



Dave Yost • Auditor of State



CITY OF CINCINNATI  
HAMILTON COUNTY

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**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
<b>1 U.S. Department of Agriculture</b>									
* <i>Passed through Ohio Department of Health</i>									
Hamilton County WIC Program	391	10.557	03120011WA0815	NAM	Health	867		695	-
Hamilton County WIC Program	391	10.557	03120011WA0916	NAM	Health	1,878		2,186	-
<b>Total for CFDA No. 10.557</b>						<b>2,745</b>	<b>-</b>	<b>2,881</b>	<b>-</b>
* <i>Passed through Ohio Department of Education</i>									
Child and Adult Care Food Program	324	10.558	55x2031	NAR	Recreation	99	-	118	-
<b>Total for CFDA No. 10.558</b>						<b>99</b>	<b>-</b>	<b>118</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>						<b>2,844</b>	<b>-</b>	<b>2,999</b>	<b>-</b>
<b>2 Environmental Protection Agency</b>									
* <i>Passed through Ohio Water Development Authority</i>									
OWDA Loan Project - 11059	756	66.468	FS390255-0038	EWV	GCWW	1,008	-	-	-
OWDA Loan Project - 123362	756	66.468	FS390255-0052	EWV	GCWW	293	-	1,563	-
<b>(d.) Total for CFDA No. 66.468</b>						<b>1,301</b>	<b>-</b>	<b>1,563</b>	<b>-</b>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>						<b>1,301</b>	<b>-</b>	<b>1,563</b>	<b>-</b>
<b>3 Food &amp; Drug Administration</b>									
Retail Food Regulatory Program Standards Grant	350	93.103	5U18FD004688-03	NAM	Health	96		70	-
<b>Total for CFDA No. 93.103</b>						<b>96</b>	<b>-</b>	<b>70</b>	<b>-</b>
<b>TOTAL FOOD &amp; DRUG ADMINISTRATION</b>						<b>96</b>	<b>-</b>	<b>70</b>	<b>-</b>
<b>4 U.S. Department of Health and Human Services</b>									
* <i>Passed through Council on Aging of Southwestern Ohio</i>									
Special Programs for the Aging Title III, Part B	324	93.044	65X2076	NAR	Recreation	28		48	-
<b>(b.) Total for CFDA No. 93.044</b>						<b>28</b>	<b>-</b>	<b>48</b>	<b>-</b>
* <i>Passed through Council on Aging of Southwestern Ohio</i>									
Special Programs for the Aging Title III, Part C	324	93.045	65X2076	NAR	Recreation	151	7	140	-
<b>(b.) Total for CFDA No. 93.045</b>						<b>151</b>	<b>7</b>	<b>140</b>	<b>-</b>
* <i>Passed through Council on Aging of Southwestern Ohio</i>									
Nutrition Services Incentive Program	324	93.053	65X2076	NAR	Recreation	16	-	8	-
<b>(b.) Total for CFDA No. 93.053</b>						<b>16</b>	<b>-</b>	<b>8</b>	<b>-</b>
* <i>Passed through Ohio Department of Health</i>									
Public Health Emergency Preparedness	350	93.074	03120012PH716	NAM	Health	248		326	-
Public Health Emergency Preparedness	350	93.074	3120012PH0615	NAM	Health	177		154	-
<b>Total for CFDA No. 93.074</b>						<b>425</b>	<b>-</b>	<b>480</b>	<b>-</b>
Program for Toxic Substances & Disease Registry	436	93.161	1E11TS000227-01	NAO	Environmental Quality	122		92	-
<b>Total for CFDA No. 93.161</b>						<b>122</b>	<b>-</b>	<b>92</b>	<b>-</b>
* <i>Passed through Ohio Department of Health</i>									
Reproductive Health & Wellness	350	93.217	3120011RH0516	NAM	Health	119	-	154	-
Reproductive Health & Wellness	350	93.217	3120011RH0617	NAM	Health	-	-	164	-
<b>Total for CFDA No. 93.217</b>						<b>119</b>	<b>-</b>	<b>318</b>	<b>-</b>
Health Center Cluster	446	93.224	H80CS25683	NAM	Health	3,093		3,089	-
* <i>Passed through Cincinnati Health Network</i>									
Homeless Health Care Program	448	93.224	Contract #65x10136	NAM	Health	219		44	-
<b>(i.) Total for CFDA No. 93.224</b>						<b>3,312</b>	<b>-</b>	<b>3,133</b>	<b>-</b>
* <i>Passed through Ohio Department of Health</i>									
Immunization Action Plan Special	415	93.268	03120012IM0815	NAM	Health	159	8	108	-
Immunization Action Plan Special	415	93.268	03120012IM0916	NAM	Health	46	-	122	-
<b>Total for CFDA No. 93.268</b>						<b>205</b>	<b>8</b>	<b>230</b>	<b>-</b>

**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
* <i>Passed through Ohio Department of Job and Family Services</i>									
Temporary Assistance for Needy Families (TANF)	323	93.558	05x2034 & 05x2035	APR	Recreation	77	28	95	
<b>(h.) Total for CFDA No. 93.558</b>						<u>77</u>	<u>28</u>	<u>95</u>	<u>-</u>
* <i>Passed through Ohio Department of Job and Family Services</i>									
Refugee Health Screening Cincinnati	350	93.566	G-1415-17-0841	NAM	Health	147		147	
<b>Total for CFDA No. 93.566</b>						<u>147</u>	<u>-</u>	<u>147</u>	<u>-</u>
* <i>Passed through Ohio Department of Job and Family Services</i>									
Child Care & Development Block Grant (CCDBG)	323	93.575	05x2034 & 05x2035	APR	Recreation	39	14	47	
<b>(a.) Total for CFDA No. 93.575</b>						<u>39</u>	<u>14</u>	<u>47</u>	<u>-</u>
* <i>Passed through Ohio Department of Job and Family Services</i>									
Social Services Block Grant - Title XX (SSBG)	323	93.667	05x2034 & 05x2035	APR	Recreation	39	14	47	
<b>Total for CFDA No. 93.667</b>						<u>39</u>	<u>14</u>	<u>47</u>	<u>-</u>
* <i>Passed through Ohio Department of Health</i>									
Creating Healthy Communities	425	93.758	03120014CC0615	NAM	Health	114		112	
Creating Healthy Communities	425	93.758	03120014CC0716	NAM	Health	23		14	
<b>Total for CFDA No. 93.758</b>						<u>137</u>	<u>-</u>	<u>126</u>	<u>-</u>
* <i>Passed through Ohio Department of Developmental Disabilities</i>									
Medical Assistance Program	324	93.778		NAR	Recreation	17		51	
<b>(c.) Total for CFDA No. 93.778</b>						<u>17</u>	<u>-</u>	<u>51</u>	<u>-</u>
Family & Community Violence Prevention(14CAMP)	368	93.910	1 YEPMP140082-02-00	NAS	Police	489		454	
<b>Total for CFDA No. 93.910</b>						<u>489</u>	<u>-</u>	<u>454</u>	<u>-</u>
* <i>Passed through Ohio Department of Health</i>									
Reproductive Health & Wellness	350	93.994	3120011RH0516	NAM	Health	385	86	466	
SAFETY NET DENTAL CARE	350	93.994	3120011SC0815	NAM	Health	49	1	38	
DENTAL SEALANT GRANT	350	93.994	03120011DS0215	NAM	Health	25	-	29	
DENTAL SEALANT GRANT	350	93.994	03120011DS0316	NAM	Health	9	-	12	
<b>Total for CFDA No. 93.994</b>						<u>468</u>	<u>87</u>	<u>545</u>	<u>-</u>
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						<u>5,791</u>	<u>158</u>	<u>5,961</u>	<u>-</u>
<b>5 U.S. Department of Homeland Security</b>									
FY12 Assistance to Firefighters Grant (AFG)	472	97.044	EMW-2012-FO-06745	NAS	Fire	1		-	
FY14 Assistance to Firefighters Grant (AFG)	472	97.044	EMW-2014-FP-00835	NAS	Fire	12		12	
<b>Total for CFDA No. 97.044</b>						<u>13</u>	<u>-</u>	<u>12</u>	<u>-</u>
FY13 Port Security Grant Program	472	97.056	EMW-2013-PU-00520	NAS	Fire	3		-	
FY13 Port Security Grant Program	368	97.056	EMW-2013-PU-00176	NAS	Police	41		40	
FY14 Port Security Grant Program	368	97.056	EMW-2014-PU-00224	NAS	Police	34		30	
FY15 Port Security Grant Program	368	97.056	EMW-2015-PU-00265	NAS	Police	3		3	
<b>Total for CFDA No. 97.056</b>						<u>81</u>	<u>-</u>	<u>73</u>	<u>-</u>
FY12 Staffing for Adequate Fire & Emergency Response (	472	97.083	EMW-2012-FH-00918	NAS	Fire	937		937	
FY13 Staffing for Adequate Fire & Emergency Response (	472	97.083	EMW-2013-FH-00536	NAS	Fire	4,429		4,429	
<b>Total for CFDA No. 97.083</b>						<u>5,366</u>	<u>-</u>	<u>5,366</u>	<u>-</u>
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>						<u>5,460</u>	<u>-</u>	<u>5,451</u>	<u>-</u>
<b>6 U.S. Department of Housing and Urban Development</b>									
CDBG Grant	304	14.218	B13MC390003	NAC	Community Dev	-	-	1,060	
CDBG Grant	304	14.218	B14MC390003	NAC	Community Dev	3,516	-	1,425	
CDBG Grant	304	14.218	B15MC390003	NAC	Community Dev	7,063	1,399	6,013	
CDBG Grant	304	14.218	B16MC390003	NAC	Community Dev	-	-	3,031	
Neighborhood Stabilization Program 1	438	14.218	B-08-MN-39-0003	NAO	Community Dev	-	22	7	
<b>Total for CFDA No. 14.218</b>						<u>10,579</u>	<u>1,421</u>	<u>11,536</u>	<u>-</u>
2014 Emergency Solutions Grant (ESG)	445	14.231	E 14 MC 39 0003	NAO	Community Dev	433		165	165
2015 Emergency Solutions Grant (ESG)	445	14.231	E 15 MC 39 0003	NAO	Community Dev	970		721	721

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2016 Emergency Solutions Grant (ESG)	445	14.231	E 16 MC 39 0003	NAO	Community Dev	-	-	181	181
<b>Total for CFDA No. 14.231</b>						<b>1,403</b>	<b>-</b>	<b>1,067</b>	<b>1,067</b>
HOME Investment Partnerships Program 2010	411	14.239	M10MC390213	NAC	Community Dev	-	-	19	-
HOME Investment Partnerships Program 2011	411	14.239	M11MC390213	NAC	Community Dev	392	-	-	-
HOME Investment Partnerships Program 2012	411	14.239	M12MC390213	NAC	Community Dev	935	-	-	-
HOME Investment Partnerships Program 2013	411	14.239	M13MC390213	NAC	Community Dev	4	-	232	-
HOME Investment Partnerships Program 2014	411	14.239	M14MC390213	NAC	Community Dev	83	-	1,350	-
HOME Investment Partnerships Program 2015	411	14.239	M15MC390213	NAC	Community Dev	456	267	320	-
HOME Investment Partnerships Program 2015	411	14.239	M16MC390213	NAC	Community Dev	-	-	73	-
i HOME Investment Partnerships Program	411	14.239	Outstanding CFDA Loans	NAC	Community Dev	-	-	39,285	-
<b>Total for CFDA No. 14.239</b>						<b>1,870</b>	<b>267</b>	<b>41,279</b>	<b>-</b>
Housing Opportunities for Persons with AIDS 2014	465	14.241	OHH 14001	NAO	Community Dev	82	-	2	2
Housing Opportunities for Persons with AIDS 2015	465	14.241	OHH 15001	NAO	Community Dev	594	-	337	337
Housing Opportunities for Persons with AIDS 2016	465	14.241	OHH 16001	NAO	Community Dev	-	-	192	192
<b>Total for CFDA No. 14.241</b>						<b>676</b>	<b>-</b>	<b>531</b>	<b>531</b>
i CDBG Section 108 Loan Fund	305	14.248	CDBG Section 108 Loan	NAC	Community Dev	35	253	15,203	-
<b>Total for CFDA No. 14.248</b>						<b>35</b>	<b>253</b>	<b>15,203</b>	<b>-</b>
MetroWest HUD - 03668	980	14.251	B-09-SP-OH-0100	CP	Community Dev	303	-	-	-
MetroWest HUD EDI - 10221	980	14.251	B-10-SP-OH-0080	CP	Community Dev	46	-	35	-
<b>Total for CFDA No. 14.251</b>						<b>349</b>	<b>-</b>	<b>35</b>	<b>-</b>
ARRA- Neighborhood Stabilization Program 3	438	14.256	B-11-MN-39-0003	NAO	Community Dev	-	42	213	-
* <i>Passed through Hamilton County</i>									
ARRA- Neighborhood Stabilization Program 2	502	14.256	B-09-CN-OH-0033	NAO	Community Dev	107	89	67	-
<b>Total for CFDA No. 14.256</b>						<b>107</b>	<b>131</b>	<b>280</b>	<b>-</b>
Continuum of Care Program	410	14.267	OH0003C5E000800	NAO	Community Dev	12	-	-	-
Continuum of Care Program	410	14.267	OH0307C5E000900	NAO	Community Dev	24	-	24	-
Continuum of Care Program	410	14.267	OH0302C5E000900	NAO	Community Dev	24	-	24	-
Continuum of Care Program	410	14.267	OH0308C5E000900	NAO	Community Dev	55	-	55	-
Continuum of Care Program	410	14.267	OH0363C5E001000	NAO	Community Dev	436	-	436	436
Continuum of Care Program	410	14.267	OH0364C5E001000	NAO	Community Dev	21	-	21	-
Continuum of Care Program	410	14.267	OH0006L5E001301	NAO	Community Dev	13	-	13	-
Continuum of Care Program	410	14.267	OH0002L5E001301	NAO	Community Dev	6	-	6	-
Continuum of Care Program	410	14.267	OH0015L5E001306	NAO	Community Dev	4,927	-	4,933	4,929
Continuum of Care Program	410	14.267	OH0009L5E001407	NAO	Community Dev	27	-	27	-
Continuum of Care Program	410	14.267	OH0002L5E001402	NAO	Community Dev	28	-	28	-
Continuum of Care Program	410	14.267	OH0006L5E001402	NAO	Community Dev	70	-	70	-
Continuum of Care Program	410	14.267	OH0015L5E001407	NAO	Community Dev	170	-	170	-
Continuum of Care Program	410	14.267	OH0424L5E001403	NAO	Community Dev	146	-	146	-
Continuum of Care Program	410	14.267	OH0003L5E001401	NAO	Community Dev	39	-	39	-
Continuum of Care Program	410	14.267	OH0302L5E001401	NAO	Community Dev	16	-	16	-
Continuum of Care Program	410	14.267	OH0307L5E001401	NAO	Community Dev	108	-	108	-
Continuum of Care Program	410	14.267	OH0308L5E001401	NAO	Community Dev	6,122	-	6,116	5,365
<b>Total for CFDA No. 14.267</b>						<b>6,122</b>	<b>-</b>	<b>6,116</b>	<b>5,365</b>
Lead Hazard Reduction Program	387	14.905	OHLHD 0245-12	NAO	Community Dev	1,103	-	945	-
Lead Hazard Control Grant	381	14.905	OHLHD0217-10	NAM	Health	76	-	-	-
Lead Hazard Control Grant	381	14.905	OHLHD0582-14	NAM	Health	694	-	875	-
<b>Total for CFDA No. 14.905</b>						<b>1,873</b>	<b>-</b>	<b>1,820</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>						<b>23,014</b>	<b>2,072</b>	<b>77,867</b>	<b>6,963</b>
<b>7 U.S. Department of Justice</b>									
* <i>Passed through Ohio Department of Youth Services</i>									
Juvenile Accountability - 13 JABG	368	16.523	2011-JB-012-A242S	NAS	Police	6	-	6	-

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**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
<b>Total for CFDA No. 16.523</b>						6	-	6	-
* <i>Passed through Ohio Attorney General</i>									
Crime Victim Assistance (15VALU)	368	16.575	2015-VOCA-10203686	NAS	Police	21		16	
Crime Victim Assistance (16VALU)	368	16.575	2016-VOCA-19812206	NAS	Police	41		49	
<b>Total for CFDA No. 16.575</b>						62	-	65	-
* <i>Passed through Ohio Office of Criminal Justice Services</i>									
Domestic Violence Advocacy (14VAWA)	368	16.588	2014-WF-VA5-8583	NAS	Police	43		43	43
Domestic Violence Advocacy (15VAWA)	368	16.588	2015-WF-VA5-8583	NAS	Police	14		14	
<b>Total for CFDA No. 16.588</b>						57	-	57	43
Public Safety Partnership & Community Policing 2014	368	16.710	2014-UL-WX-0029	NAS	Police	612		611	-
Public Safety Partnership & Community Policing 2015	368	16.710	2015-UL-WX-0030	NAS	Police	137		137	-
<b>Total for CFDA No. 16.710</b>						749	-	748	-
Edward Byrne Memorial JAG (11JAG)	478	16.738	2011-DJ-BX-3278	NAS	Police	-		-	230
Edward Byrne Memorial JAG (12JAG)	478	16.738	2012-DJ-BX-0145	NAS	Police	-		4	192
Edward Byrne Memorial JAG (13JAG)	478	16.738	2013-DJ-BX-0194	NAS	Police	-	2	156	172
Edward Byrne Memorial JAG (14JAG)	478	16.738	2014-DJ-BX-0398	NAS	Police	-	2	18	167
Edward Byrne Memorial JAG (15JAG)	478	16.738	2015-DJ-BX-0238	NAS	Police	304		137	137
* <i>Passed through Ohio Office of Criminal Justice Services</i>									
Edward Byrne Memorial JAG (14TRAFFICKING)	368	16.738	2014-JG-A02-6256	NAS	Police	27		27	
Edward Byrne Memorial JAG (15TRAFFICKING)	368	16.738	2015-JG-A02-6256	NAS	Police	9		-	9
Edward Byrne Memorial JAG (14HOME)	368	16.738	2014-JG-A02-6810	NAS	Police	23		25	
<b>Total for CFDA No. 16.738</b>						363	4	376	898
Equitable Sharing Program-Asset Forfeiture	367	16.922		NAS	Police	492		368	-
<b>Total for CFDA No. 16.922</b>						492	-	368	-
<b>TOTAL DEPARTMENT OF JUSTICE</b>						1,729	4	1,620	941
<b>8 U.S. Department of the Interior</b>									
* <i>Passed through Ohio Department of Natural Resources, Division of Wildlife</i>									
Sport Fishing Restoration	324	15.605	55X2038	NAR	Recreation	-		5	
Sport Fishing Restoration	324	15.605	55X2070	NAR	Recreation	5		5	
Sport Fishing Restoration	324	15.605	65X2012	NAR	Recreation	5		-	
Sport Fishing Restoration	324	15.605	N/A	NAR	Recreation	-		1	
<b>(e.) Total for CFDA No. 15.605</b>						10	-	11	-
<b>TOTAL DEPARTMENT OF INTERIOR</b>						10	-	11	-
<b>9 U.S. Department of Transportation</b>									
FAA Local Match 11346	980	20.106	3-39-0018-2112	CP	DOT E	25		210	-
FAA Local Match 142329	980	20.106	3-39-0018-022-2014	CP	DOT E	707		371	-
<b>Total for CFDA No. 20.106</b>						732	-	581	-
* <i>Passed through Ohio Department of Transportation</i>									
Uptown Access Improvements W MLK Drive 11330	980	20.205	PID 99441	CP	DOT E	331		412	
Harrison Avenue Improvements 11338	980	20.205	PID 81853	CP	DOT E	327		250	
Central Parkway Bikeway 122337	980	20.205	PID 96335	CP	DOT E	84		-	87
Bicycle Transportation Program - 152337	980	20.205	PID 98756	CP	DOT E	750		-	804
Kennedy Connector 03354	980	20.205	PID 88706	CP	DOT E	287		-	287
Safe Routes to School 152387	980	20.205	PID 94308	CP	DOT E	265		-	312
Colerain Corridor TSM Improvements 03343	980	20.205	PID 87451	CP	DOT E	1,175		904	
<b>(f.) Total for CFDA No. 20.205</b>						3,219	-	3,056	-
* <i>Passed through Southwest Ohio Regional Transit Authority</i>									
ii FTA -Urban Circulator Grant - 03678	980	20.500	OH-03-0303-00	CP	DOT E	7,874		7,874	
<b>(j.) Total for CFDA No. 20.500</b>						7,874	-	7,874	-
* <i>Passed through Ohio State Highway Patrol</i>									



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Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
State and Community Highway Safety (14BLUEASH)	368	20.600	MOA - Subgrantee (2014)	NAS	Police	11		16	
State and Community Highway Safety (15BLUEASH)	368	20.600	MOA - Subgrantee (2015)	NAS	Police	18		13	
State and Community Highway Safety (15WORK)	368	20.600	CZ-2015-31-00-00-00733-00	NAS	Police	71		71	
State and Community Highway Safety (14NONBLITZ)	368	20.600	STEP-2015-31-00-00-00500-00	NAS	Police	21		18	
State and Community Highway Safety (15STEP)	368	20.600	STEP-2016-31-00-00-00455-00	NAS	Police	8		8	
<b>(g.) Total for CFDA No. 20.600</b>						<b>129</b>	<b>-</b>	<b>126</b>	<b>-</b>
* Passed through Ohio State Highway Patrol									
National Priority Safety Programs (14BLITZ)	368	20.616	IDEP-2015-31-00-00-00352-00	NAS	Police	24		27	
National Priority Safety Programs (15IDEP)	368	20.616	IDEP-2016-31-00-00-00322-00	NAS	Police	24		13	
<b>(g.) Total for CFDA No. 20.616</b>						<b>48</b>	<b>-</b>	<b>40</b>	<b>-</b>
* Passed through Southwest Ohio Regional Transit Authority									
ii Tiger Grant - 03678	980	20.933	OH-79-002-00	CP	DOT	3,076		3,076	
<b>Total for CFDA No. 20.933</b>						<b>3,076</b>	<b>-</b>	<b>3,076</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>						<b>15,078</b>	<b>-</b>	<b>14,753</b>	<b>-</b>
<b>TOTAL FEDERAL GRANTS &amp; SUBSIDIES (Non-GAAP Basis)</b>						<b>55,323</b>	<b>2,234</b>	<b>110,295</b>	<b>7,904</b>

**Reconciliation of Schedule of Expenditures of Federal Awards to Budgetary Schedules**

	Budgetary Schedules	SEFA
Special Parks and Recreation Fund	APR 155	155
Community Development	NAC 12,484	12,484
Health	NAM 8,424	8,424
Other Grants	NAO 0	9,533
Recreation Grants	NAR 321	321
Safety	NAS 7,855	7,855
Capital Projects	CP 15,250	15,250
		<u>54,022</u>
Greater Cincinnati Water Works	EWW	1,301 #
		<u>55,323</u>

**Notes to the Schedule of Expenditures of Federal Awards:**

The City has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance

\* Indicates Federal monies passed through another agency to the City of Cincinnati

# Represents OWDA loans received during Fiscal Year 16 reported on a cash basis

i Total Community Development loans outstanding at June 30, 2016 totaled \$28,374,807 under CFDA 14.218, \$39,284,707 under CFDA 14.239, \$15,202,545.75 under CFDA 14.248, \$7,531,779.59 under CFDA 14.256 and \$132,700 under CFDA 14.905.

ii In 2012 the City entered into an intergovernmental cooperative agreement with SORTA to administer the following grants awarded to the City as a sub-recipient. The City is responsible to assure that invoices paid are in compliance with the grants. The two grants covered under this agreement are:

The Urban Circulator Grant	CFDA 20.500	\$	24,990,000.00
TIGER 3 Grant	CFDA 20.933	\$	15,920,000.00

**CLUSTERS**

- |  |  |                            |
|--|--|----------------------------|
| a. CCDF Cluster                                | e. Fish and Wildlife Cluster                 | i. Health Centers Cluster  |
| b. Aging Cluster                               | f. Highway Planning and Construction Cluster | j. Federal Transit Cluster |
| c. Medicaid Cluster                            | g. Highway Safety Cluster                    |                            |
| d. Drinking Water State Revolving Fund Cluster | h. TANF Cluster                              |                            |

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Cincinnati  
Hamilton County  
801 Plum Street  
Cincinnati, Ohio 45202

To the To the Honorable Mayor and Members of the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Hamilton County, (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 30, 2016, wherein we noted the City restated the 2016 financial statements and the City adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 72, Fair Value Measurement and Application.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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 a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Corporate Centre of Blue Ash, 11117 Kenwood Road, Blue Ash, Ohio 45242  
Phone: 513-361-8550 or 800-368-7419 Fax: 513-361-8577

[www.ohioauditor.gov](http://www.ohioauditor.gov)

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 30, 2016



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Cincinnati  
Hamilton County  
801 Plum Street  
Cincinnati, Ohio 45202

To the Honorable Mayor and Members of the City Council:

### ***Report on Compliance for Each Major Federal Program***

We have audited the City of Cincinnati's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the City of Cincinnati's major federal programs for the year ended June 30, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal programs.

