<u>\$ 2,529</u>	<u>\$ (137)</u>	<u>\$ 803</u>

Business-Type Activities	
Workers' Compensation Reserve for Stadiums	Totals
\$ -	\$ 55,281
519	520
<u>519</u>	<u>55,801</u>
-	1,236
-	86
-	11,071
223	37,304
-	48
-	257
<u>223</u>	<u>50,002</u>
296	5,799
-	32
<u>-</u>	<u>32</u>
296	5,831
296	5,831
<u>(296)</u>	<u>(5,028)</u>
<u>\$ -</u>	<u>\$ 803</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(Amounts in Thousands)

	Governmental Activities				
	Workers' Compensation Reserve	Auditor's Computer Center	Multi-County System Agencies	Medical Self- Insurance	Total Governmental Activities
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Interfund Services Provided	\$ 6,204	\$ 1,701	\$ 8,960	\$ 37,390	\$ 54,255
Cash Payments to Suppliers for Goods and Services	-	(166)	(8,578)	(34,409)	(43,153)
Cash Payments for Interfund Services Provided	(3,081)	(52)	-	-	(3,133)
Cash Payments for Personnel Costs	(61)	(1,162)	-	-	(1,223)
Other Operating Expenses	-	-	(186)	-	(186)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>3,062</u>	<u>321</u>	<u>196</u>	<u>2,981</u>	<u>6,560</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and Construction of Property, Plant and Equipment	-	(26)	-	-	(26)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(26)</u>	<u>-</u>	<u>-</u>	<u>(26)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Change in Fair Value of Investments	15	1	-	16	32
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>15</u>	<u>1</u>	<u>-</u>	<u>16</u>	<u>32</u>
Net Increase in Cash and Cash Equivalents	3,077	296	196	2,997	6,566
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,121</u>	<u>1,015</u>	<u>2,010</u>	<u>-</u>	<u>4,146</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 4,198</u>	<u>\$ 1,311</u>	<u>\$ 2,206</u>	<u>\$ 2,997</u>	<u>\$ 10,712</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 4,124	\$ 252	\$ 1,280	\$ (153)	\$ 5,503
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	-	48	-	-	48
Net Changes in Operating Assets and Liabilities:					
Accounts Receivable	141	-	-	(1)	140
Due from Other Funds	-	-	(1,003)	(23)	(1,026)
Operating Accounts Payable	(2)	8	(81)	529	454
Accrued Payroll and Related Withholdings	(1)	2	-	1	2
Compensated Absences	-	11	-	-	11
Estimated Future Claims	(1,200)	-	-	2,628	1,428
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 3,062</u>	<u>\$ 321</u>	<u>\$ 196</u>	<u>\$ 2,981</u>	<u>\$ 6,560</u>

Business-Type Activities		
Workers' Compensation Reserve for Stadiums		Totals
\$	-	\$ 54,255
	-	(43,153)
	(4)	(3,137)
	-	(1,223)
	-	(186)
	(4)	6,556
	-	(26)
	-	(26)
	-	32
	-	32
	(4)	6,562
	4	4,150
\$	-	\$ 10,712
\$	296	\$ 5,799
	-	48
	(519)	(379)
	-	(1,026)
	517	971
	-	2
	-	11
	(298)	1,130
\$	(4)	\$ 6,556

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**COUNTY OF HAMILTON, OHIO
AGENCY FUNDS**

COMBINING FINANCIAL STATEMENTS

The agency funds are established to account for assets received and held by the County acting in the capacity of an agent or custodian.

Undivided Tax

To account for all undivided taxes collected by the County and their distribution to the proper beneficiaries.

Other Agency Funds

To account for payroll taxes and other related payroll deductions collected as custodian. To account for the collection of moneys held by the County agencies outside of the County Treasury.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2010
(Amounts in Thousands)

	<u>Undivided Taxes</u>	<u>Other Agency</u>	<u>Total</u>
ASSETS			
Equity in Pooled Cash and Investments	\$ 61,196	\$ 15,380	\$ 76,576
Cash and Cash Equivalents—Segregated Accounts	-	28,930	28,930
Real and Other Taxes Receivable	1,276,635	-	1,276,635
TOTAL ASSETS	<u>\$ 1,337,831</u>	<u>\$ 44,310</u>	<u>\$ 1,382,141</u>
LIABILITIES			
Intergovernmental Payable	\$ 61,196	\$ 8,553	\$ 69,749
Future Tax Collections to Be Distributed	1,276,635	-	1,276,635
Other Current Liabilities	-	35,757	35,757
TOTAL LIABILITIES	<u>\$ 1,337,831</u>	<u>\$ 44,310</u>	<u>\$ 1,382,141</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

(Amounts in Thousands)

	Beginning Balance	Additions	Deductions	Ending Balance
UNDIVIDED TAXES				
ASSETS				
Equity in Pooled Cash and Investments	\$ 55,924	\$2,507,851	\$2,502,579	\$ 61,196
Real and Other Taxes Receivable	1,221,740	1,276,635	1,221,740	1,276,635
TOTAL ASSETS	<u>\$1,277,664</u>	<u>\$3,784,486</u>	<u>\$3,724,319</u>	<u>\$1,337,831</u>
LIABILITIES				
Intergovernmental Payable	\$ 55,924	\$2,507,851	\$2,502,579	\$ 61,196
Future Tax Collections to Be Distributed	1,221,740	1,276,635	1,221,740	1,276,635
TOTAL LIABILITIES	<u>\$1,277,664</u>	<u>\$3,784,486</u>	<u>\$3,724,319</u>	<u>\$1,337,831</u>
OTHER AGENCY FUNDS				
ASSETS				
Equity in Pooled Cash and Investments	\$ 13,356	\$ 902,863	\$ 900,839	\$ 15,380
Cash and Cash Equivalents—Segregated Accounts	25,252	172,512	168,834	28,930
TOTAL ASSETS	<u>\$ 38,608</u>	<u>\$1,075,375</u>	<u>\$1,069,673</u>	<u>\$ 44,310</u>
LIABILITIES				
Intergovernmental Payable	\$ 13,512	\$ 141,062	\$ 146,021	\$ 8,553
Other Current Liabilities	25,096	934,312	923,651	35,757
TOTAL LIABILITIES	<u>\$ 38,608</u>	<u>\$1,075,374</u>	<u>\$1,069,672</u>	<u>\$ 44,310</u>

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**Statistical
Section**

**The County of
Hamilton, Ohio**

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**COUNTY OF HAMILTON, OHIO
STATISTICAL SECTION**

STATISTICAL SCHEDULES

This part of Hamilton County’s comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

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These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.	
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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COUNTY OF HAMILTON, OHIO
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(Accrual Basis of Accounting)
(Amounts in Thousands)

	FISCAL YEAR								
	2002	2003	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES									
Invested in capital assets, net of related debt	\$ 192,051	\$ 557,463	\$ 521,079	\$ 498,840	\$ 465,681	\$ 452,453	\$ 417,001	\$ 379,653	\$ 350,462
Restricted	207,590	206,834	161,926	171,211	192,152	228,753	230,362	283,432	277,533
Unrestricted	17,459	12,247	510	61	8,442	(4,529)	(5,980)	(4,755)	17,777
TOTAL GOVERNMENTAL ACTIVITIES NET ASSETS	<u>\$ 417,100</u>	<u>\$ 776,544</u>	<u>\$ 683,515</u>	<u>\$ 670,112</u>	<u>\$ 666,275</u>	<u>\$ 676,677</u>	<u>\$ 641,383</u>	<u>\$ 658,330</u>	<u>\$ 645,772</u>
BUSINESS-TYPE ACTIVITIES									
Invested in capital assets, net of related debt	\$ 496,643	\$ 528,028	\$ 562,425	\$ 513,763	\$ 522,180	\$ 468,326	\$ 518,371	\$ 506,395	\$ 507,742
Restricted	4,565	5,589	4,128	4,543	4,581	5,810	5,234	6,460	8,408
Unrestricted	236,554	221,749	173,355	223,663	219,627	297,381	267,350	317,285	344,945
TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS	<u>\$ 737,762</u>	<u>\$ 755,366</u>	<u>\$ 739,908</u>	<u>\$ 741,969</u>	<u>\$ 746,388</u>	<u>\$ 771,517</u>	<u>\$ 790,955</u>	<u>\$ 830,140</u>	<u>\$ 861,095</u>
PRIMARY GOVERNMENT									
Invested in capital assets, net of related debt	\$ 688,694	\$ 1,085,491	\$ 1,083,504	\$ 1,012,603	\$ 987,861	\$ 920,779	\$ 935,372	\$ 886,048	\$ 858,204
Restricted	212,155	212,423	166,054	175,754	196,733	234,563	235,596	289,892	285,941
Unrestricted	254,013	233,996	173,865	223,724	228,069	292,852	261,370	312,530	362,722
TOTAL PRIMARY GOVERNMENT NET ASSETS	<u>\$ 1,154,862</u>	<u>\$ 1,531,910</u>	<u>\$ 1,423,423</u>	<u>\$ 1,412,081</u>	<u>\$ 1,412,663</u>	<u>\$ 1,448,194</u>	<u>\$ 1,432,338</u>	<u>\$ 1,488,470</u>	<u>\$ 1,506,867</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾ Unaudited. Due to the ongoing special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts have not been finalized.