### ***Management's Responsibility***

The City's management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Cincinnati complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2016.

### ***Report on Internal Control Over Compliance***

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City'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's applicable 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable 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.

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

### ***Report on Schedule of Receipts and Expenditures of Federal Awards Required by the Uniform Guidance***

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Cincinnati (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated December 30, 2016. Our opinion also explained that the City adopted *Governmental Accounting Standard No. 72* during the year. We conducted our audit to opine on the City's' basic financial statements as a whole. The accompanying schedule of receipts and expenditures of federal awards presents additional analysis required by the Uniform Guidance 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 management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

City of Cincinnati  
Hamilton County  
Independent Auditor's Report on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control over  
Compliance Required by the Uniform Guidance  
Page 3

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 30, 2016

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**CITY OF CINCINNATI  
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2016**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Community Development Block Grant CFDA #14.218 Emergency Solutions Grant CFDA #14.231 HOME Program CFDA #14.239 Highway Planning and Construction Cluster CFDA #20.205 Staffing for Adequate Fire & Emergency Response CFDA #97.083
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 3,000,000 Type B: All Others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 2016

city of  
CINCINNATI

# 2016

CINCINNATI, OHIO





# COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 2016

Director of Finance:

**Reginald E. Zeno**

Assistant Director of Finance:

**Karen Alder**

Finance Manager:

**Mark Ashworth**



# INTRODUCTORY SECTION





**CITY OF CINCINNATI, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the fiscal year ended June 30, 2016**

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December 30, 2016

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

We are pleased to submit the City of Cincinnati's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. State law requires that the City of Cincinnati annually publish a complete set of financial statements for the results of its fiscal operations, presented in conformity with generally accepted accounting principles (GAAP). This report is prepared by the Department of Finance, which is responsible for the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

GAAP require that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A) that is located on page 24. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

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

In 2012, the decision was made to change from a calendar year to a fiscal year beginning July 1st and ending June 30th. This resulted in 2013 being a six month conversion year. The Auditor of the State of Ohio has audited the accompanying financial statements for fiscal year 2016. Their report is included herein.

A single audit is an organization-wide financial and compliance audit that is conducted in lieu of the traditional grant-by-grant multiple audits performed in the past. Federal law requires the City to have this single audit of all City activities. The City has remained in compliance with this requirement since its inception in 1985. The Auditor of the State of Ohio conducted the single audit for the 2016 fiscal year.

### **Profile of the Government**

Cincinnati was founded in 1788, chartered as a village in 1802, and incorporated as a City in 1819. It is located on the Ohio River in Southwestern Ohio near the junction of Ohio, Indiana and Kentucky. Voters approved major revisions to the City Charter in 1926 to provide for home rule and the council-manager form of government. The City's form of government was modified in 2001 based on a charter amendment approved by the voters in 1999 to implement a stronger Mayor form of government. The Mayor is chosen through a direct election and the nine members of City Council are chosen in a separate at-large election.

The Mayor is elected to a four-year term and term limits enacted in November 1993 limit the Mayor to two consecutive four-year terms. In November 2012 voters approved a change in the City Council terms to two consecutive four-year terms beginning with the 2013 election. The Mayor appoints the City Manager

subject to prior approval of the City Council.

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

An annual operating budget is adopted each fiscal period for the General Fund and several Special Revenue Funds which operate on an annual budget. Budgetary data is presented for these funds as well as the Capital Projects Fund, Debt Service Fund, TIF Funds and other Special Revenue Funds which are mostly grants. For each budgeted expenditure classification, the level of appropriation control, which may not be exceeded, is: personal service, non-personal service, capital outlay, and debt service. Any revisions that alter the appropriation control classification of any division within a City department must be approved by the City Council. Encumbrances do not lapse and are included as expenditures in the current period budget (Non-GAAP Budgetary Basis).

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

### **Information Useful in Assessing the Government's Economic Condition**

#### Local Economy

The City's diverse economic base has been and continues to be a source of financial stability for the City. Among its prominent manufacturing groups are transportation equipment, which includes aircraft engines and auto parts; food and kindred products; metal working and general industrial machinery; chemicals; fabricated metal products; printing and publishing. Several Fortune 500 corporations are headquartered in the City's region, and over 400 Fortune 500 firms have operations in the Metropolitan Area.

According to a report released by the Federal Reserve Bank of Cleveland in August 2016, strong, sustained employment growth in 2014 and 2015 enabled the Cincinnati region to fully recover from the significant job losses experienced in the most recent recession. The region hit 4.2% in August 2015, its lowest unemployment rate of the current business cycle. Though the unemployment rate has risen to 4.3% as of May 2016, it is still under the national average of 4.7%. The report states that "Cincinnati's unemployment rate has generally been below the national average" over the past 25 years. The research shows that three sectors experienced notably higher employment growth locally than nationally: construction; manufacturing; and trade, transportation, and utilities. Professional and business services was the one major sector to experience decline locally.

Local home prices grew at a 4.7% average annual rate from June 2014-June 2016, compared to 5% growth nationally. The Fed reports that this growth is "among the strongest the area has seen in at least a decade.

Per the U.S. 2010 Census, the City of Cincinnati's population was 296,943. The 2015 population estimates made by the Census Bureau has the Cincinnati population increasing to 298,550.

#### Long Term Financial Planning

At the beginning of fiscal year 2016 City Council updated the stabilization policy which was originally established in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy calls for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of two months, or 16.7%, of general operating revenues by June 30,

2020. At June 30, 2016 reserves were 12.4% of fiscal year 2016 revenue. The previous stabilization policy called for a minimum reserve level of no less than 5% or more than 8% of general operating revenues. The targeted year-end reserve level was achieved by fiscal year end for each period 1985 through fiscal year 2015.

Actual Non-GAAP General Fund expenditures/encumbrances for fiscal year 2016 were \$378.5 million which were lower than the budgeted amount of \$383.4 million by approximately \$4.9 million. Actual Non-GAAP revenue for fiscal year 2016 of \$390.1 million was more than budgeted fiscal year 2015 revenues of \$370.1 million. The actual revenue exceeded the original fiscal year 2016 revenue estimate of \$375.5 million by \$14.6 million.

Moody's rates the City's general obligation bonds "Aa2", the third highest rating. The City's bond rating by Standard and Poor is "AA", the second highest rating. The rating reflects the City's strong management, financial policies and practices, and the City's strong budgetary performance, flexibility, and liquidity.

### Relevant Financial Policies

Cash temporarily idle during the year was invested in Certificates of Deposit, obligations of the U.S. Treasury, obligations of a federal government agency or instrumentality, the State Treasury Asset Reserve (STAR) of Ohio (the State Treasurer's investment pool), STAR Plus (the State Treasurer's deposit option), Ohio Municipal securities, and City of Cincinnati notes/bonds. The City has an investment committee that meets regularly to review investment policies and procedures. Beginning in March 2003, separate portfolios were created for general and bond investments in order to track specific interest earned on bond proceeds.

The City's Investment Policy, which was approved by the Mayor and City Council, is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are either insured by federal depository insurance or collateralized. The investments held by the City at June 30, 2016 were either backed by the full faith and credit of the U.S. Government or were investments with a credit rating of A and above.

The City utilizes the services of two professional investment management firms, Bond Tech, Inc. and Nuveen Asset Management, to manage a portion of the City's investment portfolio. The portfolios managed by these firms must follow the same laws and investment policies that guide the City's internally managed portfolio. As of June 30, 2016 the par value of City assets managed by these firms was \$180.6 million by Bond Tech and \$233.5 million by Nuveen Asset Management.

The par value of the assets managed internally by the City's Treasury Division was \$421.48 million. The assets managed internally include the assets invested from the sale of bond proceeds as well as the assets needed to satisfy the cash requirements of the City. As of June 30, 2016, the investment allocation of the aggregate portfolio was as follows:

U. S. Treasury Notes	33.58%
U.S. Agency Securities	42.28%
STAR Ohio	4.33%
STAR Plus	2.02%
Certificates of Deposit	0.81%
Ohio Municipal Debt	13.60%
City of Cincinnati Notes	2.66%
Overnight Funds/Cash	0.72%

The City maintains a comprehensive all-risk property insurance program through a commercial carrier, covering approximately \$1.46 billion in property values. The program contains a \$100 thousand deductible, provides coverage in the amount of \$300 million per occurrence, and has a maximum limit of \$50 million for earthquake damage and \$50 million for flood damage.

The City of Cincinnati Retirement System's net plan assets were \$2.11 billion as of June 30, 2016 compared to \$2.25 billion as of June 30, 2015. The net investment return for the fiscal year ending June 30, 2016 was a negative 0.53%. The Cincinnati Retirement System's actuary reported the December 31, 2015 pension funded ratio of 77.1% and the health care funded ratio of 97.9%. This compares to the December 31, 2014 pension funded ratio of 64.3% and health care funded ratio of 119.6%.

In 2011, City Council approved changes to pension benefits for active employees. In recent years the active employees filed multiple suits against the City in response to the pension changes. The retirees joined the litigation in anticipation of changes to future cost-of-living-adjustments (COLA's). The City and the adverse parties in the pension litigation agreed to a collaborative mediation in Federal District Court to attempt to reach an agreed resolution of the City's pension issues. A settlement agreement with a term of 30 years was approved by the United States District Court for the Southern District of Ohio, Western Division on October 5, 2015 and generally effective January 1, 2016. This settlement includes an employer contribution rate of 16.25%, a change in the COLA from a 3% compound to a fixed 3% simple COLA, a three year suspension of COLA payments for current retirees and future retirees upon their retirement date, and approval to terminate the 401(h) retiree health care account and replace it with a standalone 115 Trust, thereby facilitating the City's capture of \$220 million in excess retiree health care funds to be contributed to the Pension Trust.

### Major Initiatives

In 2016, the City continued to improve customer service throughout city government and promote revitalization of neighborhoods, downtown, and the riverfront area. Major initiatives, accomplishments and positive changes were made in the following areas and are of particular interest.

**General Electric U.S. Global Operations Center.** In summer 2014 General Electric (GE) announced that it would build its U.S. Global Operations Center at The Banks in the City's riverfront area. GE will perform functions at the center such as finance and information technology for its myriad business units. Approximately 2,000 people will be employed at the operations center. The 338,000-square-foot building is 12 stories and costs approximately \$90 million and opened in September 2016. The Economics Center at the University of Cincinnati forecasts that the project will result in \$900 million in new economic activity in Cincinnati each year.

**Streetcar Project.** The City constructed a 3.6-mile streetcar system connecting the riverfront to Over-the-Rhine (OTR), a neighborhood that is enjoying a renaissance. The Phase 1A route is serviced by five vehicles operating on embedded rail in shared right-of-way, with 18 station stops and a maintenance facility at the northern end of the route. Construction of the entire Phase 1A system was completed, with fare-based service which began in September 2016.

**The Banks Project.** In November 2007, the City and Hamilton County approved a series of agreements to develop the City's central riverfront comprising a total development site of approximately 120 acres. The riverfront development includes a variety of residential options, entertainment venues, riverfront offices, hospitality space and an expansive 45-acre riverfront park. Phase I includes 300 luxury apartments and 77,000 square feet of retail space, quickly filled. Phase II of the Banks is wrapping up with the 292-apartment Radius at the Banks open and leasing units. GE's U.S. Global Operations Center opened in September of 2016. In August 2015, the \$29.3 million project called Phase IIIA was launched, which will result in adding a two-level, 690-space parking structure and extending Race Street one block south. The Banks is a catalyst for regional economic growth and is expected to drive more than \$600 million in private investment to the City's riverfront and provide a place to live for more than 3,000 residents.

**580 Building.** The 580 building, located at 580 Walnut Street, was renovated into a mixed-use development primarily composed of 179 apartments, retail and commercial space at an estimated construction cost of \$55



million. The project is nearing completion and has converted approximately 300,000 square feet of vacant office space from the downtown market to residential use.

***Holiday Inn at 7th and Broadway.*** A new 115-suite Holiday Inn is nearing completion. The \$11.5 million, six-story facility will be Cincinnati's first downtown hotel newly constructed in 30 years. The hotel will include an indoor pool, fitness room, room service, as well as conference and banquet space. The hotel will create 35-40 new full time permanent employees.

***8<sup>th</sup> & Sycamore.*** Eighth & Sycamore will be the home of a mixed-use development in the Central Business District. Immediately adjacent to the new Holiday Inn Express (currently completing construction), this project includes a replacement garage, an apartment tower and new street level retail. A 500-space parking garage has been completed and currently 10,000 square feet of retail/commercial space is being finished. This combined project cost is approximately \$16.5 million. The estimated completion of the apartment tower is summer 2017.

***Lytle House Hotel.*** Construction has begun on a new 106-room Cincinnati Autograph Hotel and conference center combining two existing historic buildings (300 Lytle Street and 311 Pike Street) into one. The project has received approval of the City's Historic Conservation Board and is projected to open in the spring 2017. The total cost of the project is estimated at \$36 million and will create 80 new full time permanent employees.

***Peter Cremer.*** Peter Cremer North America expanded their operations in Sedamsville for the second time in recent years. The oleochemical supplier serves a variety of business segments, including pharmaceutical, personal care, cosmetic, soaps and detergent, as well as several companies in the agriculture industry. At the beginning of 2016, the company completed construction of a 90,000-square-foot LEED-certified manufacturing facility. This latest expansion will create 125 jobs, reflecting an investment of \$6.9 million.

***Q-Labs.*** Q-Labs will begin rehabilitation of 2 buildings totaling 25,000 square feet and the construction of a new 30,000-square-foot laboratory within the Knob Hill City View industrial park. The total project cost is \$7.5 million and will retain 100 full time equivalent positions (FTEs) and create 47 new FTEs. Q-Labs is a full service laboratory offering comprehensive microbiology, chemistry, and research and development testing services for the food ingredients/flavorings industry, the cosmetic, pharmaceutical, over-the-counter, and health and beauty care industry. The company currently occupies 23,500 square feet of space in the South Fairmount neighborhood. Their current facility is roughly double the amount of space that they occupied in 2010, but, Q-Labs has grown at such a rate, that it requires additional space in order to sustain its growth projector.

***SFA Architects.*** SFA, an architecture and engineering firm, is renovating a 60,000 square feet warehouse building which is located along a prominent gateway into Cincinnati. This new expansion will retain their headquarters in Cincinnati and be a major investment for the Queensgate neighborhood. The renovation project will include a 3,000-square-foot addition on the roof of the building. The total project cost is \$4.7 million and the company will commit to increase their employment from 60 FTEs to 85 FTEs.

***Grand Baldwin and Baldwin 200 Buildings.*** Neyer Properties, Inc. is converting the eight-story Grand Baldwin Building into a residential apartment complex containing approximately 190 market rate units and making improvements to the adjacent parking garage, at an estimated project cost of \$40 million. Construction on the Grand Baldwin building started in summer 2016 and is expected to be completed in spring of 2017. Neyer will also renovate the 12 story Baldwin 200 building, maintaining it as office space. The operation of both newly renovated buildings is expected to retain or create approximately 500 permanent jobs, at an estimated annual payroll of \$20 million.

***Oakley Station.*** A 74-acre redevelopment of a former industrial site in one of the City's most rapidly appreciating neighborhoods, Oakley Station is anticipated to be an 855,000 square-foot mixed-use development containing retail, entertainment, office and residential components. The total cost of the project

is estimated to be \$120 million. The developer anticipates that at full build-out, over 1,700 people will work on the site and the City estimates that those employees will generate nearly \$800,000 in earnings tax each year. Al. Neyer, Inc. is currently constructing an 80,000-square-foot office for Community Insurance Company, Inc. (Anthem) at the site, at an estimated project cost of \$14.8 million. This development will create at least 75 jobs and retain at least 325 jobs, for a total annual payroll of \$15 million. A 383 space public parking garage is also being constructed. Both developments are expected to be completed by fall of 2016. Phase II includes the Apartments at the Boulevard, a luxury apartment complex, which is due to be completed in spring 2017.

***MadTree Relocation.*** MadTree Brewing, LLC will undertake a \$15.4 million dollar acquisition and renovation of an approximately 4.6 acre brownfield site. The project will include the demolition of several portions of the existing facility and the renovation of the remaining 50,000-square-foot facility into production, warehouse, office and lab space, as well as a new taproom. Upon the completion all 47 of its existing employees with a payroll of approximately \$1.4 million will relocate from its existing facility in Columbia Township to the new facility. MadTree also expects to add 44 employees to the new location within three years of the completion for a total of 91 employees and approximately \$3 million in total payroll. The construction of a 240 space parking lot at this property will be undertaken, at an approximate cost of \$2.6 million.

***The Christ Hospital.*** The Christ Hospital was ranked among America's Best Hospitals for the 17th consecutive year by *U.S. News & World Report*. In late 2015, Christ Hospital opened their Joint & Spine Center, the centerpiece of a \$280 million expansion at the hospital. The 355,000-square-foot center recently won the 2016 National Healthcare Design Award of the American Institute of Architects and is dedicated to orthopedic and neurosurgical spine care, joint replacement, sports medicine and rehabilitation services.

***Cincinnati Zoo & Botanical Garden.*** Since 2010, the Zoo has undergone a 5-phase growth that brought expanded and reinvented exhibits to showcase African animals to their 1.5 million annual visitors, such as the Maasai giraffe, flamingo, cheetah, painted dogs, and meerkats. The final \$8 million Hippo Cove opened in July 2016 and features a 70,000-gallon pool complete with a transparent wall for underwater viewing.

***The University of Cincinnati (UC).*** Cincinnati's public research university continues to grow enrollment and pioneer research in many fields. UC is currently building a 100,000-square-foot research accelerator that will cost \$21 million, but will provide space to startup companies launched from UC-developed technologies. UC also recently announced a new Carl H. Lindner College of Business to meet the demand of their undergraduate and graduate business degrees that have both increased 30 percent and 100 percent, respectively, since 2010. The \$120 million facility will have 225,000 square feet and is expected to be complete in fall 2019.

***UC Health.*** The region's only academic health care system is investing in a \$50 million outpatient center to treat people with neurological and psychiatric diseases. The massive 120,000-square-foot headquarters facility will enable the UC Neuroscience Institute to create new research programs, expand existing ones, and lure more world-class doctors and researchers to Cincinnati.

***Vernon Manor II.*** After the former Vernon Manor hotel was successfully converted into office space for Cincinnati Children's Hospital, Al Neyer is now building a 146,000-square-foot office building and expanded parking garage that will add 786 parking spaces to the site. Cincinnati Children's Hospital has signed a 15-year lease and will relocate approximately 750 employees to the new facility when it opens in fall 2017.

***The Gantry.*** Milhaus Development has purchased vacant City-owned property at Hamilton Avenue and Blue Rock Road as well as other nearby underutilized property. The company constructed a mixed-use development with approximately 130 apartments and 8,000 square feet of commercial space. Melt has signed a lease as the anchor retail tenant. The developer is also rehabbing a historic former railroad depot building

which will become the home of local business Wire & Twine. In total, the development represents about \$16 million in private investment. Gantry was completed in spring 2016.

***Expansions of Jet Machine & Path Forward.*** In summer 2016, the City approved a tax abatement for Jet Machine for the company to build a new manufacturing facility at the Techsolve II Business Park, a blighted, underutilized shopping center known as Seymour Plaza. The new Jet Machine site is 9 acres, which is the largest undeveloped piece of property within TechSolve II Business Park. Jet Machine will construct and occupy a 105,000 square foot industrial facility, at a construction cost of approximately \$5 million and a total investment of \$12 million. The new space will allow the company to create 52 new FTEs and retain 118 FTEs in Cincinnati. This expansion will also free up space at one of Jet Machine's existing buildings in Bond Hill for an office tenant, Path Forward, to expand and create 150 new jobs and retain 151 existing jobs.

***Mercy Health (formerly Catholic Health Partners).*** Mercy Health, the largest health care organization in Ohio and formerly known as Catholic Health Partners, has consolidated its headquarters and administrative functions at the former Showcase Cinemas property in Bond Hill. The company received an incentive package from the City worth potentially as much as \$24.5 million, in exchange for making \$70 million in private investments in 350,000 square feet of office space, creating 650 new jobs, and retaining 400 existing jobs in Cincinnati. Construction was completed and new employees moved into the building in spring 2016.

***Keystone Parke.*** The second phase of Neyer Properties' Keystone Parke office campus in Evanston, Keystone II, began construction in late 2014. This phase consists of an acute care hospital facility which is a joint venture of Select Medical Corporation and TriHealth, which represents \$20 million in private investment and 200 jobs – a mix of new and retained jobs. Keystone Parke II was completed in summer 2016. Keystone Parke offers space to accommodate two significant additional phases. Keystone Parke III, which was approved by the City in early 2016, will commence construction in early fall 2016, and is a 5-story, 120-room Hilton Garden Inn built atop a public parking structure. The hotel is anticipated to create a mix of full-time and part-time jobs totaling 49 FTEs, with an annual payroll of approximately \$1.2 million. Completion of Keystone III is anticipated in 2018. Keystone IV is planned as a large, midrise office building, pending the commitment of anchor office tenants.

***DeSales Corner Redevelopment Activity.*** The City has allocated \$1.4 million in District TIF funds for the purpose of acquisition and redevelopment of key commercial properties in this business district of East Walnut Hills. To date, three buildings along Madison Road have been acquired, of which one is completed, one is under construction, and one is being held for future development. The completed project is the French Building which Bloomfield/Schon+Partners developed into office space and a first floor café. The project under renovation will be a restaurant.

***Avondale Town Center Redevelopment.*** New Avondale Center LLC, an affiliate of The Community Builders (TCB) and Avondale Coalition of Churches, and Avondale Town Center North LLC (an affiliate of TCB) have agreed to the purchase and comprehensive redevelopment of the current Avondale Town Center (ATC). The project consists of the redevelopment of the center into a mixed-use, mixed income project that includes the construction of two new buildings that will include 119 rental units (both market rate and affordable) as well as approximately 75,000 square feet of commercial space, which will include a grocery store. The project will preserve and enhance much needed affordable and market rate rental housing and stimulate economic growth in the Avondale neighborhood. Construction is anticipated to begin in late 2016 and be completed in December 2018.

***Mountjoy Chilton Medley.*** Mountjoy Chilton Medley is a regional CPA firm ranked in the top 100 nationally. With offices in Louisville, KY, Lexington, KY, Jeffersonville, IN and Cincinnati, OH, the firm offers a full range of services in tax, assurance, and advisory services to organizations and businesses. The company plans to create 13,200 additional square feet of commercial office space in the City. Total project costs are estimated to be \$750,000 which includes \$250,000 in leasehold improvements. Estimated job

creation is 64 permanent jobs and 29 jobs retained within three years of completion of construction, for a total annual payroll of approximately \$5.12 million.

**4<sup>th</sup> & Race.** The Fourth and Race redevelopment project tackles the blighted Pogue's Garage in the heart of the City's financial district. Construction began in the fall of 2016. The project constitutes a true mixed-use development, incorporating a replacement garage, an apartment tower and new street level retail. 3CDC will construct and operate the eight-level, 925-space garage and add 25,000 square feet of street level retail at a cost of \$32.1 million. Flaherty and Collins will build an eight story 208-unit apartment building above the new garage at an estimated cost of \$45.1 million.

**Messer.** Messer's corporate headquarters is being relocated and expanded into the West End neighborhood. The roughly \$12.8 million project will facilitate the construction of a 50,000-square-foot facility and the retention of 116 jobs, as well as creation of 40 new employees.

**Kroger Culinary.** The Kroger Co. will commence construction at 301 Elm Street in the CBD, converting the 12,000 square-foot vacant building into their culinary training and education center. The center will serve as Kroger's primary training facility and as testing grounds for new food products and trend research. The renovation will have a total project cost of \$3.8 million and will put life into an inactive building.

## **Awards and Acknowledgements**

### Certificate of Achievement and Budget Award

During fiscal year 2016, the Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Cincinnati for its comprehensive annual financial report for the fiscal year ended June 30, 2015. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

The City has received this award for thirty-six consecutive fiscal periods. In 1979, for our 1978 annual financial report, we were the first governmental unit in Ohio to receive the Certificate. As of December 31, 2015, 127 municipal reporting entities in Ohio and only 2,023 units nationwide are holders of the Certificate. We believe our current report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its' eligibility for another certificate.

We are equally proud of the GFOA's Award for Distinguished Budget Presentation earned by the City for its 2016/2017 biennial budget. This is the 29th consecutive year that the City has received this award. For the fiscal years beginning in 2015, only 28 entities in Ohio received the award.

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

Respectfully,



Reginald Zeno  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Cincinnati  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

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# **CITY OF CINCINNATI, OHIO**

*Principal City Officials*

## **CITY COUNCIL**

### **MAYOR**

John Cranley, First Term

### **VICE MAYOR**

David Mann, First Term

### **PRESIDENT PRO TEM**

Yvette Simpson, Second Term

## **COUNCILMEMBERS**

Amy Murray, First Term  
Christopher Smitherman, Second Term  
Wendell Young, Second Term  
Kevin Flynn, First Term

Chris Seelbach, Second Term  
P. G. Sittenfeld, Second Term  
Charles Winburn, Third Term

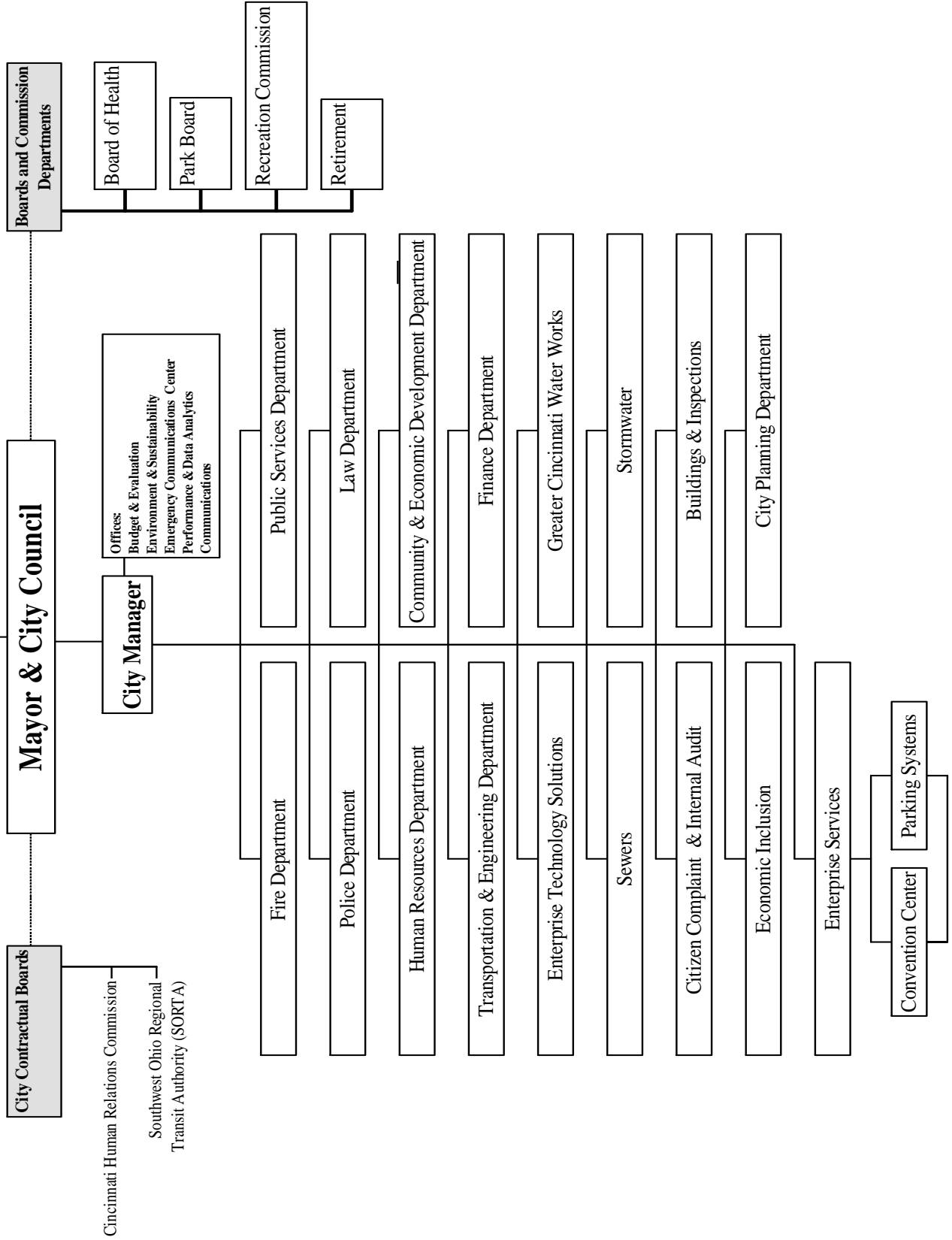
### **CITY MANAGER**

Harry Black

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# Citizens of Cincinnati



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# FINANCIAL SECTION





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Cincinnati  
Hamilton County  
801 Plum Street  
Cincinnati, Ohio 45202

To the Honorable Mayor and Members of the City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Hamilton County, Ohio (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

### **Opinion**

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, each major fund, and the aggregate remaining fund information of City of Cincinnati, Hamilton County, Ohio, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 7 to the financial statements, the 2016 financial statements have been restated to correct a misstatement. As discussed in Note 1N to the financial statements, during the year ended June 30, 2016, the City adopted Governmental Accounting Standard No. 72, *Fair Value Measurement and Application*. We did not modify our opinion regarding this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis, required budgetary comparison schedules*, and schedules of net pension liabilities and pension contributions 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

#### *Supplementary and Other Information*

Our audit was conducted to opine on the City'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 present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 30, 2016

# City of Cincinnati

## Management's Discussion and Analysis

As management of the City of Cincinnati (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 12 of this report. The government-wide financial statements are presented on a GAAP basis; that is, they reflect accrual basis of accounting. The GAAP fund financial statements will differ from those presented on a budgetary basis.

### Financial Highlights

- The assets and deferred outflows of the City, including all Governmental and Business-type activities, exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$0.7 billion (net position). Of this amount, negative \$1.2 billion is considered unrestricted. The unrestricted net position of the City's governmental activities has a balance of negative \$1.3 billion. The unrestricted net position of the City's business type activities are a negative \$86.6 million. The unrestricted portion of net position does not include assets with externally imposed restrictions or restrictions imposed by law.
- The City's total net position was \$706 million in 2016. Net position of the governmental activities decreased by \$179.6 million which represents a 159.9% change from the 2015 balance. Net position of business-type activities increased \$21.4 million or 2.8% change from 2015. Governmental activities net investment in capital assets decreased \$60.9 million. Governmental activities restricted net position increased \$103.9 million. Business-type activities net investment in capital assets increased \$12.7 million. Business-type activities restricted net position decreased by \$11.6 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$498.3 million, in comparison to \$366.2 million at June 30, 2015. On a combined basis approximately \$7.0 million is considered nonspendable, \$384.6 million is restricted for specific purposes, \$25.5 million has been committed by council and \$8.8 million has been assigned to specific purposes by management.
- At the end of the current fiscal year, the unassigned fund balance of the general fund was \$73.9 million, 20.0% of total 2016 general fund expenditures. The total fund balance reached \$92.8 million, 25.1% of total 2016 general fund expenditures. \$3.7 million is considered nonspendable, \$6.4 million committed, and \$8.8 million assigned. There was a \$6.0 million increase in general fund balance for the fiscal year ended June 30, 2016.
- The City's total general obligation and revenue debt for governmental activities increased by \$134.7 million or 23.6% during the current fiscal year.
- The unrestricted net position of the City's governmental activities has a balance of negative \$1.3 billion due primarily to noncurrent liabilities related to net pension liability and the increase in net position being restricted because of funding from federal and state sources.

### Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 39 to 41 of this report.

The statement of net position presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.



The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave).

Both of the government-wide financial statements (statement of net position and statement of activities) distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, community development, parks and recreation, public safety, transportation and engineering, transit system, public services, and public health. The business-type activities of the City include the Water Works, Parking Facilities, Convention Center, General Aviation, Municipal Golf, and Stormwater Management Funds.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City 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 *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The basic governmental fund financial statements can be found on pages 42 to 46 of this report.

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 City's near term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 28 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, the capital projects fund, and the debt service fund, all of which are considered to be major funds. Data from the other 25 funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* found elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

**Proprietary funds.** The City maintains two different types of proprietary funds - enterprise and internal service. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water works, parking facilities, convention center, municipal airport, municipal golf courses and stormwater management system. *Internal service funds* are an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds for its printing services and general stores operation, fleet services, property management function, self-insurance risk management fund, self-insurance workers' compensation fund and enterprise technology services. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 47 to 51 of this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Works Fund which is considered to be a major fund of the City. The other enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements. All internal service funds are also combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the other enterprise funds and internal service funds are provided in the form of *combining statements* found elsewhere in this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City uses fiduciary funds to account for pension trust, investment trust and agency funds. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 52 and 53 of this report.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 57 to 133 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's proportionate share of the net pension liability for and contributions to OP&F, OPERS, and CRS, the funding progress of the CRS Pension and Health Care Plans, Employer Contributions to the CRS Pension and Health Care Plans, and the budgetary comparison of the City's General Fund. Required supplementary information can be found on pages 137 to 148 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 153 to 215 of this report.

**City of Cincinnati's Net Position**  
(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	June 30 2016	June 30 2015	June 30 2016	June 30 2015	June 30 2016	June 30 2015
Current and other assets	825,768	714,159	316,968	270,727	1,142,736	984,886
Capital assets	1,476,522	1,430,479	1,320,616	1,295,837	2,797,138	2,726,316
Total Assets	2,302,290	2,144,638	1,637,584	1,566,564	3,939,874	3,711,202
Deferred Outflows	217,317	53,999	35,788	7,428	253,105	61,427
Long-term liabilities outstanding	2,227,222	1,817,217	815,763	735,094	3,042,985	2,552,311
Other liabilities	156,135	170,471	51,185	48,376	207,320	218,847
Total liabilities	2,383,357	1,987,688	866,948	783,470	3,250,305	2,771,158
Deferred Inflows	203,492	98,602	32,572	38,089	236,064	136,691
Net Position:						
Net Investment in Capital Assets	868,010	928,893	792,466	779,790	1,660,476	1,708,683
Restricted	316,881	212,989	67,988	79,623	384,869	292,612
Unrestricted	(1,252,133)	(1,029,535)	(86,602)	(106,980)	(1,338,735)	(1,136,515)
Total net position	(67,242)	112,347	773,852	752,433	706,610	864,780

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$0.7 billion at the close of the most recent fiscal period.

The largest portion of the City's net position \$1.7 billion (201.4%) reflects its investment in capital assets (e.g. land, construction in progress, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for spending. Although the City'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, because the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$384.9 million (46.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance negative \$1.3 billion represents *unrestricted net position*. The governmental unrestricted net position balance is negative \$1.3 billion. Overall, net position of the City decreased \$158.2 million in the fiscal year 2016. Net position for governmental activities decreased \$179.6 million, and the net position of business-type activities increased \$21.4 million.

There was an increase of \$103.9 million in restricted net position reported in connection with the City's governmental activities and restricted net position reported in connection with the City's business-type activities decreased by \$11.6 million in 2016. The key factor for the governmental activities' increase relates to an increase in funds restricted for capital projects and business activities' decrease is in funds restricted for capital projects.

The City's governmental activities net investment in capital assets decreased \$60.9 million due to the closing of projects in 2016. The City's business-type activities net investment in capital assets, increased \$12.7 million.

**CITY OF CINCINNATI**  
**Changes in Net Position**  
(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type		Total	
	June 30 2016	June 30 2015	June 30 2016	June 30 2015	June 30 2016	June 30 2015
Revenues:						
Program Revenues:						
Charges for Services	\$ 129,069	\$ 154,482	\$186,746	\$178,170	\$ 315,815	\$ 332,652
Operating Grants and Contributions	48,537	66,808			48,537	66,808
Capital Grants and Contributions	20,563	35,054	9,964	4,684	30,527	39,738
General Revenues:						
Property Taxes	59,426	58,668			59,426	58,668
Income Taxes	371,650	362,184			371,650	362,184
Admission Taxes	6,586	5,422			6,586	5,422
Shared Revenues	48,767	46,839			48,767	46,839
Occupancy Taxes	3,369	2,854	2,179	1,662	5,548	4,516
Unrestricted Investment Earnings	8,972	7,108	4,625	3,524	13,597	10,632
Miscellaneous	45,067	42,585	1,780	5,243	46,847	47,828
Total Revenues	742,006	782,004	205,294	193,283	947,300	975,287
Expenses:						
General Government	145,758	93,793			145,758	93,793
Community Development	67,760	55,155			67,760	55,155
Parks and Recreation	59,286	46,310			59,286	46,310
Public Safety	276,858	255,412			276,858	255,412
Transportation and Engineering	52,063	44,366			52,063	44,366
Transit System	50,811	49,800			50,811	49,800
Public Services	58,286	50,878			58,286	50,878
Public Health	65,361	44,362			65,361	44,362
Interest on long-term debt	23,621	22,045			23,621	22,045
Water Works			131,121	109,676	131,121	109,676
Parking Facilities			12,444	9,587	12,444	9,587
Convention Center			14,670	11,998	14,670	11,998
General Aviation			2,431	2,289	2,431	2,289
Municipal Golf			6,103	5,597	6,103	5,597
Stormwater Management			12,318	11,623	12,318	11,623
Total Expenses	799,804	662,121	179,087	150,770	978,891	812,891
Change in net position before transfers	(57,798)	119,883	26,207	42,513	(31,591)	162,396
Transfers	4,788	1,119	(4,788)	(1,119)	-	-
Change in net position	(53,010)	121,002	21,419	41,394	(31,591)	162,396
Net position – Beginning	(14,232)	(8,655)	752,433	711,039	738,201	702,384
Restatement of Net Position						
Prior Period Adjustment Deferred						
Inflows Revenues Levied for Next Year and Unavailable Revenues		(117,818)				(117,818)
Net Pension Liability						
Ohio Police & Fire Pension Plan		(8,761)				(8,761)
Restated Net Position July 1	(14,232)	(135,234)	752,433	711,039	738,201	575,805
Net position – Ending	\$ (67,242)	\$ (14,232)	\$773,852	\$752,433	\$ 706,610	\$ 738,201

**Governmental activities.** Governmental activities decreased the City’s net position in the fiscal year 2016 by \$53.0 million. Key elements of the change in net position include:

**Revenues**

The City realized a decrease of governmental revenues of \$40.0 million for 2016. Highlights include:

- Charges for services decreased by \$25.3 million. This includes the following changes by program:

<b>Governmental Program</b>	<b>Change in Millions</b>
General Government	\$ (3.7)
Community Development	(21.3)
Parks and Recreation	0.4
Public Safety	(3.0)
Transportation and Engineering	(3.3)
Public Services	1.6
Public Health	4.0

The Public Health increase resulted from the Medicaid expansion which involved more individuals having coverage and therefore more reimbursements being received.

See the Financial Trends information in the Statistical section beginning on page 243.

- Operating grants and contributions decreased by \$18.3 million. Community Development decreased by \$17.1 million mainly from a HUD 108 loan program which was disbursed in 2015. Other programs had insignificant decreases.
- Income tax increased \$9.5 million due to the economic recovery.
- Property tax was unchanged due to stable property values.
- Investment earnings increased by \$1.9 million due to a fair market value change from the prior year to the current year end.
- Shared Taxes increased \$1.9 million across the various types of shared tax revenues due to the economic recovery.

More information on governmental revenue trends is available in the Statistical Section, Financial Trends Information beginning on Page 247.

**Expenses**

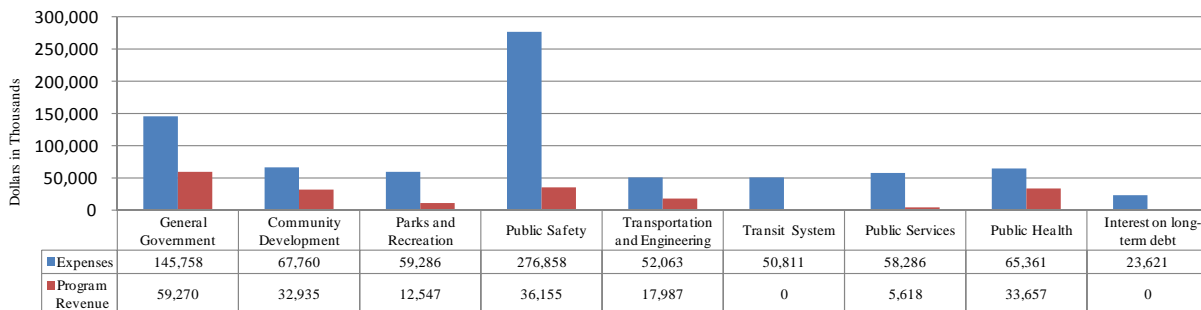
Expenses for governmental activities for the fiscal year ended June 30, 2016 were \$799.8 million. The City shows an increase in governmental expenses for fiscal year 2016 when compared to 2015 due to new recruiting classes for Public Safety in both the Police and Fire divisions. Also, the governmental expenses in 2016 increased from 2015 due to the increase in the net pension expense which was reported as required by GASB statement 68.

The net costs of operations covered by charges for service, grants and contributions are as follows (amounts in thousands):

**City of Cincinnati, Ohio**  
**Statement of Activities**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	<u>Expenses</u>	<u>Total Program Revenue</u>	<u>Net Revenue (Expense) Per Activity</u>	<u>Percent Covered</u>
Governmental Activities:				
Public Safety	\$276,858	\$ 36,155	\$(240,703)	13.06%
General Government	145,758	59,270	(86,488)	40.66%
Public Services	58,286	5,618	(52,668)	9.64%
Public Health	65,361	33,657	(31,704)	51.49%
Parks and Recreation	59,286	12,547	(46,739)	21.16%
Community Development	67,760	32,935	(34,825)	48.61%
Transit System	50,811	-	(50,811)	0.00%
Transportation and Engineering	52,063	17,987	(34,076)	34.55%
Long Term Debt	23,621	-	(23,621)	0.00%
Total governmental activities	<u>\$799,804</u>	<u>\$198,169</u>	<u>\$(601,635)</u>	

**Governmental Activities**  
**Expenses and Program Revenue**  
**For the Year Ending June 30, 2016**



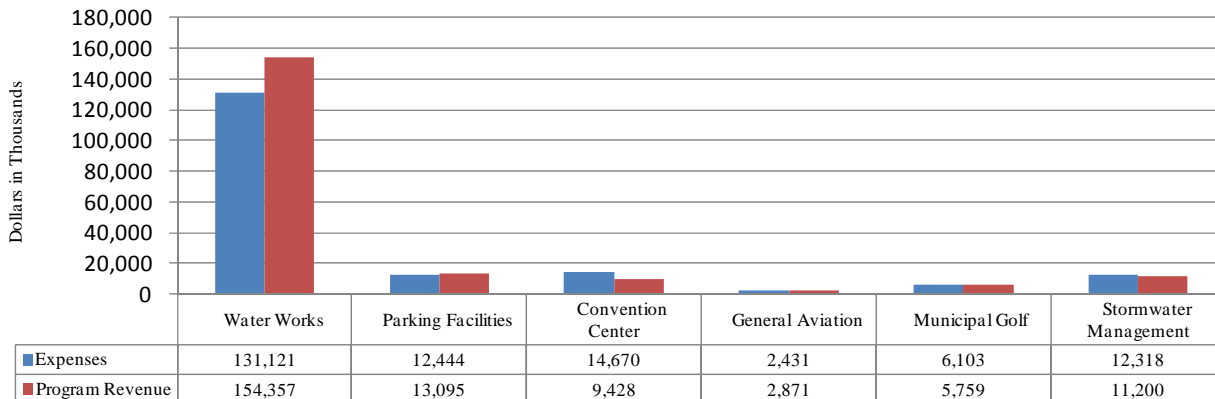
**Business-type activities.** Business-type activities increased the City’s net position in fiscal year 2016 by \$21.4 million. Key elements of the change were:

- Water Works revenue increased by \$5.1 million mainly caused by a 5% rate increase which occurred during the fiscal year.
- Water Works expenses were reduced by approximately \$1.4 million due to position vacancies.
- Unrestricted investment earnings increased by \$1.1 million due to a fair market value change from the prior year to the current year end.
- Capital contributions increased by \$5.3 million. Water Works contributed \$3.8 million to the increase from the reimbursement of expenses related to the Ohio Water Development Authority (OWDA) loans.

The net costs of the business type operations are as follows:

(Amounts in Thousands)	Program Expense	Program Revenue	Net Revenue (Expense) Per Activity	Percent Covered Activity
<b>Business type activities:</b>				
Water Works	\$131,121	\$154,357	\$ 23,236	117.72%
Parking Facilities	12,444	13,095	651	105.23%
Convention Center	14,670	9,428	(5,242)	64.27%
General Aviation	2,431	2,871	440	118.10%
Municipal Golf	6,103	5,759	(344)	94.36%
Stormwater Management	12,318	11,200	(1,118)	90.92%
<b>Total Business-type activities</b>	<b>\$179,087</b>	<b>\$196,710</b>	<b>\$ 17,623</b>	

### Business-Type Activities Expenses and Program Revenue For the Year Ending June 30, 2016



## Financial analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental funds.** The focus of the City's *governmental funds* (footnote 1) is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Nonspendable fund balances are amounts that cannot be spent, such as inventory, advances or nonexpendable trust balances. Restricted fund balances are amounts that are restricted legally for a specific purpose, such as a grant or by debt decree. Committed fund balances are amounts committed by the governing body through council legislation, such as budgetary commitments. Assigned fund balances are internal commitments by the governments' management for a specific purpose.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$498.3 million, a increase of \$132.0 million in comparison with the prior year. Approximately 77.2% or \$384.6 million of this total amount constitutes *restricted fund balance*, which is available for spending for a specific purpose. The *committed fund balance*, \$25.5 million or 5.1%, has been committed by council legislation at the end of the year.

The general fund is the primary operating fund of the City. During 2009, the decision was made to include the working capital reserve fund with the general fund as a stabilization fund and is included in the unassigned fund balance. At year end, the balance in the working capital reserve fund was \$25.7 million. The total unassigned fund balance of the general fund (including the working capital reserve) was \$73.9 million, which is 19.3% of 2016 general fund revenues.

The fund balance of the City's general fund increased by \$6.0 million during the current fiscal year compared to the fund balance as of June 30, 2015. The revenues and expenditures are provided below as an analysis of the affect on fund balance for the fiscal year ended June 30, 2016:

(Amounts in Thousands)	General Fund	
	06/30/16	06/30/15
<b>REVENUES</b>		
Taxes	\$ 307,767	\$ 294,120
Licenses and Permits	13,437	13,882
Use of Money and Property	13,039	9,416
Intergovernmental Revenue	23,402	26,054
Charges for Current Services	24,984	23,877
Miscellaneous	582	2,653
Total Revenues	<u>\$ 383,211</u>	<u>\$ 370,002</u>
<b>EXPENDITURES</b>		
Current:		
General Government	\$ 64,509	\$ 56,721
Community Development	8,769	7,451
Parks and Recreation	24,494	24,363
Public Safety	232,642	228,629
Transportation and Engineering	3,459	2,710
Public Services	17,826	21,895
Public Health	17,387	19,525
Total Expenditures	<u>\$ 369,086</u>	<u>\$ 361,294</u>



The capital projects fund has a total fund balance of \$152.1 million which is an increase of \$92.0 million from the June 30, 2015. The change in fund balance relates to an increase of \$99.2 million in transfers in. Bonds were issued during the current fiscal year and therefore funds from the bond proceeds were transferred to the capital projects fund.

The total fund balance of the debt service funds was \$116.0 million which is restricted for the payment of debt service. The net increase in fund balance was \$16.9 million. Debt service principal payments in fiscal year 2016 were \$41.4 million.