COUNTY OF HAMILTON, OHIO
CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(Accrual Basis of Accounting)
(Amounts in Thousands)

	FISCAL YEAR								
	2002	2003	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010
EXPENSES									
Governmental Activities									
General Government	\$ 68,904	\$ 67,679	\$ 79,355	\$ 90,125	\$ 96,900	\$ 90,623	\$ 93,440	\$ 83,610	\$ 100,171
Judicial	112,921	114,395	120,913	121,593	121,663	121,578	118,827	101,347	91,196
Public Safety	90,065	105,239	102,452	123,107	131,933	123,099	117,497	101,128	101,631
Social Services	315,605	319,087	299,144	298,921	285,437	351,580	297,627	271,457	167,874
Health	233,986	233,129	249,589	238,203	249,097	239,911	247,755	252,592	250,968
Public Works	27,519	60,272	51,355	55,499	50,038	51,020	49,839	43,870	50,330
Environmental Control	6,462	5,731	6,587	6,321	6,603	5,811	7,479	7,077	6,720
Economic Development	20,852	25,089	25,994	26,024	18,343	6,068	7,505	6,799	7,527
Parks and Recreation	6,689	6,345	6,202	8,346	8,695	7,475	7,628	8,446	8,481
Interest and Fiscal Charges	8,758	8,175	6,832	5,738	5,710	4,960	4,649	4,880	4,689
Total Governmental Activities Program Expenses	891,761	945,141	948,423	973,877	974,419	1,002,125	952,246	881,206	789,587
Indirect Expenses Allocation ⁽⁴⁾	3,052	3,078	3,255	5,454	6,181	4,565	11,173	6,849	5,212
Indirect Expenses Reimbursement ⁽⁴⁾	-	(3,078)	(3,255)	(5,454)	(6,181)	(4,565)	(11,173)	(6,849)	(5,212)
Total Governmental Activities Expenses	894,813	945,141	948,423	973,877	974,419	1,002,125	952,246	881,206	789,587
Business-Type Activities									
Metropolitan Sewer District	124,452	129,764	143,682	140,037	152,267	155,209	159,071	167,871	194,947
Paul Brown Stadium ⁽³⁾	45,496	48,826	47,802	48,774	46,954	40,517	41,980	39,836	45,582
Baseball Stadium ⁽³⁾	478	18,768	25,885	27,076	26,580	26,436	28,071	25,932	29,671
Cinergy Field ⁽²⁾	4,845	-	-	-	-	-	-	-	-
Riverfront Development	2,460	7,646	9,098	10,642	11,475	13,524	11,649	9,771	10,868
Main Street Parking Garage	1,038	970	1,083	1,011	938	929	900	904	866
Rotary Funds	5,372	5,814	6,209	7,224	6,700	7,609	7,715	6,212	7,868
Communications Center ⁽³⁾	5,058	6,054	6,636	7,180	7,453	6,714	7,183	8,034	7,004
Workers' Compensation Reserve for Stadiums ⁽³⁾	450	249	661	294	161	167	-	-	-
Total Business-Type Activities Expenses	189,649	218,091	241,056	242,238	252,528	251,105	256,569	258,560	296,806
Total Primary Government Expenses	\$ 1,084,462	\$ 1,163,232	\$ 1,189,479	\$ 1,216,115	\$ 1,226,947	\$ 1,253,230	\$ 1,208,815	\$ 1,139,766	\$ 1,086,393
PROGRAM REVENUES									
Governmental Activities									
Charges for Services									
General Government	\$ 52,162	\$ 55,760	\$ 49,569	\$ 55,883	\$ 57,622	\$ 54,450	\$ 51,564	\$ 42,938	\$ 41,937
Judicial	36,835	35,099	35,373	39,141	36,089	36,191	37,118	24,723	28,518
Public Safety	13,496	14,748	13,566	17,252	14,798	14,985	16,944	16,245	16,139
Social Services	93,576	103,725	78,323	61,541	37,839	63,640	6,554	5,924	5,091
Health	18,639	18,582	19,142	22,084	27,987	9,507	9,738	6,579	8,188
Public Works	4,937	6,306	4,562	5,118	4,827	4,982	7,201	4,205	3,858
Environmental Control	3,462	3,424	3,272	3,390	3,449	3,547	3,722	3,536	3,502
Economic Development	716	823	601	721	559	417	1,706	(1,332)	43
Parks and Recreation	764	932	829	1,164	1,254	67	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	3,180
Operating Grants and Contributions	323,814	314,352	295,519	370,522	390,553	377,578	358,919	388,627	266,818
Capital Grants and Contributions	1,968	1,913	4,851	1,857	5,212	8,982	2,000	1,796	3,443
Total Governmental Activities Program Revenues	550,369	555,664	505,607	578,673	580,189	574,346	495,466	493,241	380,717

	FISCAL YEAR								
	2002	2003	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010
Business-Type Activities									
Charges for Services									
Metropolitan Sewer District	\$ 121,447	\$ 128,579	\$ 145,291	\$ 154,171	\$ 163,647	\$ 176,933	189,069	201,273	217,915
Paul Brown Stadium	1,097	371	804	837	856	840	672	774	809
Baseball Stadium	7	3,104	60	1,061	547	1,171	1,163	980	1,071
Cinergy Field ⁽²⁾	4,596	-	-	-	-	-	-	-	-
Riverfront Development	5,364	7,484	5,596	6,219	6,764	6,481	6,664	5,731	6,493
Main Street Parking Garage	829	769	930	841	897	870	913	758	722
Rotary Funds	5,488	5,991	6,587	6,813	7,222	7,354	7,843	6,238	9,376
Communications Center	4,243	4,883	4,738	4,693	5,134	4,633	5,518	4,962	5,250
Workers' Compensation Reserve for Stadiums ⁽³⁾	450	400	622	300	160	167	-	-	-
Capital Grants and Contributions	40,607	48,110	29,694	27,633	26,083	21,234	25,075	12,385	23,684
Total Business-Type Activities Program Revenues	<u>184,128</u>	<u>199,691</u>	<u>194,322</u>	<u>202,568</u>	<u>211,310</u>	<u>219,683</u>	<u>236,917</u>	<u>233,101</u>	<u>265,320</u>
Total Primary Government Program Revenues	<u>\$ 734,497</u>	<u>\$ 755,355</u>	<u>\$ 699,929</u>	<u>\$ 781,241</u>	<u>\$ 791,499</u>	<u>\$ 794,029</u>	<u>\$ 732,383</u>	<u>\$ 726,342</u>	<u>\$ 646,037</u>
NET EXPENSE									
Governmental Activities	\$ (344,444)	\$ (389,477)	\$ (442,816)	\$ (395,204)	\$ (394,230)	\$ (427,779)	\$ (456,780)	\$ (387,965)	\$ (408,870)
Business-Type Activities	(5,521)	(18,400)	(46,734)	(39,670)	(41,218)	(31,422)	(19,652)	(25,459)	(31,486)
Total Primary Government Net Expense	<u>\$ (349,965)</u>	<u>\$ (407,877)</u>	<u>\$ (489,550)</u>	<u>\$ (434,874)</u>	<u>\$ (435,448)</u>	<u>\$ (459,201)</u>	<u>\$ (476,432)</u>	<u>\$ (413,424)</u>	<u>\$ (440,356)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS									
Governmental Activities									
Taxes									
Property Taxes	\$ 237,171	\$ 245,094	\$ 246,486	\$ 258,880	\$ 263,625	\$ 259,345	\$ 248,073	\$ 241,924	\$ 238,961
Sales and Use Taxes	60,007	61,104	63,891	63,428	64,701	66,671	64,923	67,072	72,029
Other Taxes	47,067	45,143	45,899	46,295	46,892	47,735	42,259	44,206	43,606
Grants and Entitlements not Restricted to Specific Programs	-	-	-	-	-	39,249	51,348	59,590	34,474
Gifts and Donations	-	-	-	-	-	-	-	-	82
Unrestricted Investment Earnings	22,942	14,685	12,952	14,198	20,262	22,676	16,733	8,124	7,277
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	1,546
Other Revenue	-	-	-	-	278	-	-	-	-
Transfers	(641)	(198)	(3,872)	(1,000)	(1,500)	847	(1,850)	(16,006)	(1,663)
Total Governmental Activities	<u>366,546</u>	<u>365,828</u>	<u>365,356</u>	<u>381,801</u>	<u>394,258</u>	<u>436,523</u>	<u>421,486</u>	<u>404,910</u>	<u>396,312</u>
Business-Type Activities									
Sales and Use Taxes	31,456	34,412	35,373	33,524	34,329	42,504	36,609	49,026	50,222
Unrestricted Investment Earnings	6,074	1,332	4,327	7,207	13,561	16,548	11,046	(391)	6,436
Other Expenses	(69)	-	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	95	62	-	-	-	-	-	-	126
Loss on Sale of Capital Assets	(75)	-	-	-	-	-	-	-	-
Other Revenue	130	-	-	-	-	-	12	-	3,994
Transfers	641	198	3,872	1,000	1,500	(847)	1,850	16,006	1,663
Total Business-Type Activities	<u>38,252</u>	<u>36,004</u>	<u>43,572</u>	<u>41,731</u>	<u>49,390</u>	<u>58,205</u>	<u>49,517</u>	<u>64,641</u>	<u>62,441</u>
Total Primary Government	<u>\$ 404,798</u>	<u>\$ 401,832</u>	<u>\$ 408,928</u>	<u>\$ 423,532</u>	<u>\$ 443,648</u>	<u>\$ 494,728</u>	<u>\$ 471,003</u>	<u>\$ 469,551</u>	<u>\$ 458,753</u>
CHANGE IN NET ASSETS									
Governmental Activities	\$ 22,102	\$ (23,649)	\$ (77,460)	\$ (13,403)	\$ 28	\$ 8,744	\$ (35,294)	\$ 16,945	\$ (12,558)
Business-Type Activities	32,731	17,604	(3,162)	2,061	8,172	26,783	29,865	39,182	30,955
Total Primary Government	<u>\$ 54,833</u>	<u>\$ (6,045)</u>	<u>\$ (80,622)</u>	<u>\$ (11,342)</u>	<u>\$ 8,200</u>	<u>\$ 35,527</u>	<u>\$ (5,429)</u>	<u>\$ 56,127</u>	<u>\$ 18,397</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾ Unaudited. Due to the ongoing special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts have not been finalized.

⁽²⁾ Cinergy Field was imploded on December 29, 2002, to make room for the then nearly completed Great American Ball Park located immediately next door on the central riverfront.

⁽³⁾ Beginning in 2008, business-type internal service fund activity is consolidated with the activity of the appropriate business-type program.

⁽⁴⁾ Indirect costs increased for the social services function because oversight of building maintenance and other building costs, as well as human resource services, were restructured as part of the general government function and are now charged back to social services as indirect costs.