**Proprietary Funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the enterprise funds is a negative \$75.2 million. The total change in net position was an increase of \$28.9 million for the Water Works fund and a decrease of \$7.2 million for the other enterprise funds. Also, the other enterprise funds expenses in 2016 increased from 2015 due to the increase in the net pension expense which was reported as required by GASB statement 68. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

### **General Fund Budgetary Highlights**

Revenue estimates for fiscal year 2016 were \$381.2 million and were less than the actual revenue of \$390.1 million. The original appropriations were \$374.1 million, while the final appropriations were \$383.4 million. The increase in actual revenues over the estimates was due to a \$7.3 million increase of income tax revenue from the original budget which resulted as withholding tax is being remitted biweekly instead of monthly for certain employers.

Appropriation increases were made for 2016 general fund departments. Detailed information by department can be found on pages 153 to 158 in the General Fund Budgetary statement. Major increases were made in the following departments:

- Department of Police increased by \$750,000 for additional police visibility overtime, for a program to protect witnesses of violent crime and for startup of mounted patrol.
- Department of Fire increased by \$1,200,000 due to a recruit class and \$150,000 for Narcan/ Heroin treatment support.
- Department of Community and Economic Development expenditures increased by \$2,690,000 and included \$2,275,000 increase for Human Services funding and the balance for various thriving and healthy neighborhood initiatives. The Human Services funding was obtained by cuts spread throughout General Fund departments.
- General Government Non Departmental account Auditor and Treasurer Fees was increased \$4,400,000 to repay a portion of overpayment of Estate Tax paid to the City in 2012 by Hamilton County. This was offset with an increase in income tax revenue estimate by \$4,400,000 from a one-time increase due to a change in the timing of withholding tax payments.
- Other year-end adjustments resulted in increases to Health Department of \$218,500, Public Services of \$583,931. Decreases were spread throughout various General Fund Departments.

### **Capital Asset and Debt Administration**

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of June 30, 2016 is \$2.7 billion (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, systems, improvements, machinery and equipment, park facilities, streets, and bridges.

**City of Cincinnati's Capital Assets**

(net of depreciation)

(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	June 30	June 30	June 30	June 30	June 30	June 30
	2016	2015	2016	2015	2016	2015
Land	\$ 188,613	\$ 185,701	\$ 50,861	\$ 50,861	\$ 239,474	\$ 236,562
Buildings	117,975	131,817	155,123	151,028	273,098	282,845
Improvements	212,764	192,471	926,649	909,563	1,139,413	1,102,034
Machinery and Equipment	30,273	36,474	91,252	91,901	121,525	128,375
Infrastructure	631,966	585,564			631,966	585,564
Construction in Progress	289,887	298,366	95,977	91,405	385,864	389,771
Property Acquired under Capital Leases	5,044	86	754	1,079	5,798	1,165
<b>Total</b>	<b>\$ 1,476,522</b>	<b>\$ 1,430,479</b>	<b>\$ 1,320,616</b>	<b>\$ 1,295,837</b>	<b>\$ 2,797,138</b>	<b>\$ 2,726,316</b>

Total capital assets, net of accumulated depreciation, increased \$70.8 million. The governmental activities' capital assets increased \$46.0 million in fiscal year ended June 30, 2016 net of depreciation. During 2016 the construction in progress for several large projects increased. During 2016 capital projects which were completed included the Martin Luther King interchange for \$20 million, Ziegler Park for \$10 million and various infrastructure projects for \$26.3 million. While construction in progress was reduced as these projects were completed, new projects were added for the capital lease financing which included an upgrade to the police towers for \$12 million and fleet replacements for \$6.6 million.

The business activities capital assets increased by \$24.8 million. Improvements were increased by \$17.1 million as water main projects were completed. The construction in progress also increased by \$4.6 million since the budget allocation for new projects increased as new debt was issued to fund the projects.

Additional information on the City's capital assets can be found in note 14 on pages 90 to 92 of this report.

**Long-term debt.** At the end of the current fiscal year, the City had \$1.2 billion long-term bonds and notes outstanding. Of this amount, \$600.5 million comprises debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

**City of Cincinnati's Outstanding Debt**

**General Obligation and Revenue Bonds**

(AMOUNTS IN THOUSANDS)

	Governmental Activities		Business-type Activities		Total	
	June 30	June 30	June 30	June 30	June 30	June 30
	2016	2015	2016	2015	2016	2015
<b>General Obligation Bonds</b>	\$579,156	\$486,949	\$ 21,318	\$ 7,229	\$ 600,474	\$ 494,178
<b>Revenue Bonds</b>	126,534	84,044	504,232	474,009	630,766	558,053
<b>Total</b>	<b>\$705,690</b>	<b>\$570,993</b>	<b>\$525,550</b>	<b>\$481,238</b>	<b>\$1,231,240</b>	<b>\$ 1,052,231</b>

During the current fiscal year, the City's total debt increased by \$179.0 million (17.0%).

The City's general obligation bond rating by Standard and Poor's Corporation and Moody's Investor Services, Inc. is "AA-" and "Aa2", respectively.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net

debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. The City had a legal debt margin for total debt of \$294.8 million and a legal debt margin for unvoted debt of \$25.5 million.

Additional information about the City's long-term debt can be found in note 9 on pages 79 to 86 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the Cincinnati MSA was 4.4% at June 30, 2016 compared to 4.7% a year prior. This rate is lower than the State's average unemployment rate of 5.0% and the national average rate of 4.9%.
- The vacancy rate of the central business district A office space was 13.5% at the end of fiscal year 2016.
- The City is experiencing increasing costs for employee health care, retirement and contractually obligated labor costs.

All of these factors were considered in preparing the City's biennial budget for the fiscal year 2016:

General Fund revenues for the fiscal year 2016 were \$8.4 million more than the estimate resulting in an increase in unappropriated fund balance at June 30, 2016. The General Fund balance is estimated to be \$28.2 million, on a budgetary basis. At the end of the fiscal year 2016 the reserve balance was \$48.4 million (composed of \$25.7 working capital reserve, \$2.4 million emergency reserve, \$3.7 contingency reserve and the estimated \$16.6 million in carryover fund balance), and was 12.43% of 2016 General Fund revenues.

The 2017 fiscal year General Fund budget estimated current revenues of \$392.9 million are equal to the fiscal year 2017 estimated expenditures of \$388.2 million plus \$4.7 million transfers out for debt service. The 2017 fiscal year budget is structurally balanced.

Continuing budget priorities for 2017 are safer streets, thriving and healthy neighborhoods, a growing economy, innovative government, and fiscal sustainability and modernization. To support safer streets the 2017 budget includes full implementation of the Place-Based Investigations of Offender Territories (PIVOT) strategy. To improve neighborhoods the budget focuses on core services and expediting blight removal. A growing economy is supported by fully funding the Department of Economic Inclusion and enhancing opportunities for youth employment. The Office of Performance and Data Analytics is working to make the City the best managed local government through the use of data driven strategies and tactics. With the 2017 budget the City will continue to pursue long-term financial stability while exploring every opportunity to strategically invest in immediate process improvements and modernization.

### **Requests for Information**

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City Hall, Room 250, 801 Plum Street, Cincinnati, Ohio, 45202.

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**BASIC**  
**FINANCIAL STATEMENTS**

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**City of Cincinnati, Ohio**  
**Statement of Net Position**  
**June 30, 2016**  
**(Amounts in Thousands)**

	<b>Governmental</b>	<b>Business-Type</b>	<b>Total</b>
	<b>Activities</b>	<b>Activities</b>	
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash and Equivalents	\$ 71,803	\$ 2,820	\$ 74,623
Equity in City Treasury	102,383	27,280	129,663
Advances and Petty Cash	171		171
Investments, at Fair Value	29,326		29,326
Receivables:			
Taxes	89,130	530	89,660
Accounts, Net	71,221	27,128	98,349
Special Assessments	30,158		30,158
Accrued Interest	1,686	462	2,148
Due from Fiduciary Activities	1	1	2
Due from Other Governments	4,709	8,702	13,411
Prepaid Items and Other Assets	3,598	12,407	16,005
Inventory	5,128	5,330	10,458
Restricted Assets:			
Cash and Cash Equivalents		20,278	20,278
Equity in City Treasury		3,788	3,788
Investments, at Fair Value		67,896	67,896
Internal Balances	(12,632)	12,632	
<b>Total Current Assets</b>	<b>396,682</b>	<b>189,254</b>	<b>585,936</b>
<u>Noncurrent Assets</u>			
Equity in City Treasury	407,565	110,911	518,476
Restricted Equity in City Treasury Cash		15,402	15,402
Restricted Cash and Cash Equivalents			
Restricted Investments, at Fair Value		1,401	1,401
Accounts Receivable, Net	21,521		21,521
Land	188,613	50,861	239,474
Buildings, net of Accumulated Depreciation	117,975	155,123	273,098
Improvements, net of Accumulated Depreciation	212,764	926,649	1,139,413
Machinery and Equipment, net of Accumulated Depreciation	30,273	91,252	121,525
Construction in Progress	289,887	95,977	385,864
Property Acquired under Capital Leases, net of Accumulated Amortization	5,044	754	5,798
Infrastructure Assets, net of Accumulated Depreciation	631,966		631,966
<b>Total Noncurrent Assets</b>	<b>1,905,608</b>	<b>1,448,330</b>	<b>3,353,938</b>
<b>Total Assets</b>	<b>2,302,290</b>	<b>1,637,584</b>	<b>3,939,874</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Cincinnati Retirement System	99,754	27,008	126,762
Ohio Public Employees Retirement System	3,569	799	4,368
Ohio Police & Fire Pension Fund	98,624		98,624
Loss on Defeasance	15,370	7,981	23,351
	217,317	35,788	253,105

(Continued)

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

**City of Cincinnati, Ohio**  
**Statement of Net Position**  
**June 30, 2016**  
**(Amounts in Thousands)**

(Continued)	<b>Governmental</b>	<b>Business-Type</b>	
<b>LIABILITIES:</b>	<b>Activities</b>	<b>Activities</b>	<b>Total</b>
<u>Current</u>			
Accounts Payable	\$ 30,458	\$ 3,505	\$ 33,963
Withholdings and Other Deposits	2,625		2,625
Due to Fiduciary Activities	639	174	813
Due to Other Governmental Agencies		2,043	2,043
Accrued Payroll	10,240	1,256	11,496
Accrued Liabilities	6,982	531	7,513
Accrued Interest	2,620	1,647	4,267
Deposits Payable	25,799	1	25,800
Unearned Revenue		1,112	1,112
Obligations Under Capital Leases	2,145	270	2,415
Compensated Absences Payable	6,562	5,103	11,665
Unpaid Claims	10,342	242	10,584
Ohio Public Works Commission Loan	334	220	554
Ohio Water Development Authority Loan		2,233	2,233
Matured Bonds and Interest Payable	515		515
Notes Payable	851		851
General Obligation Bonds	49,108	1,080	50,188
Revenue Bonds	5,065	26,309	31,374
Other	1,529		1,529
Advances from Other Governments	321		321
Payable from Restricted Assets:			
Construction Contracts		3,215	3,215
Deposits Payable		2,244	2,244
Total Current Liabilities	156,135	51,185	207,320
<u>Noncurrent</u>			
Non-Current Obligations Under Capital Leases	22,988	719	23,707
Notes Payable	13,327		13,327
Revenue Notes Payable	14,725		14,725
General Obligation Bonds	530,048	20,238	550,286
Revenue Bonds	121,469	477,923	599,392
Compensated Absences Payable	101,348	4,304	105,652
Other Liabilities	1,272		1,272
Ohio Public Works Commission Loan	3,669	2,185	5,854
Ohio Water Development Authority Loan		40,213	40,213
Unpaid Claims Payable	16,401		16,401
Net Pension Liability-Cincinnati Retirement System	877,288	251,943	1,129,231
Net Pension Liability-Ohio Public Employees Retirement System	10,982	2,268	13,250
Net Pension Liability-Ohio Police & Fire Pension Fund	452,561		452,561
Net Other Post Employment Benefit Obligation	61,144	15,970	77,114
Total NonCurrent Liabilities	2,227,222	815,763	3,042,985
Total Liabilities	2,383,357	866,948	3,250,305
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Revenues Levied for the next year	131,909		131,909
Cincinnati Retirement System	69,002	19,910	88,912
Ohio Public Employees Retirement	690	156	846
Ohio Police & Fire Pension Fund	1,271		1,271
Service Concession Arrangements		12,447	12,447
Gain on Defeasance	620	59	679
Total Deferred Inflows of Resources	203,492	32,572	236,064
<u>Net Position</u>			
Net Investment in Capital Assets	868,010	792,466	1,660,476
Restricted Net Position for:			
Tax Increment Financing	45,599		45,599
Debt Service	54,295	67,988	122,283
Capital Projects	109,688		109,688
Public Transit	18,080		18,080
Public Safety	4,589		4,589
Parks and Recreation	16,074		16,074
Street Improvement	5,776		5,776
Infrastructure	13,156		13,156
Public Health	4,967		4,967
Community Development	10,349		10,349
Other Purposes	22,885		22,885
Fleet Services	1,833		1,833
Permanent Funds - Expendable	7,162		7,162
Permanent Funds - Nonexpendable	2,428		2,428
Unrestricted Net Position	(1,252,133)	(86,602)	(1,338,735)
Total Net Position	\$ (67,242)	\$ 773,852	\$ 706,610

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



City of Cincinnati, Ohio  
Statement of Activities  
For the fiscal year ended June 30, 2016  
(Amounts in Thousands)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 145,758	59,129	140	1	\$ (86,488)	\$	\$ (86,488)
Community Development	67,760	10,799	22,136		(34,825)		(34,825)
Parks and Recreation	59,286	9,215	2,092	1,240	(46,739)		(46,739)
Public Safety	276,858	22,172	13,138	845	(240,703)		(240,703)
Transportation and Engineering	52,063	550	17,437		(34,076)		(34,076)
Transit System	50,811				(50,811)		(50,811)
Public Services	58,286	4,578		1,040	(52,668)		(52,668)
Public Health	65,361	22,626	11,031		(31,704)		(31,704)
Interest on long-term debt	23,621				(23,621)		(23,621)
Total governmental activities	799,804	129,069	48,537	20,563	(601,635)		(601,635)
Business type activities:							
Water Works	131,121	146,395		7,962		\$ 23,236	23,236
Parking Facilities	12,444	13,095				651	651
Convention Center	14,670	8,211		1,217		(5,242)	(5,242)
General Aviation	2,431	2,086		785		440	440
Municipal Golf	6,103	5,759				(344)	(344)
Stormwater Management	12,318	11,200				(1,118)	(1,118)
Total Business-type activities	179,087	186,746		9,964		17,623	17,623
Total	\$ 978,891	\$ 315,815	\$ 48,537	\$ 30,527	(601,635)	17,623	(584,012)
General Revenues:							
Taxes:							
Property taxes					59,426		59,426
Income taxes					371,650		371,650
Admission taxes					6,586		6,586
Occupancy taxes					3,369	2,179	5,548
Shared Revenues					48,767		48,767
Unrestricted investment earnings					8,972	4,625	13,597
Miscellaneous					45,067	1,780	46,847
Transfers between governmental and business-type activities					4,788	(4,788)	
Total general revenues and transfers					548,625	3,796	552,421
Change in net position					(53,010)	21,419	(31,591)
Net position-beginning					112,347	752,433	864,780
Restatement of Net Position:							
Prior Period Adjustment Deferred Inflows Revenues Levied for					(117,818)		(117,818)
Next Year and Unavailable Revenues					(8,761)		(8,761)
Net Pension Liability Ohio Police & Fire Pension Plan					(14,232)	752,433	738,201
Restated Net Position - beginning					\$ (67,242)	\$ 773,852	\$ 706,610
Net position-ending							

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

**City of Cincinnati, Ohio**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Equivalents	\$ 70	\$ 63,333	\$ 4	\$ 8,028	\$ 71,435
Equity in City Treasury Cash	90,725	130,947	111,778	112,793	446,243
Advances and Petty Cash	171				171
Investments, at Fair Value		2,525	2,025	24,776	29,326
Receivables:					
Taxes	47,559	2,056	34,034	5,481	89,130
Accounts, Net	12,065	20,446	15,543	39,096	87,150
Special Assessments	843	1,309		28,006	30,158
Accrued Interest and Dividends	1,019	179	255	79	1,532
Due from Other Funds	2,914	55	3,446	3,589	10,004
Due from Other Governments	3,138			1,521	4,659
Inventory	3,730	774		288	4,792
Advances to Other Funds	1,734			521	2,255
<b>Total Assets</b>	<b>\$ 163,968</b>	<b>\$ 221,624</b>	<b>\$ 167,085</b>	<b>\$ 224,178</b>	<b>\$ 776,855</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 4,471	\$ 12,287	\$ 10	\$ 8,546	\$ 25,314
Withholdings and Other Deposits	2,625				2,625
Due to Other Funds	1,287	15,707		512	17,506
Due to Fiduciary Funds	403		1	197	601
Accrued Payroll	8,638		7	1,329	9,974
Accrued Liabilities	115	50		5,549	5,714
Deposits Payable	10,246	8,027	571	3,162	22,006
Estimated Liability for Unpaid Claims	703			35	738
Advances from Other Funds	521	11,813		900	13,234
Advances from Other Governments	324				324
Matured Bonds and Interest Payable			515		515
<b>Total Liabilities</b>	<b>29,333</b>	<b>47,884</b>	<b>1,104</b>	<b>20,230</b>	<b>98,551</b>
<b>Deferred Inflow of Resources:</b>					
Revenues Levied for the next year and Unavailable Revenue	41,797	21,564	49,978	66,692	180,031
<b>Fund Balances:</b>					
Nonspendable	3,730	774		2,428	6,932
Restricted		151,402	116,003	117,201	384,606
Committed	6,366			19,129	25,495
Assigned	8,810				8,810
Unassigned	73,932			(1,502)	72,430
<b>Total Fund Balances</b>	<b>92,838</b>	<b>152,176</b>	<b>116,003</b>	<b>137,256</b>	<b>498,273</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 163,968</b>	<b>\$ 221,624</b>	<b>\$ 167,085</b>	<b>\$ 224,178</b>	<b>\$ 776,855</b>

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

**CITY OF CINCINNATI, OHIO**  
**Reconciliation of the Balance Sheet to the**  
**Statement of Net Position**  
**Governmental Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

**Total fund balances - governmental funds** \$ 498,273

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. 1,476,522

Certain receivables will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 48,122

Some amounts reported for governmental-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities. 1,459

Six internal service funds are used by the City's management. The assets, deferred outflows, liabilities, and deferred inflows of the internal service funds are included with governmental activities. The net property of \$8,958 as it relates to the internal service funds is included in the capital asset amount above. (29,733)

Deferred gains and losses on refundings are expensed in the fund level financial statements but are accrued and amortized over the life of the bonds in the government-wide financial statements. This is the unamortized portion of gains and losses on defeasance. 14,750

Deferred Inflows and Outflows related to Net Pension Liability are not reported in the funds. The unamortized portion of these deferred inflows and outflows is: 128,733

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

G.O. Bonds payable	(521,935)
Revenue bonds payable	(123,615)
Long Term Notes Payable	(28,903)
Unamortized bond premium and discounts	(57,839)
Compensated absences	(106,130)
Net Pension Liability	(1,268,514)
Net Other Post Employment Benefit Obligation	(57,465)
Ohio Public Works Commission Loans	(4,003)
Unpaid claims payable	(7,251)
Accrued interest on bonds	(2,613)
Accrued Liabilities	(765)
Other liabilities	(1,346)
Capital leases payable	(24,989)
	(24,989)

**Total net position - - governmental activities (page 40)** **\$ (67,242)**

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

**City of Cincinnati, Ohio**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	General	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 307,767	\$ 26,532	\$ 32,351	\$ 74,118	\$ 440,768
Licenses and Permits	13,437			1,344	14,781
Use of Money and Property	13,039	847	31,166	4,999	50,051
Special Assessments		301		5,097	5,398
Intergovernmental Revenue	23,402	1,517	7,887	24,607	57,413
Federal Grants		14,465		38,775	53,240
State Grants and Subsidies		3,633		957	4,590
Charges for Current Services	24,984	195		28,747	53,926
Miscellaneous	582	2,300	7,587	38,442	48,911
Total Revenues	<u>383,211</u>	<u>49,790</u>	<u>78,991</u>	<u>217,086</u>	<u>729,078</u>
<b>EXPENDITURES</b>					
Current:					
General Government	64,509	1,010	1,215	34,047	100,781
Community Development	8,769		533	36,844	46,146
Parks and Recreation	24,494	300		13,724	38,518
Public Safety	232,642			9,173	241,815
Transportation and Engineering	3,459	10		4,926	8,395
Transit System				50,811	50,811
Public Services	17,826			19,591	37,417
Public Health	17,387			32,117	49,504
Capital Outlay		128,652		7,017	135,669
Debt Service:					
Principal Retirement		8,746	41,368	1,232	51,346
Interest		4,244	19,550	2,894	26,688
Bond Issuance Cost			3,608	594	4,202
Total Expenditures	<u>369,086</u>	<u>142,962</u>	<u>66,274</u>	<u>212,970</u>	<u>791,292</u>
Excess (Deficiency) of Revenues over (under) Expenditures	14,125	(93,172)	12,717	4,116	(62,214)
<b>OTHER FINANCING SOURCES(USES)</b>					
General Obligation Bonds Issued		35,545	104,936		140,481
Revenue Bonds Issued			23,800	11,730	35,530
Capital Lease Financing		20,079			20,079
Refunding Bonds Issued			138,875	34,225	173,100
Payments to Refunded Bonds Escrow Agent			(155,671)	(35,815)	(191,486)
Discounts on Bonds			(106)	(14)	(120)
Premium on Bonds Issued			29,498	2,551	32,049
Judgement Payment with Bonds Issued			(24,215)		(24,215)
Transfers In	3,038	130,888	14,150	16,724	164,800
Transfers (Out)	(11,167)	(1,353)	(127,072)	(20,149)	(159,741)
Revenue Loan Proceeds				3,773	3,773
Total Other Financing Sources(Uses)	<u>(8,129)</u>	<u>185,159</u>	<u>4,195</u>	<u>13,025</u>	<u>194,250</u>
Net change in fund balances	5,996	91,987	16,912	17,141	132,036
Fund Balances at July 1	<u>86,842</u>	<u>60,189</u>	<u>99,091</u>	<u>120,115</u>	<u>366,237</u>
Fund Balances at June 30	<u>\$ 92,838</u>	<u>\$ 152,176</u>	<u>\$ 116,003</u>	<u>\$ 137,256</u>	<u>\$ 498,273</u>

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

**City of Cincinnati, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**to the Statement of Activities**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

<b>Net change in fund balances - total governmental funds</b>	<b>\$</b>	<b>132,036</b>
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$135,669) exceeded depreciation (\$71,517) in the current period.		
		64,152
Governmental funds report cash received for assets disposed of as revenue. However, in the statement of activities, that cash offsets the difference between the book value (\$2,205) and accumulated depreciation of the disposed asset (\$1,300).		
		(905)
Deferred inflows of resources for revenues levied for next year and unavailable revenue includes revenue not recorded in the fund level, but reported in the statement of activities. This is the current year change in the deferred inflow of resources reported as a reduction in revenue in the statement of activities.		
		(2,390)
The long-term liability for compensated absences is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities.		
		(3,334)
The long-term liability for unpaid claims is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an a reduction of an expense in the statement of activities.		
		497
The long-term liability for Net Pension Liability is not recorded in the fund level, but is reported in the statement of activities. A portion of the current year change is recorded as deferred inflows and deferred outflows. This year the deferred amounts are amortized and the current year net pension expense was recorded as an expense in the statement of activities.		
		(61,770)
The long-term liability for Net Other Post Employment Benefit Obligation is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as a reduction of an expense in the statement of activities.		
		2,311
Bond and loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.		
		(110,052)

(Continued)

**City of Cincinnati, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**to the Statement of Activities**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

(Continued)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	\$ (28,221)
Bond premiums are included in revenue at the fund level, but capitalized and amortized over the life of the bonds in the government-wide financial statements.	(28,278)
Net Gains on Defeasance are included in revenues at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements	(532)
Bond discounts are included in expenditures at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements	123
Net Losses on Defeasance are included in expenditures at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements	9,757
Capital lease financing provides current financial resources to governmental funds, but the capital lease obligation increases the long-term liabilities in the statement of net position. Payment of capital lease is an expenditure in the governmental funds, but the payment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.	(20,079)
Internal balances between the governmental activities and the business type activities are not reported at the fund level.	230
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue(expense) of certain internal service funds is reported with governmental activities.	<u>(6,555)</u>
Change in net position of governmental activities (page 41)	<u><u>\$ (53,010)</u></u>

**City of Cincinnati, Ohio**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Water Works</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>				
<u>Current:</u>				
Cash and Equivalents	\$ 2,449	\$ 371	\$ 2,820	\$ 368
Equity in City Treasury Cash	21,221	6,059	27,280	12,575
Receivables:				
Taxes		530	530	
Accounts, Net	23,505	3,623	27,128	722
Accrued Interest	371	91	462	154
Due from Other Funds	3,671	952	4,623	3,579
Due from Fiduciary Funds				1
Due from Other Governments	8,702		8,702	50
Prepaid Items	11,812	595	12,407	1,746
Inventory	5,330		5,330	336
Advances to Other Funds	50	10,098	10,148	1,715
Restricted Assets:				
Cash and Equivalents	20,278		20,278	
Equity in City Treasury Cash	3,788		3,788	
Investments, at Fair Value	67,896		67,896	
<b>Total Current Assets</b>	<b>169,073</b>	<b>22,319</b>	<b>191,392</b>	<b>21,246</b>
<u>Noncurrent:</u>				
Equity in City Treasury Cash	86,281	24,630	110,911	51,130
Restricted Equity in City Treasury Cash	15,402		15,402	
Restricted Investments, at Fair Value	1,401		1,401	
Land	2,727	48,134	50,861	283
Buildings, net of Accumulated Depreciation	142,519	12,604	155,123	
Improvements, net of Accumulated Depreciation	761,616	165,033	926,649	3,486
Machinery and Equipment, net of Accumulated Depreciation	88,858	2,394	91,252	5,050
Construction in Progress	81,372	14,605	95,977	
Property Acquired under Capital Leases, net of Accumulated Amortization	39	715	754	139
Other Assets				1,852
<b>Total Noncurrent Assets</b>	<b>1,180,215</b>	<b>268,115</b>	<b>1,448,330</b>	<b>61,940</b>
<b>Total Assets</b>	<b>1,349,288</b>	<b>290,434</b>	<b>1,639,722</b>	<b>83,186</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on Defeasance	7,954	27	7,981	
Cincinnati Retirement System	24,146	2,862	27,008	6,524
Ohio Public Employees Retirement System	796	3	799	77
	32,896	2,892	35,788	6,601

(Continued)

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

**CITY OF CINCINNATI, OHIO**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Water Works</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
(Continued)				
<b>LIABILITIES</b>				
Current:				
Accounts Payable	\$ 2,700	\$ 805	\$ 3,505	\$ 5,144
Due to Other Funds	215	464	679	20
Due to Fiduciary Funds	157	17	174	38
Due to Other Governments	2,043		2,043	
Accrued Payroll	1,133	123	1,256	266
Accrued Liabilities		531	531	503
Accrued Interest	1,597	50	1,647	7
Obligations under Capital Lease	19	251	270	32
Deposits Payable		6	6	352
Unearned Revenue		1,107	1,107	
Compensated Absences payable	4,715	388	5,103	822
Unpaid Claims payable	242		242	9,604
Ohio Public Works Commission Loan	220		220	
Ohio Water Development Authority Loan	2,233		2,233	
General Obligation Bonds and Notes Payable	148	932	1,080	62
Revenue Bonds Payable	26,309		26,309	
Payable from Restricted Assets:				
Construction Contracts	3,215		3,215	
Deposits Payable	2,244		2,244	
Total Current Liabilities	<u>47,190</u>	<u>4,674</u>	<u>51,864</u>	<u>16,850</u>
<b>Noncurrent:</b>				
Compensated Absences Payable	3,705	599	4,304	958
Obligations Under Capital Lease	20	699	719	112
Ohio Public Works Commission Loan	2,185		2,185	
Ohio Water Development Authority Loan	40,213		40,213	
Estimated liability for Unpaid Claims				9,150
Advances from Other Funds				884
Advances from Other Governments				23
Revenue Bonds Payable	477,923		477,923	
General Obligation Bonds and Notes Payable	5,245	14,993	20,238	2,239
Net Pension Liability-Cincinnati Retirement System	223,965	27,978	251,943	72,045
Net Pension Liability-Ohio Public Employees Retirement System	2,181	87	2,268	272
Net Other Post Employment Benefit Obligation	14,128	1,842	15,970	3,679
Total Noncurrent Liabilities	<u>769,565</u>	<u>46,198</u>	<u>815,763</u>	<u>89,362</u>
Total Liabilities	<u>816,755</u>	<u>50,872</u>	<u>867,627</u>	<u>106,212</u>
<b>DEFERRED INFLOWS</b>				
Gain on Defeasance		59	59	
Service Concession Arrangement		12,447	12,447	
Cincinnati Retirement System	17,989	1,921	19,910	4,336
Ohio Public Employees Retirement System	156		156	14
	<u>18,145</u>	<u>14,427</u>	<u>32,572</u>	<u>4,350</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	544,618	226,637	771,255	8,647
Restricted Net Position				
Water Works	79,219		79,219	
Fleet Services				1,852
Unrestricted Net Position	<u>(76,553)</u>	<u>1,390</u>	<u>(75,163)</u>	<u>(31,274)</u>
Total Net Position	<u>\$ 547,284</u>	<u>\$ 228,027</u>	<u>775,311</u>	<u>\$ (20,775)</u>

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

Net position of business type activities

(1,459)  
\$ 773,852

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



**City of Cincinnati, Ohio**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Water Works</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>				
Charges for Current Services	\$ 144,633	\$ 40,227	\$ 184,860	\$ 100,604
Miscellaneous	3,115	569	3,684	2,335
Total Operating Revenues	<u>147,748</u>	<u>40,796</u>	<u>188,544</u>	<u>102,939</u>
<b>OPERATING EXPENSES</b>				
Personal Services	49,452	7,230	56,682	13,167
Contractual Services	8,242	17,833	26,075	5,161
Maintenance and Repairs	5,150	4,644	9,794	1,170
Materials and Supplies	9,255	496	9,751	11,268
Utilities	7,244	797	8,041	1,664
Insurance	155	124	279	73,082
Taxes	2	3,238	3,240	
Depreciation and Amortization	26,420	11,879	38,299	3,366
Rent	1,649	273	1,922	969
Other expense	453	111	564	317
Total Operating Expenses	<u>108,022</u>	<u>46,625</u>	<u>154,647</u>	<u>110,164</u>
Operating Income(Loss)	39,726	(5,829)	33,897	(7,225)
<b>NONOPERATING REVENUES(EXPENSES)</b>				
Interest revenue	2,482	557	3,039	957
Build America Bond Subsidy	1,586		1,586	
Occupancy tax receipts		2,179	2,179	
Interest expense	(17,472)	(637)	(18,109)	(54)
Judgement Payments	(5,393)	(699)	(6,092)	(2,301)
Loss on disposal of assets	(22)	(5)	(27)	(165)
Nonoperating Revenues(Expenses)	<u>(18,819)</u>	<u>1,395</u>	<u>(17,424)</u>	<u>(1,563)</u>
Income (Loss) before Contributions and Transfers	20,907	(4,434)	16,473	(8,788)
Transfers In		575	575	1,383
Transfers (Out)		(5,363)	(5,363)	(1,654)
Capital contributions	7,962	2,002	9,964	47
Change in Net Position	28,869	(7,220)	21,649	(9,012)
Net Position at July 1	518,415	235,247		(11,763)
Net Position at June 30	<u>\$ 547,284</u>	<u>\$ 228,027</u>		<u>\$ (20,775)</u>

Some amounts reported for business-type activities in the statement of net position are different because the net revenue of certain internal service funds is reported with business type activities.

(230)

Change in net position of business type activities

\$ 21,419

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

**City of Cincinnati, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Water Works</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>Cash Flows from Operating Activities:</b>				
Receipts from Customers	\$ 146,890	\$ 42,557	\$ 189,447	\$ 11,639
Receipts from Other Funds		896	896	89,668
Receipts from Retirement System				119
Payments to Suppliers	(35,643)	(20,278)	(55,921)	(86,544)
Payments to Other Funds		(4,463)	(4,463)	(3,751)
Payments to Employees	(38,429)	(5,992)	(44,421)	(10,108)
Payments for Property Taxes	(2)	(3,132)	(3,134)	
Net Cash Provided (Used) by Operating Activities	72,816	9,588	82,404	1,023
<b>Cash Flows from Noncapital Financing Activities:</b>				
Repayment of Advances Made To Other Funds		1,061	1,061	(370)
Amount Due from Other Funds for City Notes	10,967	2,687	13,654	6,843
Interest paid on Bond and Notes				(38)
Advances To Other Funds		(1,544)	(1,544)	(781)
Occupancy Tax Receipts		2,021	2,021	
Transfers to Other Funds		(5,363)	(5,363)	(1,654)
Transfers from Other Funds		575	575	1,296
Net Cash Provided(Used) by Noncapital Financing	10,967	(563)	10,404	5,296
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Capital Contributed by Other Sources	92	785	877	47
Capital Items Expensed		1,217	1,217	(427)
Proceeds from the Sale of Capital Assets	55		55	(8)
Proceeds from Ohio Water Development Authority Loan	1,271		1,271	
Proceeds from Sale of Bonds and Notes	52,528	9,150	61,678	
Acquisition of Property, Plant and Equipment	(1,391)	(6,134)	(7,525)	(295)
Interest Paid on Bonds and Notes	(20,415)	(618)	(21,033)	(9)
Principal Paid on Bonds and Notes	(25,424)	(1,153)	(26,577)	
Principal Paid on Ohio Public Works Bonds	(248)		(248)	
Principal Paid on Ohio Water Development Authority Loan	(2,052)		(2,052)	
Payments on Long Term Capital Lease Obligations	(19)	(244)	(263)	(55)
Additions to Construction in Progress	(36,109)	(5,724)	(41,833)	(515)
Net Cash Provided (Used) by Capital and Related Financing Activities	(31,712)	(2,721)	(34,433)	(1,262)
<b>Cash Flow from Investing Activities:</b>				
Investment (Purchases)Sales	(6,671)		(6,671)	(153)
Interest on Investments	4,020	563	4,583	961
Net Cash Provided (Used) by Investing Activities	(2,651)	563	(2,088)	808
Net Increase (Decrease) in Cash and Cash Equivalents	49,420	6,867	56,287	5,865
Cash and Cash Equivalents at Beginning of Period	99,999	24,193	124,192	58,208
Cash and Cash Equivalents at End of Period	\$ 149,419	\$ 31,060	\$ 180,479	\$ 64,073

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

**City of Cincinnati, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Water Works</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$ 39,726	\$ (5,829)	\$ 33,897	\$ (7,225)
Depreciation and Amortization	26,420	11,879	38,299	3,366
Changes in Assets, Deferred Inflows/Outflows and Liabilities:				
(Increase) Decrease in:				
Receivables	487	145	632	(36)
Due from Other Funds	72	(3)	69	104
Due from Other Governments	(1,417)	2,521	1,104	12
Inventory	120		120	41
Prepaid Items	1,711	(70)	1,641	(221)
Deferred Outflows Loss on Defeasance	(5,733)		(5,733)	
Deferred Outflows Cincinnati Retirement System	(19,705)	(2,327)	(22,032)	(5,303)
Deferred Outflows Ohio Public Employees Retirement System	(597)	1	(596)	(57)
Increase (Decrease) in:				
Accounts Payable	(193)	(168)	(361)	1,011
Deposits Payable		(2)	(2)	31
Due to Other Funds	(113)	29	(84)	11
Due to Fiduciary Funds	58	5	63	20
Due to Other Governmental Agencies	642		642	
Accrued Payroll	292	30	322	72
Accrued Liabilities		(147)	(147)	(27)
Unearned Revenue		419	419	
Liability for Compensated Absences	762	(13)	749	104
Deferred Inflows Service Concession Arrangements		(423)	(423)	
Deferred Inflows Cincinnati Retirement System	(4,725)	(486)	(5,211)	(1,091)
Deferred Inflows Ohio Public Employees Retirement System	124	(1)	123	11
Estimated Liability for Unpaid Claims	13		13	898
Net Pension Liability Cincinnati Retirement System	35,021	4,122	39,143	9,422
Net Pension Liability Ohio Public Employees Retirement System	547		547	53
Net Other Post Employment Benefit Obligation	(696)	(94)	(790)	(173)
Net Cash Provided (Used) by Operating Activities	<u>\$ 72,816</u>	<u>\$ 9,588</u>	<u>\$ 82,404</u>	<u>\$ 1,023</u>
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>				
Change in Fair Value of Investments		\$ 113	\$ 113	\$ 369
Acquisition of Property, Plant and Equipment from Capital Lease				150
Capital Contributions	<u>\$ 7,870</u>	<u>82</u>	<u>7,952</u>	<u>47</u>
Total Noncash Investing, Capital and Financing Activities	<u>\$ 7,870</u>	<u>\$ 195</u>	<u>\$ 8,065</u>	<u>\$ 566</u>

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

**City of Cincinnati, Ohio**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	<u>Pension</u>	<u>Investment</u>	<u>Agency</u>
	<u>Trust</u>	<u>Trust</u>	
		<u>Fund</u>	
<b>ASSETS</b>			
Cash and Equivalents	\$ 67,472		
Equity in City Treasury Cash		\$ 164,458	\$ 3,141
Cash with Fiscal Agent			2
Investments, at fair value:			
U. S. Treasury Bills and Notes			357,929
Canadian Bonds			
International Bonds	5,665		
US Government Bonds	29,066		
Corporate Fixed Income	169,242		
US Agencies	26,884		
Equities - Common Stock	860,523		
Mututal Funds	171,659		
Private Equity	212,554		
Real Estate	182,345		
Private Placements	32,077		
Other Assets (Alternatives)	395,064		
	<hr/>		
Total Investments, at Fair Value	2,085,079		357,929
Collateral on Loaned Securities	76,468		
Receivables:			
Accounts, Net	2,204		50,954
Accounts Receivable for Securities Sold	21,162		
Accrued Interest and Dividends	2,334		1,015
Due from Primary Government	813		
Loans Receivable	127		
Machinery and Equipment	795		
Accumulated Depreciation	(776)		
Total Assets	<hr/>		
	2,255,678	<hr/>	<hr/>
		164,458	413,041
			<hr/>
<b>LIABILITIES</b>			
Accounts Payable	4,667		10,428
Accounts Payable for Securities Purchased	37,034		
Due to Primary Government	1		
Due to Other Governmental Agencies			389,084
Obligations Under Securities Lending	76,468		
Accrued Payroll	33		1,214
Accrued Liabilities	26,139		29
Deposits Payable			2,801
Estimated Liability for Compensated Absences	181		9,485
Total Liabilities	<hr/>		<hr/>
	144,523	<hr/>	<hr/>
			\$ 413,041
			<hr/>
<b>NET POSITION</b>			
Restricted for External Pool Participant		164,458	
Restricted for Employees' Pension Benefits	1,651,375		
Restricted for Employees' Postemployment Healthcare Benefits	459,780		
Total Net Position	<hr/>	<hr/>	
	\$ 2,111,155	\$ 164,458	
			<hr/>

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

**City of Cincinnati, Ohio**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	<u>Pension Trust</u>	<u>Investment Trust Fund</u>
<b>ADDITIONS</b>		
Contributions:		
Plan members	\$ 16,337	
Employer	26,609	
Other	41,882	
Participant Deposits		\$ 496,154
Total Contributions	<u>84,828</u>	<u>496,154</u>
 Transfers From Other Retirement Systems	 233	
Investment earnings:		
Interest and Dividends	33,633	1,558
Proceeds from Litigation	497	
Net Appreciation in the Fair Value of Investments	<u>(40,023)</u>	<u>1,167</u>
Total Investment Earnings	(5,893)	2,725
Less Investment Management Expenses	<u>10,495</u>	
Net Income From Investing Activities	<u>(16,388)</u>	<u>2,725</u>
 From Security Lending Activities:		
Securities Lending Income	<u>443</u>	
Securities Lending Expense:		
Borrower Rebates	102	
Management Fees	<u>(136)</u>	
Total Securities Lending Expenses	<u>(34)</u>	
Net Income from Securities Lending Activities	<u>409</u>	
Total Additions	<u>69,082</u>	<u>498,879</u>
 <b>DEDUCTIONS</b>		
Benefit Payments:		
Pension and Annuities	161,253	
Distributions to Participants		439,527
Hospital and Medical Care	38,818	
Death Benefits, Active and Retired	552	
Transfers - Retirement to other systems	<u>531</u>	
Total Benefits Payments	<u>201,154</u>	<u>439,527</u>
Refunds of Contributions	<u>1,828</u>	
Administrative expenses:		
Personal Services	1,179	
Contractual Services	5,925	
Materials and Supplies	337	
Depreciation	<u>4</u>	
Total Administrative Expenses	<u>7,445</u>	
Total Deductions	<u>210,427</u>	<u>439,527</u>
Change in Net Position	(141,345)	59,352
Net Position at July 1	<u>2,252,500</u>	<u>105,106</u>
Net Position at June 30	<u>\$ 2,111,155</u>	<u>\$ 164,458</u>

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

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**CITY OF CINCINNATI, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**

**For the fiscal year ended June 30, 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Cincinnati is a political subdivision of the State of Ohio. It is governed with the powers of home rule by a directly elected mayor with a four-year term and a council of nine members who are elected at large for four-year terms. In 2001, Cincinnati converted from a city manager-council form of government, through which it had operated since 1926, to a stronger mayor-council form of government.

In 2012, the decision was made to change the City's fiscal year from January 1 through December 31 to July 1 through June 30 to accommodate the new council members and implementation of budgetary adjustments. This report is for the third full year from July 1, 2015 through June 30, 2016.

**A. Reporting Entity**

The City as a reporting entity consists of only one governmental unit. Cincinnati has no component units as defined by GASB 61 as entities for which the government is considered to be financially accountable and where it would be misleading to exclude.

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

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

Cincinnati owns a railway line, the Cincinnati Southern Railway that was completed in 1881 and extends from Cincinnati, Ohio to Chattanooga, Tennessee, a distance of 335 miles. The Ferguson Act was made law May 4, 1869 and permitted the City to own and lease the railway stating that "it be of essential interest to such city". Improvements have been made at various intervals; the most recent, a major line revision to eliminate tunnel clearance restrictions, grades, and curves, was completed in 1964. Improvements other than buildings in Governmental Activities include \$83,224,000 attributable to the City's cost to construct and improve this railway system. The railway is leased to the Cincinnati, New Orleans and Texas Pacific Railway Company until December 31, 2026, with an option to extend the lease for an additional 25 years. The lessee is part of the Norfolk Southern Railway System and is its second largest operating unit. Total rental income from the railway lease was \$21,360,000 and \$21,018,000 for the fiscal years ending June 30, 2016 and June 30, 2015, respectively.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Inter-fund receivables and payables between governmental and business type activities have been eliminated in the government-wide statement of net position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business type activities total column. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's business type activities 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.

Fund financial statements consist of a series of statements focusing on information about the City's major governmental and proprietary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements of the City of Cincinnati for the fiscal year ended June 30, 2016 are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants which are considered to be "generally accepted accounting principles" for state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement.

The City reports the following major governmental funds:

**General Fund** – This fund is the accounting entity in which all governmental activity, except that which is required to be accounted for in other funds, is accounted for. Its revenues consist primarily of taxes, intergovernmental shared revenues, charges for services, and investment income.

General Fund expenditures represent costs of general government, community development, public safety, public services, public health, parks and recreation, transportation and engineering, and other.

**Capital Projects Fund** – This fund is used primarily to account for resources restricted to construct or acquire governmental fund capital assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax (see Note 11). It is the City's policy to use the proceeds derived from the sale of bonds only for the capital improvement purpose detailed in the bond-authorizing ordinance and in accordance with state statutes. Any premium and accrued interest received from the sale of bonds is deposited into the Debt Service Fund.

**Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on general obligation debt and capital lease payments of the governmental funds.

The City reports the following major proprietary fund:

**Water Works Fund** – This fund accounts for all activities of the City’s Water Works Department. The City collects, purifies, and sells water to Greater Cincinnati Area residents. Revenues consist primarily of user charges.

The City reports the following fund types:

**Internal Service Funds** – These funds are used to account for: reproduction, printing and stores; automotive repairs and maintenance; land sales and leasing; City’s property and employee medical insurance; workers’ compensation; and enterprise technology services to other departments or agencies of the City, or to other governments. Internal service funds are used to account for the financing of goods or services provided by one department or agency to another department or agencies of the government, generally on a cost reimbursement basis.

**Pension Trust Fund** – This fund is used to account for the revenues and expenses of the City’s Retirement System, which is accounted for as a single-employer defined benefit pension plan. This fund accounts for both the pension benefits and the post-employment healthcare benefits. Footnote 22 contains the disclosures for the pension trust fund and the financial statements.

**Investment Trust Fund** – This fund is used to account for the Metropolitan Sewer District Fund portion of the City’s pool of cash and investments.

**Agency Funds** – These funds are used to account for assets held by the City in a fiduciary capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The assets held by the City include: towing and storing charges for impounded vehicles; entertainment facilities deposits; transportation and engineering specific purpose monies; Metropolitan Sewer District monies; and the Convention Facility Authority monies.

### **Measurement Focus**

Except for budgetary purposes, the basis of accounting used by the City conforms to generally accepted accounting principles (GAAP) in the United States of America as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus. The government-wide and proprietary funds financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenues, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the taxpayer’s liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when

payment is due. Inventories of materials and supplies may be considered expenditures either when purchased or when used; and prepaid expense items may be considered expenditures either when paid for or when consumed. Proceeds of general long-term debt are reported as other financing sources.

Income taxes, delinquent property taxes, liquor permits, fines, local government fund, gasoline tax, and motor vehicle license fees for the current and prior periods are determined to be susceptible to accrual and recognized as revenue in the current accounting period. All other major revenues of governmental funds are determined not to meet the criteria of either being measurable or available.

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

The fiduciary fund types recognize revenue and expenses on a basis consistent with the fund's accounting measurement objective. The pension trust fund and the mixed investment pool statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting. The pension trust fund accounts for both the pension benefits and the employees' post-employment benefits. Agency funds do not have a measurement focus. Their financial statements are prepared utilizing the accrual basis of accounting.

### **Other Accounting Policies**

- A. *Investments* - The investments of the City ((excluding the City of Cincinnati's Retirement System, (see Note 2)) are comprised primarily of time deposits and other securities guaranteed by the United States Government or its agencies and are stated at fair value based on quoted market prices.
- B. *Inventories* - Inventories are valued at cost using either the moving weighted average or the first-in, first-out method. Inventories in the governmental funds and the proprietary funds are recorded using the consumption method whereby inventories are recorded as expenditures or expenses when they are used.
- C. *Insurance* - The City maintains a comprehensive all-risk property insurance program through a commercial carrier that provides insurance coverage for approximately \$1,459,995,000 in property values. The program contains a \$100 thousand deductible, provides coverage in the amount of \$300 million per occurrence, and has a maximum limit of \$50 million for earthquake damage and \$50 million for flood damage. The City's available legal debt margin of \$10,592,210 at June 30, 2016, is available for catastrophic loss.
- D. *Inter-Fund Transactions* – During the course of normal operations, the City has numerous transactions between funds including expenditures/expenses, advances and transfers of resources to provide services, construct assets and service debt. The governmental and proprietary fund type financial statements generally reflect such transactions as transfers or advances. The internal service funds record charges for services to City departments as operating revenue. All City funds record these payments to the internal service funds as operating expenditures/expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure/expense or transfer. Transfers are intended to reallocate money permanently from one fund to another. Advances represent the long-term portion of loans between funds. Inter-fund services provided and used are accounted for as revenues, expenditures, or expenses in the funds involved. The General Fund provides administrative services to enterprise funds. Based on an internal cost allocation plan certain costs initially borne by the General Fund are then billed as indirect charges to other funds of the City. The amounts charged for those services are treated as revenue to the General Fund and as operating expenses in the enterprise funds and as

program expenses for individual functions and activities.

- E. Capital Assets** - Capital assets which include property, plant and equipment, and infrastructure (i.e., roads, streets, bridges and retaining walls) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The City defines capital assets as assets with an individual cost of \$5,000 or more (\$100,000 for governmental infrastructure assets) and an estimated useful life in excess of one year. Such assets are capitalized at historical cost, or estimated values that approximate historical cost if purchased or constructed. Pursuant to the implementation of GASB No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1980) is included as part of the governmental capital assets reported in the government-wide statement. Thus, the depreciated value of construction cost for streets, bridges and retaining walls is reported. Donated capital assets are recorded at estimated fair market value at the time of donation.