COUNTY OF HAMILTON, OHIO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Amounts in Thousands)

	FISCAL YEAR									
	2001	2002	2003	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010
GENERAL FUND										
Reserved	\$ 17,285	\$ 38,988	\$ 46,484	\$ 44,919	\$ 43,680	\$ 45,041	\$ 18,979	\$ 9,076	\$ 10,816	\$ 10,848
Unreserved	77,614	62,939	49,020	32,762	37,456	19,057	32,882	37,073	37,667	53,780
TOTAL GENERAL FUND	<u>\$ 94,899</u>	<u>\$ 101,927</u>	<u>\$ 95,504</u>	<u>\$ 77,681</u>	<u>\$ 81,136</u>	<u>\$ 64,098</u>	<u>\$ 51,861</u>	<u>\$ 46,149</u>	<u>\$ 48,483</u>	<u>\$ 64,628</u>
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ 34,869	\$ 29,988	\$ 35,593	\$ 47,773	\$ 34,515	\$ 36,623	\$ 32,523	\$ 28,865	\$ 43,764	\$ 41,181
Unreserved, Reported in:										
Designated for Capital Outlay	-	-	-	-	3,681	8,809	8,809	5,672	5,497	5,768
Special Revenue Funds	127,224	147,496	147,306	85,537	102,418	89,670	134,489	154,029	151,569	187,959
Debt Service Funds	7,931	9,932	7,502	6,237	3,978	3,123	2,161	2,164	2,094	2,059
Capital Projects Fund	14,358	(1,833)	(3,886)	2,619	(2,292)	(1,536)	(1,533)	272	272	274
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<u>\$ 184,382</u>	<u>\$ 185,583</u>	<u>\$ 186,515</u>	<u>\$ 142,166</u>	<u>\$ 142,300</u>	<u>\$ 136,689</u>	<u>\$ 176,449</u>	<u>\$ 191,002</u>	<u>\$ 203,196</u>	<u>\$ 237,241</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾ Unaudited. Due to the ongoing special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts have not been finalized.

COUNTY OF HAMILTON, OHIO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Amounts in Thousands)

	FISCAL YEAR									
	2001	2002	2003	2004 ⁽¹⁾	2005 ⁽¹⁾	2006 ⁽¹⁾	2007	2008	2009	2010
REVENUES										
Property Taxes and Assessments	\$ 219,331	\$ 237,171	\$ 245,094	\$ 244,761	\$ 258,873	\$ 262,442	\$ 256,338	\$ 248,088	\$ 240,272	\$ 235,018
Sales and Use Tax	73,431	60,007	61,104	63,891	63,428	64,701	66,671	64,923	67,072	72,029
State Shared Taxes	56,244	46,109	45,143	45,899	45,894	46,892	47,735	42,350	44,547	43,606
Charges for Services	100,079	150,719	167,323	140,052	134,880	105,840	140,506	84,229	67,139	64,735
Licenses and Permits	5,101	5,691	5,820	6,157	5,679	5,249	6,124	4,995	4,949	6,407
Fines and Forfeitures	10,560	10,318	11,719	11,130	12,065	12,057	13,336	13,658	12,748	14,506
Intergovernmental	346,982	350,207	341,445	327,881	391,115	397,862	421,612	422,222	409,901	348,584
Investment Earnings	27,862	24,197	13,104	12,805	12,083	21,919	26,498	19,701	6,906	7,245
Other	24,049	28,456	27,987	21,566	28,248	30,546	26,447	27,966	21,243	27,205
TOTAL REVENUES	863,639	912,875	918,739	874,142	952,265	947,508	1,005,267	928,132	874,777	819,335
EXPENDITURES										
Current:										
General Government	48,673	56,465	57,062	61,707	61,087	82,703	72,074	69,956	63,451	74,294
Judicial	107,804	111,739	114,561	120,279	121,479	121,974	121,535	118,073	100,058	93,044
Public Safety	88,000	89,680	99,528	101,805	122,068	130,385	121,060	114,554	97,363	100,538
Social Services	316,184	316,232	320,475	300,774	301,568	288,547	352,722	307,296	279,070	175,546
Health	198,632	233,948	234,699	249,790	238,833	249,324	240,811	247,499	251,313	252,088
Public Works	29,855	30,426	34,802	35,399	38,582	39,356	34,056	29,118	26,313	32,903
Environmental Control	5,965	6,615	6,903	6,751	6,825	7,239	6,028	7,715	7,246	7,114
Economic Development	16,947	21,008	25,282	26,047	26,340	18,886	6,175	7,527	6,963	7,534
Parks and Recreation	6,217	6,828	6,482	6,307	8,597	8,927	7,604	7,638	8,455	8,470
Capital Outlay	2,385	11,010	4,658	2,209	4,098	625	2,083	326	699	378
Debt Service:										
Principal Retirement	42,975	11,540	11,820	17,430	12,715	30,785	12,779	12,419	13,485	11,419
Interest and Fiscal Charges	9,858	8,809	8,220	7,148	5,786	5,650	5,030	4,489	4,951	4,541
TOTAL EXPENDITURES	873,495	904,300	924,492	935,646	947,978	984,401	981,957	926,610	859,367	767,869
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,856)	8,575	(5,753)	(61,504)	4,287	(36,893)	23,310	1,522	15,410	51,466
OTHER FINANCING SOURCES (USES)										
Transfers In	58,531	28,429	35,030	45,551	20,136	44,992	28,311	28,906	21,429	24,449
Transfers Out	(58,531)	(29,070)	(35,228)	(47,833)	(21,136)	(46,492)	(27,464)	(30,756)	(37,435)	(26,112)
Proceeds of Refunding Bonds	-	-	-	42,130	28,715	-	18,130	-	-	-
Premium on Bonds Issued	-	-	-	951	1,482	202	193	112	249	-
Payment to Refunded Bonds Escrow Agent	-	-	-	(42,092)	(30,005)	-	(18,104)	-	-	-
Net Proceeds from Sale of Notes	19,490	-	-	-	-	-	-	-	-	-
Net Proceeds from Sale of Bonds	31,860	295	460	625	110	20,321	1,775	9,057	14,875	387
Other	-	-	-	-	-	278	(278)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	51,350	(346)	262	(668)	(698)	19,301	2,563	7,319	(882)	(1,276)
NET CHANGE IN FUND BALANCES	\$ 41,494	\$ 8,229	\$ (5,491)	\$ (62,172)	\$ 3,589	\$ (17,592)	\$ 25,873	\$ 8,841	\$ 14,528	\$ 50,190
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	⁽²⁾	2.3%	2.2%	2.7%	2.0%	3.8%	1.8%	1.8%	2.2%	2.1%

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾ Unaudited. Due to the ongoing special audit of Hamilton County Job and Family Services, the 2004-2006 financial statement amounts have not been finalized.

⁽²⁾ Information not available.

**COUNTY OF HAMILTON, OHIO
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
 OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

(Amounts in Thousands)

Tax Year/ Collection Year	ASSESSED VALUES									Total Direct Tax Rate	Estimated Actual Taxable Value ⁽²⁾⁽³⁾	Assessed Value as a Percentage of Actual Value ⁽¹⁾
	REAL PROPERTY					PERSONAL PROPERTY			TOTAL			
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Public Utility Property	Tangible Property	Public Utility Property	Tax Exempt Property	Taxable Assessed Value ⁽¹⁾			
2000/2001	\$ 10,030,006	\$ 3,431,862	\$ 798,879	\$ 34,208	\$ 17,482	\$ 2,120,376	\$ 977,417	\$ 2,698,690	\$ 17,410,230	\$ 18.89	\$ 51,329,015	33.92%
2001/2002	10,124,753	3,511,724	802,633	33,489	16,435	2,054,198	718,507	2,916,247	17,261,738	20.44	51,051,043	33.81%
2002/2003	11,350,856	3,829,020	856,460	37,706	14,656	1,712,460	743,825	3,130,002	18,544,983	20.84	54,590,609	33.97%
2003/2004	11,423,713	3,882,535	869,278	37,852	4,137	1,750,930	755,400	3,258,651	18,723,845	20.48	55,459,296	33.76%
2004/2005	11,543,391	3,761,655	872,915	38,513	4,162	1,698,978	757,438	3,495,870	18,677,051	20.03	55,246,408	33.81%
2005/2006	13,854,166	4,019,879	923,584	62,487	4,068	1,299,884	750,971	3,914,217	20,915,039	19.78	62,332,325	33.55%
2006/2007	13,921,087	4,017,471	922,763	60,717	4,019	1,002,703	718,505	4,245,482	20,647,265	19.15	63,101,926	32.72%
2007/2008	14,019,425	4,015,680	938,633	59,606	4,176	519,895	604,816	4,553,994	20,162,231	19.53	63,007,426	32.00%
2008/2009	14,206,751	4,300,440	990,862	59,429	7,148	61,888	608,626	4,760,067	20,235,144	19.60	57,734,995	35.05%
2009/2010	14,216,289	4,258,435	998,345	52,560	8,003	34,201	650,513	4,934,617	20,218,346	19.45	57,795,426	34.98%

Source: Hamilton County Auditor's Finance Department.

Note: Property in Hamilton County is reassessed every six years. In Ohio, taxable assessed value is 35% of appraised market value. Estimated actual value is calculated by dividing assessed value by that percent. Tax rates are per \$1,000 of assessed valuation. According to Ohio law, tax exempt property is classified separately and is not included in residential, commercial or industrial properties until it is no longer exempt and its use is determined at a later date.

⁽¹⁾Excludes tax-exempt property.

⁽²⁾Beginning in tax year 2006, values for telecommunication companies were reclassified from the Public Utility property class to the General Tangible Personal property class.

Beginning in tax year 2002, percentages for valuing estimated actual value of Tangible Personal properties vary by class and type.

Beginning in tax year 1990, percentages for valuing estimated actual value of Public Utility properties vary by class, type and age.

⁽³⁾The tangible personal property tax has been phased out for 2009 for all filers except telephone and inter-exchange telecommunications companies, or entities leasing property to these companies.