Capital assets include intangible assets as defined by GASB 51. An intangible asset is an asset that lacks physical substance and has a useful life of more than one year. Some examples are computer software, trademarks, water rights and land easements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Water Mains	100 years
Buildings and Improvements	25-70 years
Infrastructure	15-25 years
Machinery and Equipment	5-40 years
Automotive Equipment	3-20 years

- F. Deferred Outflows** – Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows on its fund level balance sheet and entity wide statement of net position. A loss on defeasance is a deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in the footnote on pension plans.
- G. Deferred Inflows** - The City reports deferred inflows of resources on its fund level balance sheet and entity wide statement of net position. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. The City recognizes gains on defeasance of debt and certain transactions under service concession arrangements as deferred inflows of resources. The deferred inflows of resources related to pension are explained in the footnote on pension plans. Deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Certain intergovernmental receivables, uncollected assessments, miscellaneous receivables, property taxes and income taxes not meeting the availability criteria have been deferred and will be realized in a subsequent period in the governmental funds.

- H. *Grants and Other Intergovernmental Revenues* -The proprietary fund types recognize the federal reimbursement type capital grants as intergovernmental receivables and capital contributions as the related expenses are incurred. All other federal reimbursement type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City.
- I. *Operating Revenues and Expenses* - The City, in its proprietary funds, distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.
- J. *Capitalization of Interest* - Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with GASB 62 Guidance. This Guidance requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use.
- K. *Statement of Cash Flows* - For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments held by trustees, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and temporary investments with the City Treasurer are also considered to be cash equivalents since they are available to the proprietary funds on demand. The temporary investments primarily consist of certificates of deposit, federal agencies or instrumentalities, Ohio Municipals and U. S. Treasury securities that have maturities of up to two years.
- L. *Bond Issuance Costs, Premiums and Discounts* -Premiums and discounts are capitalized and amortized over the term of the bond. Debt is reported net of unamortized premiums and discounts. Bond Issuance Costs are expensed as incurred per GASB 65 except for prepaid bond insurance which is reported as a deferred outflow of resources and amortized term of the bonds.
- M. *Fund Balance* - Restricted Fund balances are used to meet current expenditures incurred for which restricted and unrestricted funds are available. Other expenditures are from committed, assigned and unassigned fund balances respectively.
- N *Pronouncements Effective for the 2016 Financial Statements* - Governmental Accounting Standards Board (GASB) Statement Number 72, *Fair Value Measurement and Application* was issued in February 2015. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Governmental Accounting Standards Board (GASB) Statement Number 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* was issued in

June 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2015-except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. Earlier application is encouraged. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes.

The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and non-employer contributing entities.

Governmental Accounting Standards Board (GASB) Statement Number 79, *Certain External Investment Pools and Pool Participants* was issued in December 2015. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015.

This Statement enhances comparability of financial statements among governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

- O. *Pronouncements Issued But Not Yet Effective* – Governmental Accounting Standards Board (GASB) Statement Number 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* was issued in June 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. Earlier application is encouraged. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*.

This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are *not* administered through trusts that meet the specified criteria.

Governmental Accounting Standards Board (GASB) Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* was issued in June 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged. This replaces the requirements of Statements No. 45, *Accounting and*

*Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity.

Governmental Accounting Standards Board (GASB) Statement Number 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* was issued in June 2015. The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. Earlier application is encouraged. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

Governmental Accounting Standards Board (GASB) Statement Number 77, *Tax Abatement Disclosures* was issued in August 2015. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government’s future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government’s financial position and economic condition.

Governmental Accounting Standards Board (GASB) Statement Number 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans* was issued in December 2015. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.



Prior to the issuance of this Statement, the requirements of Statement 68 applied to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that Statement.

This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

Governmental Accounting Standards Board (GASB) Statement Number 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14* was issued in January 2016. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*.

This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

Governmental Accounting Standards Board (GASB) Statement Number 81, *Irrevocable Split-Interest Agreements* was issued in March 2016. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016. Earlier application is encouraged. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

Governmental Accounting Standards Board (GASB) Statement Number 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73* was issued in March 2016. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer’s pension liability is measured as of a date other than the employer’s most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged.

The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

- P. *Stabilization Policy* - At the beginning of fiscal year 2016 City Council updated the stabilization policy which was originally established in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy calls for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of two months, or 16.7%, of general operating revenues by June 30, 2020. At June 30, 2016 reserves were 12.4% of fiscal year 2016 revenue. The previous stabilization policy called for a minimum reserve level of no less than 5% or more than 8% of general operating revenues. The targeted year-end reserve level was achieved by fiscal year end for each period 1985 through fiscal year 2015.
- Q. *Restricted resources* - Bond funds and other similar restricted resources are assumed to be expended before non-restricted resources in paying for capital projects of both the governmental funds and the proprietary funds.
- R. *Liability for Compensated Absences* – City employees are awarded sick, vacation and compensatory time as determined by union contractual agreements and personnel policies. Compensatory time and vacation time are paid out in full upon termination and are expensed in the year earned. Sick leave is paid out at various levels upon termination. The liability for sick leave is computed with the Termination Payment Method using a historical average of total years worked and total amount paid. The current portion of the liability is an average of the annual expenditures.

## 2. **DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

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

### **Deposits**

At fiscal year end the carrying amount of the City's deposits, including certificates of deposit with various financial institutions was \$91,620,000 and the bank balance was \$118,888,000. The entire bank balance is held in the name of the City and is collateralized either by federal depository insurance or

securities pledged as collateral and segregated by the Federal Reserve Bank in a pledge account. The collateral is held by the City's agent in the City's name; it cannot be released by the Federal Reserve Bank without the City's approval.

Included in the City's deposits discussed above are funds held in STAR Plus, which is an innovative new cash management option that provides a competitive yield on deposits in a network of carefully-selected FDIC-insured banks via a single, convenient account. Deposits are distributed by the Custodian as directed by the Federally Insured Cash Account SM. Funds are deposited in participating Ohio banks with an objective to provide the safety of full FDIC insurance, a competitive yield and the convenience of managing a single account. Participation is offered to subdivisions of the State of Ohio as defined in Section 135.45(F)(2)(a) of the Ohio Revised Code, who are also participants in the STAR Ohio local government investment pool, for the investment of public funds. The bank balance of City's funds in STAR Plus at June 30, 2016 was \$23,312,000.

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

### **Investments and Fair Value Hierarchy**

The fair value of investments for the City (including permanent funds) at June 30, 2016 was \$1,286,095,000. These investments include \$81,491,000 in Money Market Funds, \$522,141,000 in U. S. Treasury Securities, \$523,219,000 in U. S. Government Agencies, \$253,000 in Bond Mutual Funds, \$124,134,000 in Ohio Municipals, \$33,489,000 in STAR Ohio Investment Pool, \$52,000 in Real Estate, and \$1,316,000 in Equity Securities. The City is legally authorized to invest in obligations of the U.S. Treasury, federal agencies or instrumentalities, obligations of the State of Ohio and its political subdivisions and repurchase agreements.

STAR Ohio is an investment pool managed and administered by the State Treasurer's Office. Participation is offered to subdivisions of the State of Ohio as defined in Section 135.45(F)(2)(a), Ohio Revised Code, by the State Treasurer for the investment of interim monies of the state and to the state's various custodial accounts. The investment objectives of STAR Ohio are the preservation of capital, the maintenance of liquidity, and providing current income. STAR Ohio is an investment alternative defined in section 135.45(E)(2) of the Ohio Revised Code and created for eligible political subdivisions.

The STAR Ohio investments other than money market funds, are valued according to the amortized cost method (which approximates fair value) which is the cost adjusted for the amortization of any premiums or accretion of any discounts over the period until maturity. Investments in money market funds are valued at quoted market values. The STAR Ohio fund invests in U. S. government and agency securities, collateralized repurchase agreements with eligible Ohio financial institutions, and eligible banker's acceptances and commercial paper. The STAR Ohio fund had an average 49 days to maturity at June 30, 2016 and is rated AAAM by Standard and Poor's.

There are no limitations or restrictions on participant withdrawals due to redemption notice periods, liquidity fees, or redemption rates. However, notice of withdrawal must be given to PFA, STAR Ohio's co-administrator, 24 hours in advance of all transactions greater than \$25 million. STAR Ohio reserves the right to limit the transactions to \$50 million per day. Transactions in all of a participant's accounts will be combined for these purposes.

All investments of the City of Cincinnati are insured or registered, or are securities held by the City or its agent in the City's name. The City Treasurer may enter into a repurchase agreement of United States Treasury obligations or other obligations for which the full faith and credit of the United States is pledged for the payment of principal and interest, or obligations or securities issued by any federal government agency. The City has not used reverse repurchase agreements or derivatives as investment instruments.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City (excluding STAR Ohio) as of June 30, 2016 (amounts in thousands):

Investment Type	Fair Value Measurements Using		
	Fair Value	Quoted Prices in	Significant Other
		Active Markets for	Observable Inputs
	Level 1	Level 2	
U.S. Treasury Obligations	\$ 522,141	\$ 522,141	
U.S. Agencies	523,219		\$ 523,219
Tax Exempt Ohio Municipals	124,134		124,134
Money Market Funds	81,491		81,491
Equity Securities	1,316	1,316	
Bond Mutual Funds	253		253
Real Estate	52		52
Total	\$ <u>1,252,606</u>	\$ <u>523,457</u>	\$ <u>729,149</u>

Excluded from the City's investments discussed above are assets held in trust by the Park Board, which includes the Special Revenue Parks, Special Revenue Bettman Nature Center, and Permanent Park Board Funds. The fair value of investments for these funds at June 30, 2016 was \$8,471,000. These investments include \$200,000 in U.S. Government Bonds, \$102,000 in U.S. Government Agencies, \$892,000 in Corporate Fixed Income, \$6,987,000 in Equity Securities, \$128,000 in Other Investments, \$1,000 in Real Estate Investments, and \$161,000 in other bonds. In those cases where resources are maintained in trust, the authority for investment of the property rests with either the trust agreement or local ordinance. Investments of the Park Board are uninsured. These securities are held by the counterparty or by its trust department or agent but not in the City's name.

The following is a summary of the fair value hierarchy of the assets held in trust by the Park Board as of June 30, 2016 (amounts in thousands):

Investment Type	Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
		Level 1	Level 2
U.S. Treasury Obligations	\$ 200	\$ 200	
U.S. Agencies	102		\$ 102
Equity Securities	6,987	5,743	1,244
Corporate Fixed Income	892	892	
Real Estate	1		1
Other Investments	128		128
Other Bonds	161		161
	<u>\$8,471</u>	<u>\$6,835</u>	<u>\$1,636</u>

Investments classified in Level 1 of the fair value hierarchy are valued using quoted prices in an actively traded market. Investments classified in Level 2 of the fair value hierarchy are valued using valuation techniques that incorporate market data for similar types of investments, broker quotes and inactive transaction prices. These prices are obtained by our custodian banks from various pricing sources.

### Investment Policy and Risk

The investment policy and risk will be discussed in three categories: 1) the City investment policy, which includes the General Fund, Debt Service Fund, Capital Project Fund, Water Works Fund (an Enterprise Fund), and the Metropolitan Sewer District (an Agency Fund); 2) the Permanent Funds except for the Park Board Fund; and 3) the Park Board, which includes the Special Revenue Parks, Special Revenue Bettman Nature Center and Permanent Park Board Funds

#### A. City Investment Policy

The City's foremost objective of the investment policy for the funds that are pooled and deposited in the General Bank Depository Account and other accounts authorized by the City Treasurer is safety of principal. The investment policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions with which the City will do business, and diversifying investments to minimize potential losses.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is reduced by structuring the portfolio to mature to meet cash requirements for ongoing operations in order to avoid the need to sell securities prior to maturity and by investing operating funds in shorter-term securities.

At June 30, 2016, the City had the following investments held by the City Treasurer which were exposed to interest rate risk (amounts in thousands):

Investment Type	Investment Maturities (in years)				
	Fair Value	Less Than 1	1 to 5	6 to 10	More than 10
U.S. Treasury Obligations	\$ 522,141	\$ 132,527	\$ 380,346	\$ 4,021	\$ 5,247
U.S. Agencies	523,219	42,443	478,947	1,829	
Tax Exempt Ohio Municipals	124,134	51,565	72,569		
Total	<u>\$ 1,169,494</u>	<u>\$ 226,535</u>	<u>\$ 931,862</u>	<u>\$ 5,850</u>	<u>\$ 5,247</u>

Currently, the investment policy limits the investments to: 1) obligations issued by the United States Treasury, 2) obligations issued by a federal government agency or instrumentality, 3) certificates of deposits, 4) no-load money market mutual funds which invest in 1), 2), or 3) above, 5) the Ohio

subdivision's fund (STAR Ohio), 6) repurchase agreements, or 7) obligations of the State of Ohio or of a political subdivision of the state with at least a AA rating. These investments do not expose the City to foreign currency risk. Therefore, the City does not have a foreign currency risk policy.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit ratings indicate the degree of credit risk for an investment. At June 30, 2016 the City held the following investments (amounts in thousands):

Investment Type	Total Fair Value	A-/A3 and Above	Not Rated	Full Faith & Credit
U.S. Treasury Obligations	\$ 522,141	\$ 231,136	\$ 261,239	\$ 29,766
U.S. Agencies	523,219	383,881	139,338	
Tax Exempt Ohio Municipals	124,134	69,227	54,907	
Total	<u>\$ 1,169,494</u>	<u>\$ 684,244</u>	<u>\$ 455,484</u>	<u>\$ 29,766</u>

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty to a transaction, the City would be unable to recover the value of an investment or collateral securities. The custodial credit risk policy is discussed in the Deposits section above. The City requires the certificates of deposit to be backed by collateral or surety bond with an aggregate market value of one hundred two percent of the City's deposits and investments including accrued interest. Repurchase agreements require collateral. The release of collateral requires the approval of the City Treasurer.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. At June 30, 2016 the City did not have more than five percent of total investments with a single issuer.

## B. Permanent Funds

The Permanent Funds (excluding the Park Board Fund) do not have a written investment policy. Each fund has a separate trust agreement, which limits the activity of the fund. At June 30, 2016, total investments were \$1,621,000. The Permanent Funds do not have an investment policy for interest rate risk, credit risk, custodial credit risk, concentration of credit risk, or foreign currency risk. Their investments consist of equity securities with a fair value of \$1,316,000, real estate of \$52,000, and bond mutual funds with a fair value of \$253,000. Credit ratings and maturity information was not available for the investments in bond mutual funds.

## C. Park Board

The Park Board investment goals are to generate capital growth for long-term usage and provide operating income to the respective projects and operations. The fund has established asset allocation ranges. For equities that range is seventy to ninety percent. The bond range is ten to thirty percent, and the cash range is zero to three percent. Each bond investment must have a minimum credit rating of B by Standard and Poor's and Moody's. Other than these limitations on investments, the Park Board Fund does not have an established policy for interest rate risk, credit risk, concentration of credit risk, custodial credit risk, or foreign currency risk.

At June 30, 2016 the Park Board had total investments with a fair value of \$8,471,000 which includes equity securities with a fair value of \$6,987,000, real estate with a fair value of \$1,000, and fixed income funds with a fair value of \$289,000. The remaining \$1,194,000 in investments is identified in the chart below.

The following investments were exposed to interest rate risk (amounts in thousands):

Investment Type	Investment Maturities (in years)			
	Fair Value	Less Than 1	1 to 5	More than 10
U.S. Treasury Obligations	\$ 200	\$ 200		
US Agency Bonds	102		\$ 102	
Corporate Bonds	892	300	439	\$ 153
Total	\$ 1,194	\$ 500	\$ 541	\$ 153

The following chart provides information utilized in determining credit rate risk (amounts in thousands):

Investment Type	Total Fair Value	A-/A3 and Above	BBB-/Baa3 to BBB+/Baa1	Not Rated
U.S. Government Treasury	\$ 200	\$ 200		
U.S. Agency Bonds	102	102		
Corporate Bonds	892	504	\$ 388	
Fixed Income Mutual Funds	289			\$ 289
Total	\$ 1,483	\$ 806	\$ 388	\$ 289

### 3. MIXED INVESTMENT POOL

On April 10, 1968, the Board of County Commissioners of Hamilton County and the City of Cincinnati consolidated all County and City sanitary sewer facilities, under the direction and control of the Board of County Commissioners and the management and operation of the City. The cash balance in the fund established for this purpose, the Metropolitan Sewer District fund (MSD), is combined with the City's pool of cash and investments. For the purposes of financial reporting, the MSD portion of the City's pool of cash and investments is reported as an Investment Trust Fund. Assets in the pool are reported at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at the end of the fiscal period. The City has not provided or obtained any legally binding guarantees to support the value of the Mixed Investment Pool. MSD is required by Chapter 301 of the Cincinnati Municipal Code to participate in the Mixed Investment Pool. The method used to determine participants' shares sold and redeemed is a proration based upon the equity held in City Treasury cash. These amounts increase and decrease based upon the change in the equity balance. This same method is used to report the investments. Disclosures required by GASB Statement 3 are discussed in Note 2.

Summary by major investment classification (amounts in thousands):

Description	Cost	Fair Value	Interest Rates	Maturity Dates
Money Market Fund	\$ 2,828	\$ 2,828		
Certificates of Deposit	6,985	6,985	1.00% to 2.15 %	6/28/17 to 12/30/19
U. S. Treasury Notes	285,379	288,914	0.415% to 8.75%	7/31/16 to 4/30/21
FHLB/FNMA/FHLB/FHLMC Securities	378,111	380,399	0.594% to 9.4%	11/25/16 to 9/25/24
Ohio Municipal	119,452	120,207	0.00% to 6%	7/1/16 to 7/1/20
Cash	35,398	35,398		
Total	\$ 828,153	\$ 834,731		

The Mixed Investment Pool does not issue a separate report. The Mixed Investment Pool's financial statements follow:

**Mixed Investment Pool  
Statement of Net Position  
As of June 30, 2016**  
(Amounts in Thousands)

<u>Assets</u>	
Equity in City Treasury	\$ 834,731
<u>Net Position</u>	
Held in Trust for Internal Pool Participants	\$ 670,273
Held in Trust for External Pool Participants	164,458
Total Net Position	\$ 834,731

**Mixed Investment Pool  
Statement of Changes in Net Position  
For the fiscal year ended June 30, 2016**  
(Amounts in Thousands)

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total</u>
Additions:			
Contributions:			
Participant Deposits	\$ 1,575,670	\$ 496,154	\$2,071,824
Investment earnings:			
Interest and dividends	9,584	1,558	11,142
Net appreciation in the fair value of investments	4,535	1,167	5,702
Total investment earnings	14,119	2,725	16,844
Total additions	1,589,789	498,879	2,088,668
Deductions:			
Distributions to Participants	1,483,437	439,527	1,922,964
Change in Net Position	106,352	59,352	165,704
Net Position - beginning	563,921	105,106	669,027
Net Position - ending	\$ 670,273	\$ 164,458	\$ 834,731

**4. COMMITMENTS**

**Convention Facilities Authority (CFA)** - The CFA is an up to 11-member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code, as amended. The CFA issued bonds netting proceeds of \$111,176,644 dated March 2, 2004 for the purpose of expanding and renovating the Convention Center in Cincinnati. On December 4, 2014 the original debt was refunded with \$65,135,000 of first lien debt. Additional first lien debt of \$4,755,000 was issued for new projects.

Pursuant to a Memorandum of Understanding between the City of Cincinnati (City) and Hamilton County (County), a cooperative agreement was reached between the City and the County and a Project Service Agreement between the City and the CFA. The City will: (i) own the Convention Center, (ii) be responsible for the operation and maintenance of the Convention Center and (iii) manage the design and construction of the expansion and renovation project. Construction began in May 2004 and was completed in June 2006.



In the financial plan for the Convention Center expansion and renovation the dedicated Transient Occupancy Tax (City) and Lodging Excise Tax (County) is expected to cover the outstanding debt service for senior debt of \$67,320,000. Pursuant to the Memorandum of Understanding between the City, County and the CFA, the City has agreed to guarantee, subject to annual appropriation, the principal and interest on subordinate debt. The maximum annual debt service is \$6,359,600 and has been reserved to guarantee the subordinate debt service.

Subject to annual appropriation, the City shall pay \$250,000 (City Annual Contribution) to the Trustee of the CFA subject to the terms of the Cooperative Agreement. This contribution is pledged as an additional revenue source for the payment of the bonds. The City appropriated an amount sufficient to pay the City Annual Contribution for 2016.

**Port of Greater Cincinnati Development Authority (Port Authority)** – On July 11, 2011 the City entered into an Economic Development Services Agreement with the Port Authority to undertake economic development activities on behalf and in coordination with the City. The City has agreed to fund the Port Authority General Operations in the amount of \$525,000 for fiscal year 2011 and up to \$1,000,000 for fiscal year 2012 – 2017. An appropriation and payment of \$700,000 was made for 2016 operations. The City has also committed capital investment, subject to discretion, to be used in the implementation of the work plan. The City has, in addition committed annual funding for Additional Services, subject to discretionary annual appropriation of at least \$6 million for fiscal years 2013 -2017. The City’s contribution to operation costs or capital investment may be offset by any net profits received by the Port Authority directly in connection with revenue derived from the additional services.

**The Board of Education of the City School District of the City of Cincinnati (the Board)** – on July 21, 1999 the “Board” and the City of Cincinnati entered into agreement whereby the City would compensate the Board for taxes that would have been received if not for certain property exemptions enacted by the City. The City has agreed to an annual payment of \$5 million, to be paid semi- annually, beginning fiscal year 2000 and continuing for 19 years thereafter.

**Encumbrances** - Encumbrances are commitments to unfilled purchase orders or unfilled contracts. Funds have been committed to a specific order, but the goods or services have not been billed or received.

The City’s outstanding encumbrances at June 30, 2016 are as follows:

Summary of Encumbrances Outstanding (Amounts in Thousands)

	General Fund	Capital Projects	Debt Service	Non Major Governmental	Total
General Government	\$ 3,086		\$ 91		\$ 3,177
Community Development	1,124			\$ 10,728	11,852
Parks & Recreation	1,048			753	1,801
Public Safety	2,436			855	3,291
Transportation & Engineering	4			78	82
Public Services	815			782	1,597
Public Health	62			2,223	2,285
Employee Benefits	137			55	192
Capital Outlay		\$ 86,184			86,184
<b>Total</b>	<b>\$ 8,712</b>	<b>\$ 86,184</b>	<b>\$ 91</b>	<b>\$ 15,474</b>	<b>\$ 110,461</b>

## 5. INTER-FUND ASSETS/LIABILITIES

The composition of inter-fund balances as of June 30, 2016, is as follows:

### DUE FROM/TO OTHER FUNDS (Amounts in Thousands)

Due To	Due From								TOTAL
	General Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Internal Service Funds	Water Works Enterprise Fund	Non-Major Enterprise Funds	Fiduciary Fund	
General Fund		\$ 16		\$ 5	\$ 1,232	\$ 5	\$ 29	\$ 403	\$ 1,690
Capital Projects Fund	\$ 2,685		\$ 3,201	3,378	1,912	3,648	883		15,707
Debt Service Fund								1	1
Non-Major Governmental Funds	218	10		53	231			197	709
Internal Service Funds	8			9	3			38	58
Water Works Enterprise Fund		29			148		38	157	372
Non-Major Enterprise Funds	3		245	144	53	18	1	17	481
Fiduciary Funds							1		1
<b>TOTAL</b>	<b>\$ 2,914</b>	<b>\$ 55</b>	<b>\$ 3,446</b>	<b>\$ 3,589</b>	<b>\$ 3,579</b>	<b>\$ 3,671</b>	<b>\$ 952</b>	<b>\$ 813</b>	<b>\$19,019</b>

At year end, the City held \$23.7 million in notes outstanding with accrued interest of \$0.2 million. The notes provide capital project financing. A portion of these notes are held by MSD (\$4.7 million), and Capital Projects Fund (\$3.7 million), and are not included above. The amounts included in inter-fund receivables and payables are as follows (amounts in thousands):

Fund or Fund Type	Due From	Due To
General Fund	\$2,682	
Capital Projects Fund		\$15,456
Debt Service Fund	3,201	
Non-Major Governmental Funds	3,232	
Internal Service Funds	1,826	
Water Works Enterprise Fund	3,635	
Non-Major Enterprise Funds	880	
	<u>\$ 15,456</u>	<u>\$ 15,456</u>

The outstanding balances between funds result mainly from the time lag between the dates: (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

### ADVANCES TO/FROM OTHER FUNDS (Amounts in Thousands)

Advance to Other Funds	Advance From Other Funds				TOTAL
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Internal Service Funds	
General Fund			\$ 900	\$ 834	\$ 1,734
Non-Major Governmental Funds	\$ 521				521
Water Works Enterprise Fund				50	50
Non-Major Enterprise Funds		\$10,098			10,098
Internal Service Funds		1,715			1,715
<b>TOTAL</b>	<b>\$ 521</b>	<b>\$11,813</b>	<b>\$ 900</b>	<b>\$ 884</b>	<b>\$14,118</b>

The major portion of the advances is to provide financing for the construction in progress on capital projects. The remaining portion of the amounts payable relates to working capital loans made to funds upon their creation, none of this balance is scheduled to be collected in the subsequent year.