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COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

	TAX YEAR/COLLECTION YEAR									
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010
HAMILTON COUNTY DIRECT RATES:										
General Operating	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
Debt (Bond Retirement)	0.17	0.16	0.15	0.15	0.15	0.14	0.13	0.13	0.14	-
Drake Hospital	1.59	1.59	1.59	1.59	0.84	0.84	0.84	0.84	0.84	-
For University of Cincinnati Hospital	4.73	5.39	5.39	5.39	5.39	5.32	4.49	4.49	4.49	4.49
For County Police Information Center	0.83	0.83	0.83	0.54	0.54	0.54	0.54	0.54	0.54	0.54
For Developmental Disabilities Board	3.53	3.53	3.53	3.53	3.62	3.62	3.62	3.62	3.62	4.13
For Community Mental Health	2.47	2.47	2.74	2.74	2.74	2.74	2.74	2.99	2.99	2.99
For Support of Children Services	1.87	2.77	2.77	2.72	2.73	2.56	2.77	2.77	2.77	2.77
For Recreation/Zoological Purposes	0.42	0.42	0.42	0.40	0.40	0.40	0.40	0.40	0.46	0.46
For Senior Services	1.02	1.02	1.16	1.16	1.16	1.16	1.16	1.29	1.29	1.29
For Family Treatment & Services										0.34
For Museum Center ⁽¹⁾	-	-	-	-	0.20	0.20	0.20	0.20	0.20	0.18
Total Direct Rate	18.89	20.44	20.84	20.48	20.03	19.78	19.15	19.53	19.60	19.45
TOWNSHIP RATES⁽²⁾:										
Anderson	9.90	11.87	11.87	11.87	11.87	11.87	11.87	11.87	14.57	14.57
Anderson Township Park District	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
Colerain	15.18	15.18	16.18	16.18	16.18	16.18	16.18	17.33	17.33	17.33
Columbia	17.96	17.96	17.96	21.26	21.26	21.26	14.76	14.76	14.76	14.76
Crosby	9.24	9.24	9.24	9.24	9.24	9.24	9.24	10.24	10.24	10.24
Delhi	19.46	19.46	19.46	20.46	20.46	26.34	26.34	26.34	26.34	26.34
Delhi Township Park District	1.00	1.00	1.00	-	-	-	-	-	-	-
Green	8.81	8.31	8.31	8.31	8.31	9.81	9.81	9.81	11.71	11.71
Harrison	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74
Miami	7.45	7.45	9.91	9.91	9.45	9.45	9.91	9.91	9.91	9.91
Springfield	14.30	20.30	20.30	20.30	20.30	20.30	20.30	20.30	20.30	22.80
Sycamore	7.75	7.75	7.75	7.75	7.75	7.75	8.75	8.75	8.75	8.75
Symmes	11.75	11.75	13.45	13.45	12.80	11.90	12.80	13.70	13.70	13.50
Whitewater	10.84	10.84	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44
SCHOOL DISTRICT RATES⁽²⁾:										
Cincinnati	56.93	57.15	56.25	60.75	60.83	59.77	59.37	59.67	67.95	67.87
Deer Park	70.00	70.00	70.00	70.00	70.00	78.63	78.63	78.63	78.63	78.63
Finneytown	72.39	80.34	80.34	79.98	87.72	87.03	86.69	86.67	86.92	86.96
Forest Hills	50.97	50.97	55.87	55.87	55.84	55.66	61.36	61.46	61.65	61.65
Indian Hill	47.10	47.10	47.10	46.70	46.54	46.52	45.42	45.42	46.32	45.82
Lockland	55.95	37.69	37.09	52.69	52.69	52.69	52.09	51.59	51.59	50.79
Loveland	70.14	70.14	70.14	69.89	74.88	74.88	74.74	74.24	74.24	74.24
Madeira	80.22	80.04	79.47	79.47	86.34	85.67	94.77	94.77	95.39	94.02
Mariemont	85.15	85.67	85.42	90.85	90.78	90.57	90.37	97.87	97.87	97.72
Milford	59.10	63.20	63.20	69.10	69.10	69.10	69.10	69.10	74.60	74.60
Mt. Healthy	61.66	61.71	61.63	68.51	68.45	68.41	68.30	74.24	75.03	74.95
North College Hill	57.47	57.47	57.47	57.47	57.47	61.37	61.37	65.36	66.05	65.97
Northwest	49.80	49.80	49.64	49.64	49.64	49.64	49.50	53.39	53.56	53.57
Norwood	52.80	52.95	49.90	50.96	51.08	48.75	48.77	49.40	48.17	49.23
Oak Hills	46.97	46.97	46.74	46.68	46.68	46.68	46.35	46.35	45.90	45.83
Princeton	46.19	46.19	45.79	49.03	49.03	49.03	49.03	49.03	48.99	48.99
Reading	57.18	57.18	57.18	57.18	64.08	64.08	64.08	64.08	64.08	69.79
St. Bernard	43.25	43.86	43.07	44.24	44.63	40.73	46.93	49.17	53.20	52.87
Southwest	47.88	47.75	47.44	47.25	47.08	46.68	45.30	45.30	45.14	44.98
Sycamore	60.84	60.84	60.49	60.40	65.90	65.80	65.79	65.79	65.77	65.77
Three Rivers	39.95	39.95	39.95	39.95	39.95	44.90	44.90	44.90	44.90	44.90
Winton Woods	70.08	70.08	70.08	70.08	78.03	78.03	78.03	78.03	78.03	85.93
Wyoming	70.39	70.29	70.08	78.93	78.93	88.68	87.91	87.87	87.87	87.84
Great Oaks Joint Vocational	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Butler Tech Joint Vocational										1.93

**COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)**

	TAX YEAR/COLLECTION YEAR									
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010
CITY & VILLAGE RATES⁽¹⁾:										
Addyston	5.59	5.59	5.59	5.59	7.59	7.59	7.59	7.59	7.59	7.59
Amberley	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Arlington Heights	10.82	10.82	9.52	9.52	9.52	9.52	11.52	11.52	11.52	11.52
Blue Ash	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Cheviot	12.62	12.56	12.42	12.42	12.22	14.52	14.52	14.52	14.52	20.13
Cincinnati	10.76	10.76	10.63	10.36	10.34	10.19	9.93	9.89	9.89	9.82
Cleves	17.41	13.66	13.66	13.66	13.66	13.33	12.99	12.99	12.99	12.99
Deer Park	3.55	3.55	3.55	3.55	3.55	3.55	3.55	10.45	10.45	10.45
Elmwood Place	17.78	17.78	17.78	17.78	7.78	17.78	17.78	17.78	17.78	17.78
Evendale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fairfax	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
Fairfield	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94
Forest Park	8.01	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76
Glendale	21.65	21.55	22.61	22.23	21.83	21.39	21.18	21.03	20.08	20.08
Golf Manor	25.32	24.52	24.52	24.52	24.52	30.52	38.52	38.52	38.52	38.52
Greenhills	25.99	25.93	27.98	27.33	28.72	28.63	28.23	28.23	27.88	27.83
Harrison	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	11.19	14.50
Indian Hill	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
Lincoln Heights	20.08	24.58	26.33	26.33	26.33	28.33	28.33	35.33	35.33	35.33
Lockland	6.02	6.02	6.02	6.02	6.02	6.02	7.52	7.52	7.52	7.52
Loveland	10.00	12.00	12.00	12.00	11.00	12.00	10.35	10.35	10.35	10.35
Madeira	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Mariemont	12.44	12.44	12.44	14.37	14.37	14.37	14.37	14.37	14.37	14.37
Milford	12.00	12.00	12.00	12.00	12.00	12.00	11.80	11.80	11.80	11.80
Montgomery	10.75	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05
Mt. Healthy	8.11	8.11	8.11	8.11	11.11	11.11	11.11	11.11	11.11	11.11
Newtown	6.87	6.87	10.37	10.37	7.87	5.87	2.37	2.37	2.37	2.37
North Bend	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09
North College Hill	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98
Norwood	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Reading	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52
St. Bernard	2.28	2.28	2.28	2.28	4.28	11.28	11.28	11.28	11.28	11.28
Sharonville	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Silverton	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15
Springdale	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Terrace Park	14.86	14.86	14.86	14.86	19.84	19.78	11.80	11.67	12.09	8.59
Woodlawn	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Wyoming	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICT RATES⁽¹⁾:										
Deer Park/Silverton Joint Fire District	6.50	6.50	6.50	6.50	6.50	6.50	6.40	6.40	6.40	6.40
Eastern Joint Ambulance District	2.20	3.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Little Miami Joint Fire District	0.00	2.50	2.50	2.50	2.50	2.50	9.75	9.75	9.75	12.05
Western Joint Ambulance District	1.25	1.25	1.25	1.25	1.25	1.25	2.25	2.25	2.25	2.25
Hamilton County Park District	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Public Library of Cincinnati & Hamilton County										1.00

Source: Hamilton County Auditor's Finance Department—Tax Year Data.

- Note: (1) The Ohio Constitution permits local governments, as a group within a taxing district, to levy up to 10 mills without a vote of the electorate. These levies, collectively called inside millage levies because they fall within the 10-mill limit, are also known as unvoted levies. The allocation of inside millage between entities is set by statute.
- (2) The County's special revenue levy property tax rates may be increased only by a majority vote of the County's residents.
- (3) The bond retirement rate is adjusted annually to meet the principal and interest payments required each year.
- (4) A state-mandated County-wide property reappraisal was implemented in 2005.

⁽¹⁾Overlapping rates are those of local governments that apply to property owners within Hamilton County. Not all overlapping rates apply to all Hamilton County property owners.

**COUNTY OF HAMILTON, OHIO
PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2010**

(Amounts in Thousands)

Name of Taxpayer	COLLECTION YEAR 2010			COLLECTION YEAR 2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Ohio, Inc. (formerly Cinergy Corp.)	\$630,255	1	3.10%	\$738,870	1	4.30%
City of Cincinnati	84,622	2	0.42%	52,338	8	0.34%
Procter & Gamble Company	84,242	3	0.41%	249,985	2	1.46%
Duke Realty Ohio	49,925	4	0.25%	74,759	6	0.45%
Fifth Third Bank	30,629	5	0.15%	—		—
Cincinnati Trophy LLC	29,778	6	0.15%	—		—
Emery Realty, Incorporated	27,572	7	0.14%	—		—
Dayton Power and Light	25,608	8	0.13%	—		—
Northgate Partners LLC	24,768	9	0.12%	—		—
OTR	24,150	10	0.12%	—		—
Cincinnati Bell Telephone	—		—	186,208	3	1.00%
General Electric	—		—	90,048	4	0.45%
Ford Motor Company	—		—	74,972	5	0.44%
Concordia Properties	—		—	52,500	7	0.30%
Cognis Corporation	—		—	40,656	9	0.21%
Bayer	—		—	37,055	10	0.21%
Totals	\$1,011,549		4.98%	\$1,597,391		9.16%

Source: Hamilton County Auditor's Office.

**COUNTY OF HAMILTON, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
REAL, UTILITY AND TANGIBLE TAXES
LAST TEN YEARS
(Amounts not in 000s)**

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Current Levy Collected	Delinquent Collection	Total Collection	Total Collections as a Percent of Current Levy
2000/2001	\$ 258,587,877	\$ 17,663,002	\$ 276,250,879	\$ 250,641,616	96.93%	\$ 9,753,318	\$ 260,394,934	100.70%
2001/2002	267,344,070	19,860,313	287,204,383	256,462,254	95.93%	9,852,828	266,315,082	99.62%
2002/2003	276,021,171	22,495,097	298,516,268	263,874,726	95.60%	10,000,935	273,875,661	99.22%
2003/2004	273,222,115	32,541,628	305,763,743	258,444,557	94.59%	12,981,829	271,426,386	99.34%
2004/2005	288,178,852	28,464,904	316,643,756	273,199,691	94.80%	13,903,872	287,103,563	99.63%
2005/2006	282,849,186	28,038,048	310,887,234	268,658,332	94.98%	14,813,792	283,472,124	100.22%
2006/2007	275,879,899	31,265,406	307,145,305	259,830,004	94.18%	17,578,853	277,408,857	100.55%
2007/2008	272,851,350	28,852,892	301,704,242	259,904,717	95.26%	13,535,836	273,440,553	100.22%
2008/2009	268,405,061	24,986,543	293,391,604	255,494,652	95.19%	11,893,488	267,388,140	99.62%
2009/2010	268,360,431	23,906,442	292,266,873	250,349,774	93.29%	9,796,207	260,145,981	96.94%
Totals	\$ 2,731,700,012	\$ 258,074,275	\$ 2,989,774,287	\$ 2,596,860,323		\$ 124,110,958	\$ 2,720,971,281	

Source: Hamilton County Auditor's Finance Department.

Includes the rollback, homestead and \$10K personal property reimbursements from the State of Ohio.

Note: Collections in subsequent years for property taxes are not available because the tax tracking system does not differentiate between tax years.

COUNTY OF HAMILTON, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	GOVERNMENTAL ACTIVITIES						BUSINESS-TYPE ACTIVITIES						Total Primary Government	Percentage of Personal Income ⁽¹⁾⁽²⁾	Per Capita ⁽¹⁾
	General Obligation Bonds Voted	General Obligation Bonds Unvoted	Special Assessment Bonds	General Obligation Notes	Loan Contracts	State Loans	Metropolitan Sewer District Revenue Bonds	Parking Facility Revenue Bonds	Sales Tax Bonds	Parking Facility General Obligation Bonds	Metropolitan Sewer District Loans	Riverfront Development State Loans			
2001	\$ 19,545	\$ 135,885	\$ 3,555	\$ 19,490	\$ 5,743	\$ -	\$ 436,805	\$ 24,500	\$ 622,847	\$ 9,625	\$ 18,891	\$ -	\$ 1,296,886	4.35%	\$ 1,527
2002	17,360	126,770	3,605	19,490	5,601	-	420,885	24,500	621,097	9,380	17,953	-	1,266,641	4.12%	1,493
2003	15,110	117,450	3,805	19,490	5,381	-	490,975	24,020	616,222	9,120	17,735	-	1,319,308	4.19%	1,557
2004	12,790	104,280	4,160	19,490	5,535	-	472,985	23,510	610,122	8,855	23,850	-	1,285,577	3.88%	1,518
2005	10,400	94,790	3,970	19,490	5,353	1,619	536,335	22,970	606,122	8,580	28,503	-	1,338,132	3.95%	1,580
2006	7,930	106,475	3,781	-	5,221	1,359	596,250	22,395	590,802	8,290	29,344	-	1,371,847	3.82%	1,618
2007	5,380	97,990	4,252	-	6,465	3,225	642,570	21,785	581,712	8,265	27,717	-	1,399,361	3.80%	1,635
2008	2,740	97,320	4,200	-	4,791	3,543	613,745	21,140	571,737	7,920	46,170	-	1,373,306	3.66%	1,609
2009	-	101,050	4,600	-	4,661	3,144	733,325	20,455	560,922	7,560	44,718	17,160	1,497,595	4.13%	1,751
2010	-	89,995	4,623	-	4,468	2,607	787,100	19,730	558,782	7,190	93,817	17,160	1,585,472	4.31%	1,976

Source: Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾See the Schedule of Demographic and Economic Statistics on page 163 for personal income and population data.

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COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—TOTAL DEBT LIMIT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limitation of Assessed Valuation	\$ 433,756	\$ 430,052	\$ 462,125	\$ 466,596	\$ 465,426	\$ 521,376	\$ 514,682	\$ 502,556	\$ 504,379	\$ 503,958
Total Net Debt Applicable to Debt Limitation	135,193	124,458	117,956	105,615	78,554	93,289	85,365	84,827	88,756	80,541
Legal Debt Margin Remaining	<u>\$ 298,563</u>	<u>\$ 305,594</u>	<u>\$ 344,169</u>	<u>\$ 360,981</u>	<u>\$ 386,872</u>	<u>\$ 428,087</u>	<u>\$ 429,317</u>	<u>\$ 417,729</u>	<u>\$ 415,623</u>	<u>\$ 423,417</u>
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	31.17%	28.94%	25.52%	22.64%	16.88%	17.89%	16.59%	16.88%	17.60%	15.98%

Legal Debt Margin Calculation for Fiscal Year 2010—Total Debt Limit

Assessed Valuation	\$ 20,218,346
Debt Limitation of Assessed Valuation⁽¹⁾	503,958
Debt Applicable to Limit:	
Outstanding Debt	1,566,712
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	787,100
Metropolitan Sewer District Loans	93,817
Special Assessments	4,623
Juvenile Youth Center	4,150
Waterline West Phase I	1,545
Alms & Doepke Building	7,784
Waterline West Phase II	1,070
Sales Tax Supported Bonds	558,782
Parking Garage Revenue Bond	19,730
Urban Redevelopment	5,475
Total Debt Exempt from Calculation	<u>1,484,076</u>
Less: Available Funds in Debt Service Funds as of December 31, 2010	<u>(2,095)</u>
Total Net Debt Applicable to Debt Limitation	<u>80,541</u>
Legal Debt Margin Remaining	<u>\$ 423,417</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is a total of a sum equal to the following:

three percent (3%) of the first \$100,000,000 of the assessed valuation,	\$ 3,000
plus one and a half percent (1.5%) of such valuation of \$100,000,000 and not in excess of \$300,000,000,	3,000
plus two and a half percent (2.5%) of such valuation in excess of \$300,000,000.	497,958
	<u>\$ 503,958</u>

COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—UNVOTED DEBT LIMIT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limitation of Assessed Valuation	\$ 174,102	\$ 172,621	\$ 185,450	\$ 187,238	\$ 186,771	\$ 209,150	\$ 206,473	\$ 201,622	\$ 202,351	\$ 202,183
Total Net Debt Applicable to Debt Limitation	<u>115,648</u>	<u>107,098</u>	<u>102,846</u>	<u>92,825</u>	<u>68,154</u>	<u>84,359</u>	<u>79,985</u>	<u>82,087</u>	<u>88,756</u>	<u>80,541</u>
Legal Debt Margin Remaining	<u>\$ 58,454</u>	<u>\$ 65,523</u>	<u>\$ 82,604</u>	<u>\$ 94,413</u>	<u>\$ 118,617</u>	<u>\$ 124,791</u>	<u>\$ 126,488</u>	<u>\$ 119,535</u>	<u>\$ 113,595</u>	<u>\$ 121,642</u>
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	66.43%	62.04%	55.46%	49.58%	36.49%	40.33%	38.74%	40.71%	43.86%	39.84%

Legal Debt Margin Calculation for Fiscal Year 2010—Unvoted Debt Limit

Assessed Valuation	\$ 20,218,346
Debt Limitation of Assessed Valuation⁽¹⁾	202,183
Debt Applicable to Limit: Outstanding Debt	1,566,712
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	787,100
Metropolitan Sewer District Loans	93,817
Special Assessments	4,623
Juvenile Youth Center	4,150
Waterline West Phase I	1,545
Alms & Doepke Building	7,784
Waterline West Phase II	1,070
Sales Tax Supported Bonds	558,782
Parking Garage Revenue Bond	19,730
Urban Redevelopment	5,475
Total Debt Exempt from Calculation	<u>1,484,076</u>
Less: Available Funds in Debt Service Funds as of December 31, 2010	<u>(2,095)</u>
Total Net Debt Applicable to Debt Limitation	<u>80,541</u>
Legal Debt Margin Remaining	<u>\$ 121,642</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is one percent of the total assessed valuation. \$ 202,183

COUNTY OF HAMILTON, OHIO
PLEGGED REVENUE COVERAGE—METROPOLITAN SEWER DISTRICT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

SEWER REVENUE BONDS

Fiscal Year	Sewerage Charges and Other	Less: Operating Expenses	Revenues Transferred to Surplus ⁽¹⁾	Net Revenue Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2001	\$ 127,707	\$ 70,312	\$ 5,350	\$ 62,745	\$ 13,950	\$ 20,793	1.81
2002	130,997	75,436	3,186	58,747	15,920	22,951	1.51
2003	138,388	79,995	4,612	63,005	16,930	24,235	1.53
2004	154,440	87,670	8,710	75,480	17,480	24,531	1.80
2005	166,749	88,115	11,241	89,875	20,285	22,938	2.08
2006	181,167	97,005	9,049	93,211	23,130	26,218	1.89
2007	197,583	103,531	10,438	104,490	26,065	29,119	1.89
2008	202,406	101,033	15,716	117,089	28,825	31,037	1.96
2009	209,073	103,825	18,100	123,348	30,235	31,391	2.00
2010	227,040	120,368	18,418	125,090	31,845	37,546	1.80

Source: Audited MSD financial reports.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sewerage Charges and Other includes sewerage service charges, sewer surcharges, all other operating revenues, interest income, capitalized interest income and tap-in/connection fees. Operating expenses do not include interest, depreciation or amortization expenses.

⁽¹⁾Half of pledged revenues are transferred to a surplus account.

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**COUNTY OF HAMILTON, OHIO
PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

(Amounts in Thousands)

ADJUSTABLE RATE PARKING SYSTEM REVENUE BONDS							
Fiscal Year	Parking Service Charges and Other ⁽¹⁾	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage	
				Principal ⁽²⁾	Interest		
2001	\$ -	\$ -	\$ -	\$ -	\$ -	-	
2002	5,650	1,592	4,058	-	338	12.01	
2003	5,021	3,416	1,605	480	260	2.17	
2004	5,596	3,603	1,993	510	285	2.51	
2005	6,219	4,307	1,912	540	550	1.75	
2006	6,764	4,372	2,392	575	855	1.67	
2007	6,481	4,503	1,978	610	816	1.39	
2008	6,664	4,299	2,365	645	474	2.11	
2009 ⁽³⁾⁽⁴⁾	5,731	3,641	2,090	685	93	2.69	
2010	6,493	4,680	1,813	725	49	2.34	

Source: Audited Hamilton County financial statements.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾Parking Service Charges and Other includes charges for services and sales and use tax revenues.

Operating Expenses do not include interest, depreciation or amortization expenses.

⁽²⁾2002 was the first full year of operations for the parking garage and the first year of debt service requirements.

No principal payments were scheduled in this period.

⁽³⁾In May 2009, the County obtained a loan from the State of Ohio in the amount of \$11,685 for construction of an intermodal transit facility. The loan is secured by parking revenues, sales tax receipts, and by other non-tax revenues of the County on a contingent basis. The loan will be repaid in 2012–2019. Loan interest rates range from 3.00% to 4.25%.

⁽⁴⁾In October 2009, the County secured a loan for \$5,475 from the State of Ohio for riverfront development.

The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati.

The loan will be repaid in 2015–2024. Loan interest rates are 0% for the first five years and 3% thereafter.

SPECIAL ASSESSMENT BONDS

SALES TAX BONDS⁽⁵⁾

Special Assessment Collections	Debt Service			Coverage	Sales Tax Collections ⁽⁵⁾	Paul Brown Stadium Debt Service		Baseball Stadium Debt Service		Coverage
	Principal	Interest	Coverage			Principal ⁽⁶⁾	Interest	Principal ⁽⁷⁾	Interest	
\$ 487	\$ 295	\$ 214	0.96	\$ 59,107	\$ -	\$ 18,311	\$ -	\$ -	3.23	
411	240	202	0.93	60,298	2,010	16,673	-	-	3.23	
456	250	201	1.01	60,385	1,273	16,591	3,602	4,893	2.29	
501	285	210	1.01	63,435	2,021	18,793	4,079	10,794	1.78	
481	300	217	0.93	64,030	1,325	18,691	2,675	10,589	1.92	
491	265	201	1.05	64,022	1,698	18,631	3,427	10,468	1.87	
468	279	191	1.00	66,232	2,567	17,243	6,523	9,063	1.87	
485	314	217	0.91	65,381	2,955	17,522	7,019	9,002	1.79	
467	310	216	0.89	60,630	3,219	17,372	7,595	8,659	1.65	
512	364	225	0.87	62,172	2,140	17,201	-	8,269	2.25	

⁽⁵⁾On March 19, 1996, voters of Hamilton County approved a ½% increase in the County's general sales tax. The County Commissioners approved by resolution that this additional tax be used for the development of the riverfront area, including construction of the football and baseball stadiums—Paul Brown Stadium and Great American Ball Park. The sales tax bonds are not a general obligation of the County. They are secured by the County's pledge and assignment of the revenue from the additional ½% sales tax.

⁽⁶⁾2000 was the first full year of operations for the football stadium (Paul Brown Stadium) and the first year of debt service requirements. No principal payments were scheduled in 2000 or 2001.

⁽⁷⁾2003 was the first full year of operations for the baseball stadium (Great American Ball Park) and the first year of debt service requirements.

COUNTY OF HAMILTON, OHIO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value⁽¹⁾ of Property	Per Capita⁽²⁾
2001	\$ 165,055	\$ 7,931	\$ 157,124	0.31%	\$ 184.98
2002	153,510	9,932	143,578	0.28%	169.25
2003	141,680	7,502	134,178	0.25%	158.33
2004	125,925	6,237	119,688	0.22%	141.36
2005	113,770	3,978	109,792	0.20%	129.60
2006	122,695	3,123	119,572	0.19%	141.06
2007	111,635	2,161	109,474	0.17%	127.90
2008	107,980	2,164	105,816	0.17%	123.98
2009	108,610	2,094	106,516	0.18%	124.57
2010	97,185	2,059	95,126	0.16%	118.56

Source: Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 148 for property value data.

⁽²⁾Population data can be found in the Schedule of Demographic and Economic Statistics on page 163.

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population⁽¹⁾	Personal Income⁽²⁾ (Amounts in 000s)	Per Capita Personal Income	Annual Average Unemployment Rate⁽³⁾	Median Age⁽⁴⁾
2001	849,398	\$ 29,798,516	\$ 35,082	4.00%	36.3
2002	848,344	30,727,789	36,221	5.40%	36.1
2003	847,484	31,468,832	37,132	5.40%	36.5
2004	846,707	33,147,641	39,149	5.50%	36.7
2005	847,182	33,918,902	40,037	5.40%	37.6
2006	847,656	35,914,206	42,369	5.00%	37.8
2007	855,928	36,835,038	43,035	5.00%	38.0
2008	853,508	37,484,285	43,918	5.60%	38.6
2009	855,062	36,248,694	42,393	8.90%	36.8
2010	802,374	36,770,921	45,828	9.50%	37.1

Data Sources:

⁽¹⁾U. S. Department of Commerce, Bureau of the Census, 2000 or 2010 Census and Midyear Population Estimates

⁽²⁾U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System

⁽³⁾Ohio Department of Job and Family Services, Labor Market Information

⁽⁴⁾U. S. Department of Commerce, Bureau of the Census, 2001–2010 American FactFinder Fact Sheets

**COUNTY OF HAMILTON, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Name of Employer⁽¹⁾⁽²⁾	2010			2001		
	Number of Employees⁽¹⁾	Rank	Percentage of Total County Employment	Number of Employees⁽²⁾	Rank	Percentage of Total County Employment
Kroger Company	17,000	1	4.58%	12,000	4	2.94%
University of Cincinnati	15,162	2	4.09%	14,084	1	3.45%
Procter & Gamble Company	14,000	3	3.77%	13,700	2	3.35%
Cincinnati Children's Hospital Medical Center	12,057	4	3.25%	6,433	10	1.57%
TriHealth Incorporated	9,898	5	2.67%	6,758	8	1.65%
Mercy Health	8,550	6	2.30%	7,223	6	1.77%
Archdiocese of Cincinnati	8,000	7	2.16%	—	—	—
General Electric Aviation (Aircraft Engines)	7,300	8	1.97%	7,500	5	1.84%
Walmart Stores	6,932	9	1.87%	—	—	—
Fifth Third Bancorp	6,771	10	1.82%	—	—	—
Health Alliance of Greater Cincinnati Incorporated	—	—	—	13,505	3	3.31%
Cincinnati Public Schools	—	—	—	7,132	7	1.75%
City of Cincinnati	—	—	—	6,500	9	1.59%
Total Principal Employers	105,670		28.47%	94,835		23.21%
Total County Employed⁽³⁾	371,100			408,600		

Data Sources:

⁽¹⁾Cincinnati Business Courier 2011 Book of Lists

⁽²⁾Cincinnati Business Courier Spring 2002 Book of Business Lists

⁽³⁾Ohio Department of Job & Family Services, Labor Market Information

COUNTY OF HAMILTON, OHIO
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	FULL-TIME EQUIVALENT EMPLOYEES									
	2001	2002	2003	2004	2005	2006	2007	2008	2009⁽¹⁵⁾	2010⁽¹⁷⁾
General Government ⁽¹⁾⁽²⁾⁽¹¹⁾⁽¹³⁾⁽¹⁶⁾	487.20	486.60	471.33	488.51	477.45	478.27	494.52	522.21	499.69	427.13
Judicial ⁽²⁾⁽¹¹⁾⁽¹⁴⁾	1,729.97	1,731.69	1,722.81	1,727.74	1,725.57	1,719.26	1,686.15	1,672.62	1,450.13	1,298.06
Public Safety ⁽²⁾⁽¹¹⁾	1,174.55	1,174.35	1,183.61	1,179.35	1,185.81	1,230.90	1,202.36	1,170.15	950.33	963.21
Social Services ⁽²⁾⁽¹¹⁾	1,599.65	1,602.65	1,665.65	1,665.90	1,660.65	1,660.65	1,680.65	1,637.65	1,445.80	949.69
Health ⁽²⁾⁽⁸⁾⁽¹⁰⁾	699.64	697.36	719.51	710.56	725.05	648.76	648.66	654.67	659.76	678.45
Public Works ⁽¹⁶⁾	233.35	234.63	234.31	235.31	235.31	231.65	231.65	220.65	191.60	208.20
Environmental Control ⁽²⁾	61.49	61.14	61.83	62.41	62.41	61.89	59.59	59.59	59.90	55.35
Economic and Community Development ⁽²⁾⁽⁹⁾⁽¹⁶⁾	23.00	26.00	27.50	27.50	28.50	7.50	7.50	6.25	14.19	0.29
Recreational Activities ⁽⁴⁾⁽⁵⁾⁽⁶⁾	-	-	-	-	-	-	-	-	1.00	0.10
Metropolitan Sewer District ⁽³⁾	-	-	-	-	-	-	-	-	-	-
Paul Brown Stadium ⁽⁴⁾	26.65	27.72	27.60	27.60	27.55	28.55	29.50	28.01	27.81	26.22
Cinergy Field ⁽⁵⁾	2.35	2.25	-	-	-	-	-	-	-	-
Baseball Stadium ⁽⁵⁾⁽⁶⁾	-	-	5.00	3.50	2.85	2.85	1.75	1.00	1.00	1.07
Riverfront Development ⁽⁷⁾	2.50	2.75	-	-	-	-	-	-	-	2.47
Main Street Parking Garage ⁽⁷⁾	-	-	-	-	-	-	-	-	-	-
Rotary Funds ⁽¹²⁾	96.00	99.00	103.00	107.00	107.00	109.00	107.00	108.00	106.00	103.00
Communications Center	90.00	86.00	90.00	90.00	91.00	91.00	93.00	94.00	93.00	91.00
Workers' Compensation Reserve for Stadiums ⁽¹³⁾	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total	6,228.35	6,234.14	6,314.15	6,327.38	6,331.15	6,272.28	6,244.33	6,176.80	5,502.21	4,806.24

Sources: Hamilton County, Ohio 2001-2010 Budgets, Budgeted FTEs, Actual FTEs if presented
Hamilton County, Ohio, Department of Budget and Strategic Initiatives

Method: An FTE is the equivalent of one full-time employee. To calculate a percentage of an FTE, for each employee a ratio is derived by dividing expected hours to be worked by 2,080 hours per year.

⁽¹⁾Employees of certain agencies subsidized by the General Fund are included.

⁽²⁾Employees funded by grants are included in certain departmental FTE counts.

⁽³⁾Personnel in these agencies are employed by the City of Cincinnati.

⁽⁴⁾Paul Brown Stadium personnel are managed in part by Hamilton County and in part by Paul Brown Stadium, Ltd.

⁽⁵⁾During 1996, Hamilton County assumed ownership and responsibility for Cinergy Field (formerly Riverfront Stadium), the home of both the Cincinnati Reds and the Cincinnati Bengals. Built in 1969, Cinergy Field was imploded in December of 2002 to make room for the nearly completed Great American Ball Park located immediately next door on the riverfront.

⁽⁶⁾Great American Ball Park baseball stadium personnel are managed by the Cincinnati Reds.

⁽⁷⁾Parking facilities personnel services are provided via management contract.

⁽⁸⁾During 2006, the Alcohol and Drug Addiction Services and Community Mental Health Boards merged to form the Mental Health and Recovery Services Board.

⁽⁹⁾In 2006, the Section 8 housing program transferred to the Cincinnati Metropolitan Housing Authority.

⁽¹⁰⁾During 2006, the department functions of Treatment Alternatives to Street Crime transitioned to community-based agencies.

⁽¹¹⁾During 2007, the budget and small business sections transferred from Administrative Services to County Administration, the facilities maintenance section of Juvenile Court transferred to County Facilities, and the child support legal services section of the Prosecutor transferred to Job and Family Services.

⁽¹²⁾The County is fully reimbursed for Sheriff's Township Patrol services.

⁽¹³⁾Employees who service the Workers' Compensation Reserve for Stadiums business-type internal service fund are employed by the Board of County Commissioners.

⁽¹⁴⁾Court of Appeals staff are employees of the State of Ohio.

⁽¹⁵⁾The 675 positions reduced in 2009 resulted primarily from budget reductions shared across most departments.

⁽¹⁶⁾In 2009, Community Development, Building Inspections, Public Works, Regional Planning and Regional Zoning combined to form the Planning and Development Department (General Government).

⁽¹⁷⁾The 696 positions reduced in 2010 resulted primarily from budget reductions in the Judicial and Social Services functions.

**COUNTY OF HAMILTON, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

FUNCTION/PROGRAM	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<u>Governmental Activities</u>										
General Government										
Auditor										
Non-Exempt Property Conveyances	19,804	20,485	21,682	23,112	23,304	22,132	19,509	16,772	15,060	14,649
Exempt Property Conveyances	11,917	13,415	13,569	12,800	12,501	12,079	11,974	11,038	10,217	9,403
Parcels Assessed or Reappraised at Market Value	345,267	348,296 ⁽¹⁾	348,919	340,438 ⁽³⁾	341,932 ⁽²⁾	343,479	345,712	347,481 ⁽¹⁾	347,587	348,148
Dog and Kennel Licenses Issued	62,957	62,576	61,349	61,229	58,744	57,764	56,781	58,942	61,833	59,316
Weights and Measures Inspections and Tests Performed	42,955	29,770	32,711	33,612	38,822	33,757	47,867	31,837	38,983	14,365
Board of Elections										
Voter Registrations and Changes Processed	60,000	65,000	55,000	185,066 ⁽⁴⁾	49,893	77,300	52,283	177,515	50,294	43,490
Building Inspections										
Building Inspections Performed	19,200	20,960	23,538 ⁽⁵⁾	22,396	22,688	21,184	22,171	21,098	18,893	13,566
Building Permits Issued	4,437	4,717	5,343	7,266	6,933	4,847	4,402	3,960	9,361	10,125
Recorder										
Deeds Filed	40,205	39,990	40,338	38,550	36,013	34,272	31,314	27,952	25,206	23,758
Mortgages Filed	82,538	97,299	118,445	79,432	66,813	59,443	47,849	36,771	43,031	39,184
Treasurer										
Tax Bills Processed	282,000	284,000	284,000	284,500	283,500	285,000	283,000	285,000	289,000	286,500
Judicial										
Court of Appeals										
Overall New Cases ⁽⁶⁾	817	894	1,013	949	1,036	1,121	931	1,326	947	872
Criminal New Cases ⁽⁶⁾	427	462	607	566	641	670	591	971	587	521
Civil New Cases ⁽⁶⁾	261	299	300	233	239	291	227	221	229	234
Court of Common Pleas										
Overall New Cases ⁽⁶⁾	18,847	21,053	22,725	23,556	23,995	24,819	25,329	25,229	24,845	24,455
Criminal New Cases ⁽⁶⁾	8,202	9,263	10,221	10,518	10,173	10,722	11,024	10,287	9,224	9,078
Civil New Cases ⁽⁶⁾	10,645	11,790	12,504	13,038	13,822	14,097	14,305	14,942	15,621	15,377
Court of Domestic Relations										
Overall New Cases ⁽⁶⁾	13,534	13,399	13,570	13,817	9,216	9,526	8,356	7,837	7,560	6,699
Juvenile Court										
Overall New Cases ⁽⁶⁾	44,132	45,620	41,640	46,217	47,668	48,647	40,204	37,681	33,199	30,681
Hearings Conducted	132,886	140,959	140,543	151,447	164,283	163,890	153,339	143,653	128,764	120,169
Municipal Court										
Overall New Cases ⁽⁶⁾	255,606	276,739	336,053	349,017	319,191	312,927	320,351	354,811	332,902	319,097
Probate Court										
Overall New Cases ⁽⁶⁾	6,954	6,744	6,564	6,715	6,508	6,829	6,584	6,697	6,564	6,458

	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public Safety										
Coroner										
Autopsies Performed	981	1,033	1,102	1,090	1,032	997	1,026	1,000	898	860
Prosecutor										
Criminal Misdemeanor and Felony Arraignments	28,150	37,716	39,975	42,364	42,982	43,000	43,200	43,300	44,184	40,719
Formal Opinions and Letters of Advice to County Agencies	150	145	101	104	107	102	100	105	49	37
Property Foreclosure Cases	2,500	2,300	2,200	2,961	3,300	3,750	3,750	3,750	4,767	7,843
Sheriff										
Inmates Housed	42,407	44,453	42,710	43,748	44,468	50,727	49,921	46,000	42,000	40,000
Prisoners Transported	3,676	4,217	4,593	4,851	4,916	4,815	4,815	4,482	3,615	3,333
Courtroom Security Provided (Hours)	36,702	41,112	43,922	51,364	49,842	51,576	53,123	51,928	46,126	43,960
Major Crime Cases Investigated	2,926	2,850	3,015	3,229	3,776	4,120	4,125	4,130	7,245	6,835
Social Services										
Job and Family Services—DJFS (Human Services)										
Cash Assistance Recipients (Monthly Average)	20,710	18,750	20,284	21,001	20,043	17,045	17,169	17,644	26,496	25,301
Food Stamp Assistance Recipients (Monthly Average)	49,355	58,295	63,341	70,245	74,898	77,123	72,419	76,057	119,189	137,148
Medicaid Participants (Monthly Average)	93,376	92,473	116,803	121,472	120,348	121,084	127,242	128,259	142,116	156,494
Subsidized Child Care Recipients (Monthly Average 2006-2009)	26,548	28,185	27,707	25,666	25,124	12,999	12,986	14,121	14,034	15,451
Children's Services Recipients	18,608	17,758	18,584	16,108	15,679	17,460	17,717	16,469 ⁽⁷⁾	15,422	15,831
Child Support Collections (Millions)	\$ 153.9	\$ 154.2	\$ 153.8	\$ 154.9	\$ 152.4	\$ 155.0	\$ 142.0	\$ 154.6	\$ 143.0	\$ 126.0
Workforce Development Admissions (Includes Reapplications) ⁽⁸⁾	4,734	7,727	12,540	12,972	13,430	3,182	3,602	3,278	5,129	13,810
Health										
Board of Mental Retardation										
Eligible Individuals Served ⁽⁹⁾	4,087	4,331	5,185	5,344	5,679	5,638	7,243	7,931	16,051	15,443
Public Works										
County Engineer										
Bridges Constructed/Repaired	5	9	3	3	5	8	3	11	2	6
Landslides Stabilized	5	2	3	4	4	1	1	2	-	-
Roads Resurfaced (Number)	22	11	32	41	28	20	20	-	21	24
Roads Resurfaced (Miles)	23	9	24	33	18	14	10	-	12	18
Public Works										
Permits Processed for Storm Review and FEMA Regulations	2,770	2,617	2,686	2,399	2,395	2,048	1,879	2,000	1,461	1,783
Environmental Control										
Environmental Services										
Material Recycled (Tons)	36,000	36,000	38,000	33,004	34,342	33,496	31,985	34,500	36,615	39,885

FUNCTION/PROGRAM	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Business-Type Activities										
Metropolitan Sewer District										
Sewer Connections	224,686	224,795	225,285	225,971	225,889	228,512	229,226	229,943	228,133	229,452
Wastewater Collected and Treated (Millions of Gallons)	63,648	73,211	79,317	81,143	74,010 ⁽¹¹⁾	67,966	66,038	67,264	60,800	58,746
Paul Brown Stadium										
Game Attendance (Total)	454,938	422,235	479,488	524,248	524,468	527,870	526,320	516,663	575,718	482,917
Game Attendance (Average)	56,867	52,779	59,936	65,531	65,559	65,984	65,790	64,583	63,969	60,365
Baseball Stadium										
Game Attendance (Total)	1,879,757	1,855,787	2,355,259	2,287,250	1,943,157	2,134,607	2,058,593	2,058,632	1,747,919	2,060,550
Game Attendance (Average)	23,207	22,911	29,077	28,238	23,696	26,353	25,415	25,415	21,579	25,439
Riverfront Development										
Parking Spaces Managed	n/a	6,674	5,541 ⁽¹²⁾	6,309 ⁽¹³⁾	6,317	6,317	6,317	6,317	6,317	7,077
Main Street Parking Garage										
Parking Spaces Managed	700	700	700	700	700	700	700	700	700	700
Rotary Funds										
Sheriff's Road Patrol Division										
Townships Served	8	8	8	8	8	7	7	7	7	6
Central Warrants/Identification Division										
Expungements Processed	1,464	1,727	1,702	1,855	1,338	2,095	2,184	2,565	1,846	1,862
Warrants/Capias Processed	76,244	81,473	95,885	116,900	131,166	138,090	144,059	147,637	184,546	185,012
Offender Fingerprints Processed	24,413	42,511	43,563	58,400	62,780	58,806	54,693	49,945	46,561	45,442
Public Fingerprint Services Provided	11,382	12,927	13,380	18,530	14,350	14,498	15,755	27,079	26,240	20,537
Communications Center										
Emergency 911 Telephone Calls Processed	913,954	904,652	927,869 ⁽¹⁴⁾	919,841	897,327	899,202	900,000	902,000	766,452	589,542
Police, Fire and Rescue Unit Calls Processed	444,835	443,367	460,767	445,286	450,875	578,628	585,000	587,000	598,359	580,428
Workers' Compensation Reserve for Stadiums										
Claims Managed	450 ⁽¹⁵⁾	130 ⁽¹⁵⁾	30 ⁽¹⁶⁾	35 ⁽¹⁶⁾	16 ⁽¹⁶⁾	10 ⁽¹⁶⁾	5 ⁽¹⁶⁾	8 ⁽¹⁶⁾	6 ⁽¹⁶⁾	5 ⁽¹⁶⁾

Sources: Hamilton County, Ohio, 2001-2010 Budgets
Hamilton County Auditor
Various Hamilton County Departments
Hamilton County Job and Family Services, 1996-2005
Supreme Court of Ohio
<http://www.hcjfs.hamilton-co.org>, 2006-2010
<http://www.hcso.org/GeneralInformation/AnnualReport.pdf>
<http://www.sconet.state.oh.us/Publications/default.asp>
<http://www.bengals.com/team/history>
<http://www.baseball-reference.com/teams/CIN/attend.html>

⁽¹⁾Triennial reassessment, payable following year. Ohio law requires a mid-cycle value adjustment three years after the mass reappraisal to update the six-year mass reappraisal so values change gradually.
⁽²⁾Mass reappraisal, payable following year. Ohio law requires counties to revalue all real property every three years. The Auditor's Office is responsible for setting the value of properties, not the assessment of taxes.
⁽³⁾The decrease in parcels is due to the consolidation and a change of accounting method of TIF and exempt real estate parcels in a new system.
⁽⁴⁾In August of 2004, the Board of Elections purchased and installed a new voter registration system that connects to the Secretary of State's statewide voter registration database.
⁽⁵⁾The increase in inspections is due to the boom in construction resulting from near-record low interest rates.
⁽⁶⁾The number includes new cases docketed, transferred in or reactivated as reported to the Supreme Court of Ohio.
⁽⁷⁾Updated information provided.
⁽⁸⁾Southwest Ohio Career Resource network became The Super Jobs Center in April of 2005; services changeover affected total individuals placed.
⁽⁹⁾For fiscal years 2000-2008, the number of eligible individuals served is an unduplicated count of individuals served per year and does not represent the number of services provided to those individuals.
For fiscal years 2009-2010, the number of eligible individuals served includes some individuals who received more than one service per year.
⁽¹⁰⁾No resurfacing occurred due to budget constraints.
⁽¹¹⁾Yearly rainfall levels result in variances in amounts of wastewater collected and treated.
⁽¹²⁾In 2003, the final demolition of the Cinergy Field Garage took place and two ballpark garages became operational following completion of Phase I construction: (1) the Ballpark Garage—564 spaces, and (2) the Central Riverfront Garage—579 spaces.
⁽¹³⁾2004 saw the completion of two Phase II portions of garage construction: (1) the garage at the Great American Ball Park, with the addition of 343 spaces, totaling 907 spaces, and (2) the Central Riverfront Garage, located in Block 3 of the riverfront, with the addition of 110 spaces, totaling 698 spaces.
⁽¹⁴⁾In April of 2003, the County brought online a state-of-the-art 800 MHz public safety radio system that enables local law enforcement officials to talk to each other when on-scene.
⁽¹⁵⁾The number represents management of workers' compensation claims for Paul Brown Stadium and Great American Ball Park.
⁽¹⁶⁾The number represents management of workers' compensation claims for Great American Ball Park.

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**COUNTY OF HAMILTON, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

<u>FUNCTION/PROGRAM</u>	<u>FISCAL YEAR</u>									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Governmental Activities</u>										
General Government										
Properties ⁽¹⁾	8	9	9	8	7	6	8	8	8	8
Judicial										
Properties ⁽¹⁾	11	11	11	11	10	10	10	10	10	10
Public Safety										
Coroner										
Properties ⁽¹⁾	1	1	1	1	1	1	1	1	1	1
Emergency Management										
Office Building ⁽²⁾	(2)	(2)	(2)	(2)	1	1	1	1	1	1
Emergency Warning Sirens	185	186	188	188	189	189	195	195	195	195
Sheriff										
District Patrol Headquarters ⁽³⁾	5	5	5	5	5	5	5	5	5	5
Detention Facilities ⁽⁴⁾	4	4	4	4	4	4	4	4	3	3
Social Services										
Job and Family Services (Human Services)										
Properties ⁽¹⁾	3	3	3	4	4	4	4	4	4	4
Health										
Developmental Disabilities Services (DDS)										
Properties ⁽¹⁾	12	12	12	12	12	13	13	13	13	12
Mental Health and Recovery Services Board ⁽⁵⁾										
Properties ⁽¹⁾	68	68	70	70	69	64	64	62	64	64
Public Works										
Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Maintenance Vehicles and Equipment	23	23	23	23	30	30	30	30	29	30
County Engineer										
County Roads Maintained (Miles)	504	504	504	504	504	504	504	544	544	532
Maintenance Facilities	5	5	6	6	6	6	6	6	6	6

FUNCTION/PROGRAM	FISCAL YEAR									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Business-Type Activities										
Metropolitan Sewer District										
Major Wastewater Treatment Plants	7	7	7	7	7	7	7	7	7	7
Combined and Sanitary Sewers (Miles)	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	2,994	2,994
Cinergy Field ⁽⁶⁾	1	1	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Paul Brown Stadium ⁽⁶⁾										
Paul Brown Football Stadium	1	1	1	1	1	1	1	1	1	1
Parking Garage	1	1	1	1	1	1	1	1	1	1
Baseball Stadium ⁽⁶⁾										
Great American Ballpark Baseball Stadium	(6)	(6)	1	1	1	1	1	1	1	1
Hall of Fame Museum	(6)	(6)	(6)	1	1	1	1	1	1	1
Team Store	(6)	(6)	(6)	1	1	1	1	1	1	1
Riverfront Development										
Parking Garages	1	1	3	3	3	3	3	3	3	3
Surface Parking Lots	5	5	5	5	5	5	5	5	5	5
Main Street Parking Garage										
Alms & Doepke Parkhaus Parking Garage	1	1	1	1	1	1	1	1	1	1
Communications Center										
911 Communications Center	1	1	1	1	1	1	1	1	1	1
Radio Towers ⁽⁷⁾	5	5	15	15	15	15	15	15	15	15

Sources: Hamilton County, Ohio, 2000-2008 Budgets
Hamilton County Auditor
Various Hamilton County Departments

Note: No capital asset indicators are available for the following functions/programs:
(1) the Environmental Control, Economic Development and Parks and Recreation functions, or
(2) the Rotary and Workers' Compensation Reserve for Stadiums funds.

⁽¹⁾Improved real properties are primarily buildings, County-owned unless otherwise indicated, presented in the function of the primary use(r).

⁽²⁾The permanent Emergency Management Agency (EMA) office building, formerly housed in trailers at the Communications Center, was completed in 2005. EMA shares space with the Homeland Security Division. The office building is leased from the City of Cincinnati.

⁽³⁾Three District Patrol Headquarters are owned by townships. The Sheriff provides contracted police services.

⁽⁴⁾The Queensgate Correctional Facility, formerly a leased property, closed in December 2008. The lease terminated 12/31/08.

⁽⁵⁾During 2006, the Alcohol and Drug Addiction Services and Community Mental Health Boards merged to form the Mental Health and Recovery Services Board.

⁽⁶⁾In 1996, Hamilton County assumed ownership and responsibility for Cinergy Field (formerly Riverfront Stadium), the home of both the Cincinnati Reds and the Cincinnati Bengals.

In March of 1996, Hamilton County voters approved a half-cent sales tax increase to build new stadiums for both the Cincinnati Bengals and the Cincinnati Reds. Paul Brown Stadium, the new home of the Cincinnati Bengals football team, opened in August of 2000. Cinergy Field was demolished in 2002. Great American Ball Park, the new home field for the Cincinnati Reds baseball team, opened for the 2003 baseball season. During 2004, the Great American Ball Park Phase II construction continued, which included completion of the Team Store and the Hall of Fame Museum.

⁽⁷⁾Hamilton County installed a new radio system in 2003, with a total of 15 tower sites. Ten of the towers are County-owned; the other five towers are leased.

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Dave Yost • Auditor of State

HAMILTON COUNTY FINANCIAL CONDITION

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 20, 2012