**6. INTER-FUND TRANSFERS**

Inter-fund transfers for the fiscal year ended June 30, 2016, consisted of the following:

TRANSFERS IN/OUT (Amounts in Thousands)

	Transfers Out						Total
	General	Capital	Debt	Non-Major	Internal	Non-Major	
	Fund	Projects	Service	Governmental	Service	Enterprise	
	Fund	Fund	Fund	Funds	Funds	Funds	
<u>Transfers In</u>							
General Fund				\$ 400	\$ 138	\$ 2,500	\$ 3,038
Capital Projects Fund	\$ 4,125		\$ 113,072	12,984	707		130,888
Debt Service Fund	5,838			6,170	29	2,113	14,150
Non-Major Governmental Funds	1,204		14,000	565	205	750	16,724
Internal Service Funds		\$ 1,353		30			1,383
Non-Major Enterprise Funds					575		575
<b>Total</b>	<b>\$ 11,167</b>	<b>\$ 1,353</b>	<b>\$ 127,072</b>	<b>\$ 20,149</b>	<b>\$ 1,654</b>	<b>\$ 5,363</b>	<b>\$ 166,758</b>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**7. NET POSITION / FUND BALANCE**

**Restatement of Net Position**

In fiscal year 2015, the City implemented GASB 68, Accounting and Financial Reporting for Pensions and GASB 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, which required the reporting of pension liability associated with pension plans. During fiscal year 2016, the Ohio Police and Fire Pension Fund (OP&F) provided a revision to a census file to its actuary. This resulted in an adjustment to the Net Pension Liability reported in a prior year. The adjustment reduced the net position in the Entity Wide Governmental Activities by \$8,761,000.

The City understated *Revenues Levied for the next year* (Deferred Inflows) and overstated *Unrestricted Net Position* for Governmental Activities at June 30, 2015. This misstatement was a result of a series of errors in reversing entries from 2007 through 2014. The City reduced Entity Wide Governmental Activities *Unrestricted Net Position* at June 30, 2015 by \$117,818 to correct this misstatement.

**Fund Balance Classifications**

Fund balance is classified in five categories: (1) Non-spendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned. Non-spendable fund balances include amounts that are not in spendable form or are legally required to remain intact. Restricted fund balances include amounts that have external restrictions by either: grantors, debt covenants, laws or other governments. The City Council is the highest level of decision making authority and can commit or rescind a portion of the fund balance to a specific purpose by passing an ordinance. The authority to assign fund balance is inferred by state and municipal law to the fiscal office or his designated official. Unassigned fund balance includes amounts that have not been assigned to any purpose. Restricted funds are spent first as expenditures are incurred to the extent of the restricted fund revenue. Then committed, assigned and unassigned funds are used.

The following chart displays the fund balance classifications for the governmental funds at June 30, 2016 (Amounts in thousands):

Fund Balances	General Fund	Capital Projects	Debt Service	Non Major Governmental	Total Governmental
Nonspendable					
Inventory	\$ 3,730	\$ 774			\$ 4,504
In accordance with Trusts				\$ 2,428	2,428
Restricted					
Debt Service			\$ 106,831		106,831
Capital Projects		151,402	9,172		160,574
Tax Increment Financing				50,284	50,284
Income Tax Transit				17,032	17,032
Public Safety Operations				4,586	4,586
Parks and Recreation Operations				10,798	10,798
Public Health Services				1,732	1,732
Street Construction, Maintenance and Repair				7,599	7,599
Income Tax Infrastructure				12,780	12,780
Expendable Trusts				7,161	7,161
Other				5,229	5,229
Committed					
Emergency Reserve	2,442				2,442
Reserve for Weather Events, Other Emergencies, and One-time Events	3,650				3,650
Property Investment Reimbursement Agreements	274				274
Public Health				3,524	3,524
Parks and Recreation				10,920	10,920
Public Safety				241	241
Other				4,444	4,444
Assigned					
General Government Encumbrances	3,223				3,223
Community Development Encumbrances	1,124				1,124
Parks and Recreation Encumbrances	1,048				1,048
Public Safety Encumbrances	2,436				2,436
Transportation and Engineering Encumbrances	4				4
Public Health Encumbrances	62				62
Public Services Encumbrances	815				815
Internal Service Funds	98				98
Unassigned					
Working Capital Reserve Fund	25,912				25,912
Community Development				(1,502)	(1,502)
Other	48,020				48,020
<b>Total Fund Balance</b>	<b>\$ 92,838</b>	<b>\$ 152,176</b>	<b>\$ 116,003</b>	<b>\$ 137,256</b>	<b>\$ 498,273</b>

Included in the financial statements are four internal service funds and the Governmental Activities in the Entity Wide statement with a net position deficit as of June 30, 2016 . The net position deficit in the internal service funds are: Purchasing Reproduction and Printing (\$1,607,000), Fleet Services (\$21,452,000), Property Management (\$169,000), and Enterprise Technology Services (\$21,960,000) and are to be covered by future user charges. These internal service funds are billed to user funds based on current costs. However, the application of GAAP requires the recording of long term liabilities and results in negative net positions. The Governmental Activities deficit (\$67,242,000) also resulted from the application of GAAP which requires the recording of long term liabilities.

## Stabilization Funds Policy

City Council established stabilization policy in July of 2016 which contains four components: the General Fund Carryover Balance, General Fund Contingency Account, Emergency Reserve, and the Working Capital Reserve. The total stabilization funds balance at June 30, 2016 was \$48.4 million, and is composed of \$25.7 million in Working Capital Reserve, \$3.7 million in Contingency Reserve, \$2.4 million in Emergency Reserve and \$16.6 million in Carryover balance, which is 12.4% of General Fund Revenues.

## 8. LEASES

### CITY AS LESSEE

#### Operating Leases

The City has entered into various leases for property, equipment and office space. These leases are considered for accounting purposes to be operating leases. The total cost for such leases were \$952,000 for the fiscal year ended June 30, 2016. Future minimum lease payments are as follows:

<b>(Amounts in Thousands)</b>	
<u>Fiscal Year</u>	<u>Amounts</u>
2017	\$ 675
2018	555
2019	343
2020	181
2021	115
Remaining Years	<u>5,843</u>
Total Future Minimum Rents	<u>\$ 7,712</u>

#### Capital Leases

The City has capitalized leases for the following property and equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through capital leases are as follows:

<b>(Amounts in Thousands)</b>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Leased Property/Equipment	\$ 6,009	\$ 2,614
Less: Accumulated Depreciation	<u>965</u>	<u>2,000</u>
Total	<u>\$ 5,044</u>	<u>\$ 614</u>

As of June 30, 2016 the City had entered into capital leases which are included in construction in progress in the Entity Wide Governmental Activities financial statement in the amount of \$19.5 million.

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at June 30, 2016:

(Amounts in Thousands)	Governmental	Business-Type
<u>Fiscal Year</u>	<u>Activities</u>	<u>Activities</u>
2017	\$ 2,119	\$ 295
2018	3,252	288
2019	3,292	444
2020	3,331	
2021	3,374	
2022-2026	9,644	
Total Minimum lease payments	25,012	1,027
Less: Amounts representing interest	2,011	45
Present value of net minimum lease payments	<u>\$ 23,001</u>	<u>\$ 982</u>

### CITY AS LESSOR

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

Amounts related to the operating lease as of June 30, 2016 are included in the financial statements of the following:

(Amounts in Thousands)	Governmental	Business-Type
<u>Fiscal Year</u>	<u>Activities</u>	<u>Activities</u>
2016	\$ 24,085	\$ 944
2017	23,627	544
2018	23,406	360
2019	22,961	329
2020	22,744	80
Remaining years	223,269	20
Total Future Minimum Rental Payments	<u>\$ 340,092</u>	<u>\$ 2,277</u>
Total Rentals for Fiscal Year 2016:	\$ 23,693	\$ 1,644

(Amounts in Thousands)	Governmental	Business Type
	<u>Activities</u>	<u>Activities</u>
Land	\$ 3,863	\$ 339
Buildings	15,391	1,759
Accumulated Depreciation	3,326	1,675
Improvements	87,202	
Accumulated Depreciation	87,169	
Depreciation Expense	595	51

Future minimum rentals of the railway line, recorded in Debt Service Fund, are assumed to equal the payments calculated for the current period. These minimum rentals are included in the Governmental Activities column.

### Enterprise Funds

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

The Parking Facilities has leased the Fountain Square North Parking Garage for a one-time payment of \$7.5 million for a period of 40 years beginning in 2005. The Fountain Square South Parking Garage has also been leased for 30 years for the value of improvements. Both agreements have been presented as a service concession arrangement in Footnote 18.

### Governmental Capital Assets

The City-owned railway line, the Cincinnati Southern Railway, is leased to the Cincinnati, New Orleans, and Texas Pacific Railway Company until December 31, 2026, with a renewal option of twenty-five years. Pursuant to the Ohio Revised Code, the use of the rental income from the railway line is restricted to debt service. The railway line is valued at acquisition cost since the original purpose was the general government purpose of economic development.

On March 12, 2008 Ordinance 78-2008 was passed authorizing the issuance of bonds for the construction of a new administrative building for the Metropolitan Sewer District (MSD). The bonds were issued on July 22, 2009 for a term of 20 years. MSD will lease the building and the rentals will be equivalent to the annual debt service payment. The total rent payments in fiscal year ending June 30, 2016 were \$1,292,000. The outstanding principal is \$11,400,000. During fiscal year 2016 a portion of the bonds, \$9,560,000 were refunded with new debt of \$9,450,000.

## **9. LONG-TERM DEBT**

In July of 2015 Water revenue bonds totaling \$213,050,000 with a premium of \$17,197,000 were issued. Tax-exempt new debt amounted to \$47,135,000 with a premium of \$4,446,000. Tax-exempt debt of \$77,375,000 with a premium of \$12,751,000 refunded debt of \$84,375,000 with a net present value of savings of \$8,292,000. Taxable debt of \$88,540,000 refunded debt of \$81,475,000 and had savings with a net present value of \$3,841,000.

In August of 2015 the City issued tax-exempt general obligation bonds totaling \$122,530,000 with a premium of \$17,996,000. A portion of this debt, \$53,695,000, refunded debt of \$58,625,000. The net present value of the savings which resulted from the refunding is \$4,506,000. At the same time the City also issued new taxable general obligation bonds of \$3,450,000 and refunding taxable general obligation bonds of \$14,690,000. The net present value of the savings on the refunding was \$1,065,000.

In November of 2015 the City issued tax-exempt economic development revenue bonds of \$23,800,000. This issue did not include any premiums, discounts, or refunding.

In December 2015 the City issued general obligation judgement bonds in the amount of \$35,505,000. The Cincinnati Retirement System (CRS) Collaborative Settlement Agreement (CSA) included the payment of the early retirement incentive program. Bonds of \$33,220,000 required by the CSA were issued and proceeds paid to the CRS. The Cincinnati Board of Education lawsuit concerning the application of property tax to the Convention Center was settled and required the payment of \$2,285,000 to the Cincinnati Board of Education. Judgement bonds were utilized to pay the settlement.

In January 2016 the City issued general obligation bonds of \$99,325,000 with a premium of \$11,306,000. A portion of this debt, \$70,490,000, refunded \$68,490,000 of general obligation bonds. The refunding resulted in savings with a net present value of \$4,682,000.

In February 2016 economic development revenue bonds of \$45,955,000 with a premium of \$2,551,000 were issued. A portion of this debt, \$34,225,000, refunded \$32,720,000 of revenue bonds. The refunding resulted in savings with a net present value of \$3,558,000.

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

(Amounts in Thousands)		
Purpose	Interest Rates	Amount
Governmental Activities	0.45%-6.046%	\$ 524,236
Business-Type Activities	1.5% to 5.0%	<u>21,252</u>
		<u>\$ 545,488</u>

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending June 30	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>All Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 49,108	\$ 21,377	\$ 1,080	\$ 792	50,188	22,169
2018	45,488	19,436	1,159	889	46,647	20,325
2019	41,093	17,710	1,204	845	42,297	18,555
2020	38,311	16,104	956	803	39,267	16,907
2021	36,169	14,585	963	763	37,132	15,348
2022-2026	135,235	53,788	5,134	3,153	140,369	56,941
2027-2031	101,724	26,979	4,686	1,915	106,410	28,894
2032-2036	60,288	9,809	3,684	993	63,972	10,802
2037-2041	16,820	1,818	2,386	271	19,206	2,089
	<u>\$ 524,236</u>	<u>\$ 181,606</u>	<u>\$ 21,252</u>	<u>\$ 10,424</u>	<u>\$ 545,488</u>	<u>\$ 192,030</u>

Revenue Bonds

The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The net revenues of the Water Works are pledged to pay Water Works revenue bonds debt service. The original amount of revenue bonds authorized in prior years was \$1,332,945,000 of which \$987,390,000 was issued.

Revenue bonds outstanding at end of the fiscal period are as follows:

(Amounts in Thousands)		
<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Economic Development	0.33% to 8.48%	\$ 123,615
Water Works	.75% to 6.458%	<u>473,480</u>
		<u>\$ 597,095</u>

The annual debt service requirements to maturity for the revenue bonds are as follows:



(Amounts in Thousands)

Year Ending June 30	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>All Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 5,065	\$ 4,312	\$ 26,310	\$ 20,006	31,375	24,318
2018	4,942	4,259	27,295	19,056	32,237	23,315
2019	5,649	4,103	27,945	18,265	33,594	22,368
2020	5,651	3,932	28,890	17,464	34,541	21,396
2021	5,813	3,751	29,515	16,568	35,328	20,319
2022-2026	28,097	14,759	130,100	66,384	158,197	81,143
2027-2031	25,757	10,980	83,460	41,732	109,217	52,712
2032-2036	23,632	5,569	82,275	18,790	105,907	24,359
2037-2041	14,877	1,927	23,205	5,063	38,082	6,990
2042-2046	4,132	427	14,485	1,594	18,617	2,021
	<u>\$ 123,615</u>	<u>\$ 54,019</u>	<u>\$473,480</u>	<u>\$ 224,922</u>	<u>\$ 597,095</u>	<u>\$ 278,941</u>

### Build America Bond Subsidy

In 2009, the Cincinnati Water Works issued Series 2009B taxable bonds as Build America Bonds under the provisions of the American Recovery and Reinvestment Act of 2009. Under this agreement, the Water Works is to receive 35% of the Bond interest as the Build America Bond Subsidy. The amount received in fiscal year 2016 was \$1,586,000.

### Long-Term State Loans

The Ohio Public Works Commission extends loans to the City. Loans in the amount of \$4,003,000 accounted for as Governmental type and \$2,405,000 as Business-type represent the amounts due on the loans from the Ohio Public Works Commission (OPWC) for infrastructure improvements. These notes are non-interest bearing.

Annual debt service requirements to maturity for the Ohio Public Works Commission notes are as follows:

(Amounts in Thousands)

Year Ending June 30	<u>Governmental</u>	<u>Business-Type</u>
	<u>Activities</u>	<u>Activities</u>
	<u>Principal</u>	<u>Principal</u>
2017	\$ 288	\$ 220
2018	288	219
2019	288	219
2020	288	219
2021	288	219
2022-2026	1,339	970
2027-2031	768	339
2032-2035	456	
Total	<u>\$ 4,003</u>	<u>\$ 2,405</u>

The Ohio Water Development Authority extends loans to the City. Notes in the amount of \$42,446,000 accounted for as Business type represent the amounts due on several loans from the Ohio Water Development Authority (OWDA) for water works improvements. These notes bear interest at from 1.75% to 3.25% per year. Only that portion of the loan commitment actually paid to the City is recognized as a liability by the City.

Annual debt service requirement to maturity for the Ohio Water Development Authority notes are as follows:

(Amounts in Thousands)

Year Ending <u>June 30</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2017	\$ 2,223	\$ 893
2018	2,270	834
2019	2,318	789
2020	2,367	743
2021	2,418	696
2022-2026	12,879	2,735
2027-2031	12,588	1,444
2032-2034	5,383	298
Total	<u>\$ 42,446</u>	<u>\$ 8,432</u>

### Notes Payable

On December 17, 2008, City Council authorized the City Manager to enter into a \$6.2 million 15 year installment sales agreement to build a garage with Uptown Consortium. The City will maintain the title to the garage for the duration of the agreement and pay the installment payments with net service payments collected from the real property, net service payments collected from the real properties of the project and net revenue from the operation of the project.

On March 31, 2010, the City entered into an installment sales agreement with Vernon Manor Offices Leverage Lender, LLC for the construction of a 440-space parking garage for \$7.1 million. The City will maintain the title to the garage for the duration of the agreement and pay the installment payments with net service payments collected from the real property, net service payments collected from the real properties of the project and net revenue from the operation of the project. The project was completed in 2011.

On April 4, 2012, the City entered into several agreements with 21c CINCINNATI LLC to effectuate the redevelopment of the site at 609 Walnut Street into an approx. 156-room hotel, including an art museum, restaurant and other amenities. In order to facilitate the estimated \$51,000,000 project, a grant agreement provided a \$2,500,000 grant and a development and loan agreement provided a loan of \$3,800,000 from

the City for eligible construction costs. The City's only pledge towards the private placement revenue note is for the statutory service payments. Through a service agreement 21c CINCINNATI LLC has agreed to make statutory service payments in semi-annual installments at an amount equal to the amount of real property taxes that would have been paid on the improvements, were they not tax exempt.

The combined repayment schedule for the notes payable follows (includes Vernon Manor, Uptown Consortium, and 21c CINCINNATI LLC).

(Amounts in Thousands)

	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Total P&amp;I</u>
2016	851	661	1,512
2017	887	624	1,511
2018	925	586	1,511
2019	965	546	1,511
2020	1,007	504	1,511
2021-2025	4,376	1,857	6,233
2026-2030	2,707	1,035	3,742
2031-2035	2,460	256	2,716
Total	<u>\$ 14,178</u>	<u>\$ 6,069</u>	<u>\$ 20,247</u>

### Other Liabilities

On August 18, 2015 the city entered into an agreement with Hamilton County for the \$6,250,000 repayment of estate tax mistakenly paid to the City. The five semi-annual repayments of \$1,250,000 in principal was to begin July 2016. However, the City made an early principal payment of \$4.4 million in June of 2016. The balance, \$1,850,000 has been included in the other liabilities current for \$1,250,000 and other liabilities noncurrent for \$600,000.

The following are the total outstanding bonds and notes at June 30, 2016 and the debt service requirement for fiscal year 2016.

**Bonds and Notes Outstanding at June 30, 2016**

(AMOUNTS IN THOUSANDS)

Description	Interest Rates	Issue Dates	Maturity Dates	Originally Issued	Amount Due 2017	Amount Outstanding 6/30/2016
<b>Bonds:</b>						
General Property Tax Supported	7.875%	1987	2018	\$ 30,000	\$ 1,000	\$ 2,000
Various Rate Issues	1.5-5.82%	2006-2016	2016-2040	288,860	18,540	175,745
Refunding	0.45 to 5.25%	2007-2016	2018-2032	138,277	11,806	91,669
Urban Redevelopment						
Various Rate Issues	1.5% to 5.0%	2014	2021	1,085	145	790
Municipal Income Tax	1.23%-5.82%	2006-2016	2017-2040	132,930	7,880	54,745
Refunding	0.45 to 5.25%	2007-2016	2020-2029	51,415	535	41,965
Recreational Facilities						
Refunding	4.25% to 5.00%	2007	2021	5,950	490	2,785
Urban Renewal/Economic Dev.	0.62% to 6.0%	2004-2016	2024-2036	94,185	3,830	33,920
Refunding	0.45 to 5.25%	2012-2016	2020-2036	47,420	1,370	46,065
Urban Development Taxable						
Various Rate Issues	2.00% to 6.046%	2009	2028	5,080	220	825
Refunding	0.45 to 5.0%	2007-2016	2021-2028	8,380	590	5,315
Judgement	1.168% to 4.39%	2016	2041	33,321	787	26,937
MSD Administration Bldg	2.0% to 5.0%	2009	2029	15,000	640	9,875
Police & Fire Pension						
Refunding	0.371% to 5.25%	2005-2016	2022&2035	40,740	1,275	31,600
Total Governmental Activities Bond Obligations				892,643	49,108	524,236
General Aviation	1.5% to 5.0%	2010	2026	1,115	44	438
Convention Center	1.5% to 5.0%	2010	2026	3,959	37	3,693
Municipal Golf	0.45 to 5.0%	2006-2016	2018 - 2029	3,438	282	1,079
Stormwater	2.0% to 4.0%	2010	2015	3,509	4	134
Parking Facilities	2.0% to 4.0%	2010	2028	11,565	565	10,515
Water Works	1.168% to 4.39%	2016	2041	5,393	148	5,393
Total Proprietary Fund Obligations				28,979	1,080	21,252
Total General Obligation Bonds Payable				921,622	50,188	545,488
<b>Notes:</b>						
Economic Development	1.43%	2012-2013	2016-2018	3,500	0	3,500
Public Buildings	.62%	2014-2015	2016	750	750	750
Public Transportation	.65%	2012	2017	15,000	0	15,000
Streets External Financing	1.45%	2016	2,021	14,725	0	14,725
Streets	0.76%	2016	2016	1,000	0	1,000
Total General Obligation Notes Payable				34,975	750	34,975
Total General Obligation Bonds and Notes Payable				\$ 956,597	\$ 50,938	\$ 580,463
Revenue Bonds and Notes	0.11% to 8.48%	1996-2015	2015-2038	\$ 987,390	\$ 34,875	\$ 600,595
Total Outstanding Debt				\$ 1,943,987	\$ 85,813	\$ 1,181,058

**Changes in long-term liabilities**

Long-term liability activity for the fiscal year ended June 30, 2016, was as follows:

(Amounts in Thousands)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 451,890	\$ 265,832	\$ (193,486)	\$ 524,236	\$ 49,108
Unamortized premiums	35,059	29,301	(9,440)	54,920	
	<u>486,949</u>	<u>295,133</u>	<u>(202,926)</u>	<u>579,156</u>	<u>49,108</u>
Revenue Bonds	84,155	69,755	(30,295)	123,615	5,065
Unamortized premiums	538	2,748	(48)	3,238	
Unamortized discounts	(649)	(120)	450	(319)	
	<u>84,044</u>	<u>72,383</u>	<u>(29,893)</u>	<u>126,534</u>	<u>5,065</u>
Total Bonds Payable	570,993	367,516	(232,819)	705,690	54,173
Revenue Notes Payable		14,725		14,725	
Notes Payable	11,643	3,773	(1,238)	14,178	851
Compensated Absences	104,462	40,535	(37,087)	107,910	6,562
Claims and Judgments	40,836	79,185	(93,278)	26,743	10,342
Capital Leases	135	25,099	(101)	25,133	2,145
Net Pension Liability-CRS	733,979	149,123	(5,814)	877,288	
Net Pension Liability-OPERS	8,539	3,105	(662)	10,982	
Net Pension Liability-OP&F	355,413	98,419	(1,271)	452,561	
Net Other Post Employment Benefit Obligation	63,628		(2,484)	61,144	
State Loans	4,444		(441)	4,003	334
Other	145	3,064	(408)	2,801	1,529
Governmental Activities Long-term Liabilities	<u>\$ 1,894,217</u>	<u>\$ 784,544</u>	<u>\$ (375,603)</u>	<u>\$ 2,303,158</u>	<u>\$ 75,936</u>
<b>Business-type Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 7,170	\$ 15,555	\$ (1,458)	\$ 21,267	\$ 1,080
Unamortized premiums	59		(8)	51	
	<u>7,229</u>	<u>15,555</u>	<u>(1,466)</u>	<u>21,318</u>	<u>1,080</u>
Revenue Bonds	450,965	213,050	(190,535)	473,480	26,309
Unamortized premiums	23,044	17,197	(9,489)	30,752	
	<u>474,009</u>	<u>230,247</u>	<u>(200,024)</u>	<u>504,232</u>	<u>26,309</u>
Total Bonds Payable	481,238	245,802	(201,490)	525,550	27,389
Compensated Absences	8,658	4,228	(3,479)	9,407	5,103
Claims and Judgments	229	96	(83)	242	242
Capital Leases	1,252		(263)	989	270
Net Pension Liability-CRS	212,800	40,592	(1,449)	251,943	
Net Pension Liability-OPERS	1,721	1,027	(480)	2,268	
Net Other Post Employment Benefit Obligation	16,760		(790)	15,970	
State Loans	45,882	1,307	(2,338)	44,851	2,333
Business-Type Activities Long-term Liabilities	<u>\$ 768,540</u>	<u>\$ 293,052</u>	<u>\$ (210,372)</u>	<u>\$ 851,220</u>	<u>\$ 35,337</u>

For the governmental activities, claims and judgments are generally liquidated by the general fund. Net Pension Liability, Net Other Post Employment Benefit Obligation, and compensated absences annual payments are made from the same funds which pay the employees' salaries.

Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At fiscal year end, \$1,780,000 of compensated absences, \$18,754,000 of unpaid claims, \$72,317,000 of net pension liability, \$3,679,000 of net other post employment benefit obligation and \$144,000 in capital leases for the internal service funds are included in the above amounts.

## **Defeased Bonds**

Below is a description of the City's defeased bonds and the outstanding balances at June 30, 2016 (Amounts in thousands). These bonds are no longer included in the financial statements.

Bond Type	Call Date	Par Amount	Refunded Date	Series
Tax Exempt GO Bonds	12/1/2016	\$ 5,870	8/20/2015	2007A
Tax Exempt GO Bonds	12/1/2016	5,455	8/20/2015	2007B
Tax Exempt UTGO Bonds	12/1/2016	4,990	4/16/2014	2007A
Tax Exempt UTGO Bonds	12/1/2016	3,600	4/16/2014	2007B
Taxable Water System Refunding	12/1/2016	81,475	7/29/2015	2007A
Tax-exempt Water System Refunding	6/1/2017	30,000	7/29/2015	2005B
Taxable GO Bonds	6/1/2017	7,240	8/20/2015	2007C
Tax-exempt Water System Refunding	12/1/2017	53,600	7/29/2015	2007B
Tax Exempt GO Bonds	6/1/2018	7,425	8/20/2015	2008A
Tax Exempt GO Bonds	6/1/2018	3,750	8/20/2015	2008B
Tax Exempt GO Bonds	6/1/2019	2,920	8/20/2015	2009A
Tax Exempt GO Bonds	6/1/2019	13,075	1/28/2016	2009B
Tax Exempt GO Bonds	6/1/2019	2,360	8/20/2015	2009B
		<u>Total</u>		
		\$ 221,760		

## **10. DEBT LIMITATION**

The City's "indirect" (ten mill) debt limit was removed by decision of the Ohio courts. In September 1977, the Supreme Court of Ohio dismissed an appeal from the decision of the Court of Appeals, First Appellate District, Hamilton County, Ohio, involving the City's debt limitations. In summary, the City instituted a test case against the Director of Finance for the purpose of obtaining a definitive construction of certain sections of the City Charter bearing on the right of the City to levy taxes in excess of the ten mill limitation of Section 5705.02 of the Ohio Revised Code. As a result of the Court decision, the City has the right to levy property taxes without limitation to support its lawfully issued bonds and notes, and the City's ability to incur debt will be limited only by the arithmetical (percentage) limitations set forth under Section 133.05 of the Ohio Revised Code.

Section 133.05 provides that the principal amount of both voted and un-voted debt of the City may not exceed 10-1/2% of the City's assessed valuation, and the principal amount of the City's un-voted debt may not exceed 5-1/2% of the City's assessed valuation. The Code also provides several exemptions of debt from the 5-1/2% and 10-1/2% limitations.

## **11. TAXES**

### **City Income Tax**

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

The City's income tax of 2.1% is subdivided into four components. The first component is 0.1%, which is to be spent only for the maintenance of the City's infrastructure. The second component is the 0.3%, which can be used only for public transit purposes, including both capital and current operating expense.

The third component is 0.15%, which can be used only for permanent improvement purposes. The remaining 1.55% is used to meet operating expenses in the General Fund.

The following table identifies the 1.55% income tax collections to the General Fund for the years 2012 through 2016:

(Amounts in Thousands)

<u>Year</u>	<u>General Fund Collections of 1.55%</u>
2012	\$ 238,210
2013*	128,873
2014**	251,683
2015**	261,848
2016**	277,673

\* This is for the six month period ending June 30, 2013

\*\*These are for the fiscal year ending June 30

### **Property Taxes**

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property, and tangible personal property. The assessed value upon which the collection years 2015 and 2016 were based was \$4,946,475,290 and \$385,238,120 for 2015 and \$4,987,699,590 and \$397,886,050 for 2016. These were for real property and public utility property respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

### **Property Tax Calendar - 2016**

Lien date	January 1, 2015
Levy date	October 31, 2015
First installment payment due	January 31, 2016
Second installment payment due	June 20, 2016

Assessed values are established by the County Auditor, or at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Real property experienced a statutory sexennial reappraisal in 2011 resulting in a 7.5% decrease in assessed values. Property tax due in second six months of calendar 2015 and the first six months of calendar 2016 has been included in revenues for the fiscal year 2016. The second installment of 2016 is not recorded as revenue for fiscal year 2016. The Ohio Revised Code requires the second installment of property tax be recorded as a deferred inflow of resources.

Tangible personal property of public utilities is assessed at various rates (25% to 88% of true value) depending upon the type of property. Effective for collection year 2002, the assessed valuation of electric utility production equipment was reduced from 100% and natural gas utility property from 88% of true value, both to 25% of true value. The State's 2005 biennial budget bill included a reduction in the 88% assessment rate for electric utility transmission and distribution equipment to 85%, and a reduction in the 25% assessment rate for all electric company taxable property to 24% commencing in

tax year 2006. That legislation also provides for a phasing out of the taxation of all personal property used by telephone companies, telegraph companies, or interchange telecommunications companies by tax year 2011, with State reimbursement payments to be made in declining amounts through 2018. In the State's 2012 budget, public utility property tax reimbursements for normal operating expenses paid to the general fund were eliminated effective July 2011. The State reimbursements for debt service continued through 2016 at a fixed amount.

House Bill 66 passed June 30, 2005, phased out the taxation of all tangible personal property used in business over four years beginning in 2006 and ending in 2009, when all such property becomes exempted from taxation. The phase out applies to most businesses and includes furniture and fixtures, machinery and equipment, and inventory. To compensate for foregone revenue as the tangible personal property tax is phased out, the State will make distributions to taxing subdivisions (such as the City) from revenue generated by a newly enacted commercial activity tax. Generally, these distributions are expected to fully compensate taxing subdivisions for such tax revenue losses through 2010, with gradual reductions in the reimbursement amount from 2011 through 2017. In the State's 2012 budget the tangible personal property tax reimbursements for normal operating expenses paid to the general fund were eliminated. The State's reimbursements for debt service will continue through 2017 at a fixed amount.

### **Tax Increment Financing Districts (TIF Districts)**

The City, pursuant to the Ohio Revised Code and City ordinances, has established 20 TIF Districts. A TIF District represents a geographic area not greater than 300 acres, wherein 100% of the property value increases created after the commencement date of the TIF Districts are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "statutory service payments", as though the TIF District had not been established. These "statutory service payments" are then dedicated to the payments for various public improvements within or adjacent to the TIF District. Property values existing before the commencement of the TIF District continue to be subjected to property taxes.

In 2016, the City received "statutory service payments" totaling \$15.4 million from the TIF districts. This amount is net of the county auditor fees and the payments to the Cincinnati School Board. In accordance with the agreement with the Cincinnati School district as amended December 18, 2002, twenty-seven percent of the statutory service payments received from the TIF districts is paid to the Cincinnati School Board. This payment in lieu of taxes revenue is accounted for in the TIF Funds along with the debt service payments. Corresponding capital assets are accounted for in the City's infrastructure accounts and property accounts.

TIF Districts have longevity of 30 years. The property tax exemption then ceases; statutory service payments cease, and property taxes then apply to the increased property values.

### **Casino Revenue**

In 2009, voters approved an amendment to the Ohio Constitution which became HB 519 authorizing one casino in Cincinnati, Cleveland, Columbus and Toledo. A gross revenue tax of 33% was imposed on licensed casino operators. A portion (5%) would be given to the host city. The casino in the City of Cincinnati opened in 2012. Revenues from the casino were \$1,974,000 in 2012, \$3,564,000 in six month period ending June 30, 2013, \$8,345,000 in fiscal year 2014, \$7,875,000 in fiscal year 2015, and \$8,059,000 in fiscal year 2016. Casino revenue is reported as an intergovernmental revenue in the general fund's governmental fund financial statements.



**12.**

**SHORT-TERM DEBT – BOND ANTICIPATION NOTES**

The City issues bond anticipation notes in advance of issuance of bonds, depositing the proceeds in its capital projects fund. These notes are necessary to provide adequate funds at the time needed to support contracts for the improvements prior to issuance of the related bonds.

The General Obligation and Revenue Bond Anticipation Notes issued during the period and outstanding at fiscal year end include \$23,750,000 in City issued notes that were purchased by the City. For an explanation of the presentation of these notes in the financial statements, refer to Footnote 5 on Inter-fund Assets and Liabilities. A street improvement general obligation note of \$14,725,000 was issued externally at an interest rate of 1.45% in February 2016 also.

(Amounts in Thousands)	Beginning			Ending
	<u>Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance</u>
<u>Governmental Activities</u>				
Revenue Bond Anticipation Notes	\$ 26,250	\$ 3,500	\$ 26,250	\$ 3,500
General Obligation Bond Anticipation Notes	73,144	44,032	82,951	34,225
	<u>\$ 99,394</u>	<u>\$ 47,532</u>	<u>\$ 109,201</u>	<u>\$ 37,725</u>
<u>Business Activities</u>				
General Obligation Bond Anticipation Notes	\$	\$ 750	\$	\$ 750

**13.**

**RESTRICTED ASSETS**

The balance of the restricted asset accounts in the enterprise funds are as follows:

(Amounts in Thousands)	
Revenue bond Construction Account - Water Works	\$ 34,615
Revenue bond Reserve Account - Water Works	67,896
Customer Deposits - Water Works	5,459
Construction Account - Other - Water Works	<u>795</u>
Total restricted assets	<u>\$ 108,765</u>

## 14.

## CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2016 was as follows:

(Amounts in Thousands)	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 185,701	\$ 2,921	\$ (9)	\$ 188,613
Construction in Progress	298,366	122,279	(130,758)	289,887
Total capital assets, not being depreciated	484,067	125,200	(130,767)	478,500
Capital assets, being depreciated:				
Buildings	280,937		(6,000)	274,937
Improvements other than buildings	446,151	33,409		479,560
Machinery and Equipment	162,265	8,177	(3,835)	166,607
Property acquired under capital leases	629	5,551	(171)	6,009
Infrastructure	1,057,965	87,610		1,145,575
Total capital assets, being depreciated	1,947,947	134,747	(10,006)	2,072,688
Less accumulated depreciation for:				
Buildings	(149,120)	(7,842)		(156,962)
Improvements other than buildings	(253,680)	(13,116)		(266,796)
Machinery and Equipment	(125,791)	(12,379)	1,836	(136,334)
Property acquired under capital leases	(543)	(593)	171	(965)
Infrastructure	(472,401)	(41,208)		(513,609)
Total accumulated depreciation	(1,001,535)	(75,138)	2,007	(1,074,666)
Total capital assets, being depreciated, net	946,412	59,609	(7,999)	998,022
Governmental-type Activities capital assets, net	\$ 1,430,479	\$ 184,809	\$ (138,766)	\$ 1,476,522
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 50,861			\$ 50,861
Construction in Progress	91,405	\$ 45,924	\$ (41,352)	95,977
Total capital assets, not being depreciated	142,266	45,924	(41,352)	146,838
Capital assets, being depreciated:				
Buildings	349,605	10,170	(39)	359,736
Improvements other than buildings	1,173,791	35,801		1,209,592
Machinery and Equipment	289,505	9,500	(1,081)	297,924
Property acquired under capital leases	2,653		(39)	2,614
Total capital assets, being depreciated	1,815,554	55,471	(1,159)	1,869,866
Less accumulated depreciation for:				
Buildings	(198,577)	(6,074)	38	(204,613)
Improvements other than buildings	(264,228)	(18,715)		(282,943)
Machinery and Equipment	(197,604)	(10,073)	1,005	(206,672)
Property acquired under capital leases	(1,574)	(324)	38	(1,860)
Total accumulated depreciation	(661,983)	(35,186)	1,081	(696,088)
Total capital assets, being depreciated, net	1,153,571	20,285	(78)	1,173,778
Business-type Activities capital assets, net	\$ 1,295,837	\$ 66,209	\$ (41,430)	\$ 1,320,616

Depreciation expense was charged to functions/programs of the City as follows:

(Amounts in Thousands)

Governmental activities:

General Government	\$ 2,980
Community Development	4,690
Parks and Recreation	10,519
Public Safety	5,788
Transportation and Engineering	37,244
Public Services	9,687
Public Health	623

Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets 3,607

Total depreciation expense - governmental activities: \$ 75,138

Business-type activities:

Water Works	\$ 23,296
Parking Facilities	2,531
Convention Center	4,536
General Aviation	765
Municipal Golf	954
Stormwater Management	3,104

Total depreciation expense - business-type activities: \$ 35,186

Governmental Activities Construction in Progress at June 30, 2016 is comprised of the following:

(Amounts in Thousands)	Project Authorizations	Expended to June 30, 2016	Committed	Required Future Financing
<u>Administering Department</u>				
Transportation and Engineering	\$ 159,380	\$ 138,803	\$ 20,577	\$ 5,693
Community Development	54,271	30,714	23,556	1,445
Recreation	10,342	8,284	2,059	
Safety	10,349	6,979	3,371	600
Parks	15,977	14,977	1,000	
Public Services	34,887	32,456	2,431	37
Other	63,750	57,674	25,093	11,217
Total	<u>\$ 348,956</u>	<u>\$ 289,887</u>	<u>\$ 78,087</u>	<u>\$ 18,992</u>

Required future financing represents Federal, State and City commitments in support of City projects.

Business Activities Construction in Progress at June 30, 2016 is comprised of the following:

(Amounts in Thousands)	Project	Expended		Required
<u>Enterprise Fund</u>	<u>Authorization</u>	<u>to 6/30/16</u>	<u>Committed</u>	<u>Future Financing</u>
Water Works	\$ 117,828	\$ 81,372	\$ 36,456	
Parking Facilities	5,125	4,272	853	
Convention Center	8,484	4,581	3,903	\$ 5,000
General Aviation	2,310	718	1,592	
Municipal Golf	1,540	61	1,479	
Stormwater Management	5,798	4,973	825	271
Total	<u>\$ 141,085</u>	<u>\$ 95,977</u>	<u>\$ 45,108</u>	<u>\$ 5,271</u>

**15. RECEIVABLES**

Accounts Receivable are presented in the financial statements net of the allowance for uncollectible accounts. The uncollectible accounts related to the General Fund at June 30, 2016, are as follows: Taxes Receivable (\$1,132,000) and other accounts receivable (\$32,787,000). The uncollectible accounts related to the Debt Service Fund at June 30, 2016 are Taxes Receivable (\$1,314,000). The balance for the allowance for uncollectible accounts in the Capital Projects Fund at June 30, 2016 is (\$132,000). The balance of the allowance accounts for Special Revenue Funds is (\$4,204,000) as of June 30, 2016. The balances of the allowance accounts of the proprietary funds as of June 30, 2016 are as follows: Water Works (\$3,997,000), Enterprise Technology Services (\$4,000), Municipal Golf (\$6,000), General Aviation (\$28,000), Parking Facilities (\$1,000) and Stormwater Management (\$1,581,000).

Loans receivable of the special revenue funds are made from revolving type loan accounts financed by allocations from the City's Community Development Block Grant. These loans are secured by liens on the property. Federal regulations provide that the grantor maintains the ownership of the City's Community Development Block Grant funded revolving loan portfolio; accordingly, revolving loan fund transactions do not affect the operating statement. A portion of the special revenue loans, with a value of \$31,380,000, were made from Housing and Urban Development Section 108 funds and do not involve a revolving type loan account. The loans are repaid to the federal government. If the borrower fails to repay the loan, the City's Community Development Block Grant funds may be used to repay the federal government. The total amount receivable for the special revenue loans is offset by an allowance for uncollectible loans receivable. Special revenue loans receivable at June 30, 2016 total \$93,789,000.

Loans receivable of the capital project funds receive similar treatment to the special revenue funds' loans receivable, in that the total amount receivable is offset by an allowance for uncollectible loans receivable. The allowance for uncollectible loans at June 30, 2016 is \$13,227,000. This amount is related to Goodall Properties Ltd., forgivable housing loans and downtown development loans.

**Sale of Blue Ash Airport**

The City of Cincinnati sold 130 acres of the Blue Ash Airport property to the City of Blue Ash for \$37,250,000. The original sales agreement was amended in 2012 per Ordinance 302-2012. There was an initial payment of \$6,000,000 and in fiscal years 2015 and 2016 a payment of \$1,000,000 was received each year. The payments for the remaining 21 fiscal years will be as follow from August 31, 2016 to August 1, 2036: fiscal year 2017 -\$1,000,000 annually, fiscal years 2018-2027 - \$1,250,000 annually and fiscal years 2028-2037 - \$1,500,000 annually. The City of Cincinnati has completed remedial action work at the Blue Ash Airport at a total cost of \$1,601,000.

In accordance with GASB 62, the loan receivable has been discounted using a 5% imputed interest rate and will be accounted for as collected using the following present value schedule:

(Amounts In Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 823	\$ 177	\$ 1,000
2018	979	271	1,250
2019	933	317	1,250
2020	888	362	1,250
2021	846	404	1,250
2022-2026	3,663	2,587	6,250
2027-2031	3,318	3,932	7,250
2032-2036	2,699	4,801	7,500
2037	465	1,035	1,500
Total	<u>\$ 14,614</u>	<u>\$ 13,886</u>	<u>\$ 28,500</u>

In 2009, the City of Cincinnati entered into a loan agreement with Graeter's for \$10 million. The loan is to be repaid over a 20 year period at 2% interest in year 1 and 2 and 4% interest in the remaining years. Below is the repayment schedule. Two principal and interest payments each for \$392,000 were received in fiscal year 2016.

(Amounts in Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 464	\$ 320	\$ 784
2018	483	302	785
2019	503	282	785
2020	523	262	785
2021	544	241	785
2022-2026	3,068	855	3,923
2027-2030	2,539	207	2,746
Total	<u>\$ 8,124</u>	<u>\$ 2,469</u>	<u>\$ 10,593</u>

The first loan with Mahogany's had a balance of \$268,000 and was replaced with a loan for \$100,000 with no interest. However, interest has been imputed on the loan. The Mahogany's loan is currently delinquent and is considered uncollectible. The principal balance is recorded at \$76,000 and an uncollectible amount has been recorded for the same amount since the new loan is delinquent. Monthly installments began October of 2015 and four monthly payments of \$800 were made during fiscal year 2016. The new loan is delinquent and has been removed from the chart since collection is doubtful.

## **16. CONTINGENT LIABILITIES**

### **Federal and State Grants**

The City has received Federal and State grants of approximately \$58 million for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Such disallowances have been immaterial in prior years.

### **Litigation**

Various claims and lawsuits are pending against the City as of June 30, 2016. A liability of \$10.6 million was recorded for those claims and judgments as of June 30, 2016. Over the past decade, the City

has averaged annual payments of \$2.5 million for claim and lawsuit settlements. Adequate funds have been provided to meet the claims paid from the General Fund, restricted funds and the sale of debt. The City Administration believes there is no foreseen problem in having adequate resources to settle presently known cases.

### **Pollution Remediation Liability**

Currently pollution remediation is occurring at the Provident North, Red Bank, and Center Hill sites. Center Hill involves landfill remediation while Provident North and Red Bank are for contaminated property. The West Fork incinerator has been identified as a future asbestos remediation project. In the entity wide statement governmental activities has recognized \$3,149,000 for pollution remediation liability in the accrued liabilities account.

## **17. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; property tax appeals and environmental damage. The City purchases commercial insurance to cover losses due to: theft of, damage to, or destruction of assets and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are self-insured by the City. There has been no reduction in insurance coverage in fiscal year 2016. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years. The property insurance is accounted for in the internal service fund, titled "Self Insurance – Risk Management".

The City of Cincinnati provides a health insurance plan for its employees. The plan is self-insured and accounted for as an internal service fund. This internal service fund, titled "Self Insurance – Risk Management" has been in existence since 1980. Operating funds are charged a monthly rate per employee, by type of coverage.

In 1990, the City began to account for and finance its risk of loss due to workers' compensation claims and established an internal service fund titled "Self Insurance - Workers' Compensation". The City pays worker's comp claims on a per claim basis except a small portion that is paid through the State of Ohio Bureau of Workers' Compensation. All funds of the City participate in the program and make payments to the internal service fund based on the experience premium that would normally be charged by the Bureau of Workers' Compensation. Policy years 1989 through 2000 were financed through the retrospective rating program. Policy years 2001 and 2002 were financed through the fully insured program with the State Fund workers' compensation program. Beginning with policy year 2003, the City elected to be fully self-insured for workers' compensation. All of the City's workers' compensation liabilities are funded within the "Workers' Compensation – Self-Insurance" fund. Changes in the balances of claims liabilities and claims adjustment expenses during fiscal years 2016 and 2015 are as follows:

		(Amounts in Thousands)				Capital Projects Funds		Special Revenue Funds	
		General Fund		Water Works Fund		2016	2015	2016	2015
		2016	2015	2016	2015	2016	2015	2016	2015
Beginning Balance		\$ 206	\$ 304	\$ 229	\$ 261	\$15,000	\$15,000	\$ 26	\$ 185
Current-Year Claims									
Claims and Changes in Estimates		1,925	1,468	96	52			17	1
Claim Payments		(1,428)	(1,566)	(83)	(84)	(15,000)		(8)	(160)
Ending Balance		\$ 703	\$ 206	\$ 242	\$ 229		\$15,000	\$ 35	\$ 26

		Self Insurance Risk Management Fund		Workers' Compensation Fund		Governmental Activities Obligations		Entity Wide Totals	
		2016	2015	2016	2015	2016	2015	2016	2015
Beginning Balance		\$ 8,950	\$ 8,363	\$ 11,948	\$ 11,640	\$ 7,748	\$22,223	\$ 44,107	\$ 57,976
Current-Year Claims									
Claims and Changes in Estimates		69,873	64,843	3,872	3,514	7,251	(14,174)	\$ 83,034	55,704
Claim Payments		(68,930)	(64,256)	(3,206)	(3,206)	(7,748)	(301)	\$ (96,403)	(69,573)
Ending Balance		\$ 9,893	\$ 8,950	\$ 12,614	\$ 11,948	\$ 7,251	\$ 7,748	\$ 30,738	\$ 44,107

The claims liabilities at June 30, 2016 for the Internal Service Funds above (Self-Insurance Medical and Workers Compensation) are included in the following liabilities in the balance sheet:

(Amounts in Thousands)		
	Self-Insurance Risk Management	Self-Insurance Workers' Compensation
Accounts Payable	\$ 3,293	\$ 283
Accrued Liabilities		177
Estimated Liability For Unpaid Claim	6,600	12,154
<b>Total</b>	<u>\$ 9,893</u>	<u>\$ 12,614</u>

## 18. SERVICE CONCESSION ARRANGEMENTS

The City has two service concession arrangements. The Fountain Square North Parking Garage was leased in "as is" condition for an upfront payment of \$7.5 million and annual rent payments of \$100 for a period of 40 years beginning in 2005. The upfront payment is reported as deferred inflow. The current period revenue recognition is \$187,500 and the balance in unearned revenue at June 30, 2016 is \$5.3 million. In addition, Fountain Square LLC made \$7.9 million in improvements to the parking garages. These improvements are included in the capital assets of the Parking Facilities Fund. The Net book value at June 30, 2016 was \$6.0 million. The current period revenue recognition is \$197,545.

During fiscal year 2015 the Fountain Square South Garage was leased to the Port Authority "as is" for 30 years. Improvements of \$1.1 million were made by the Port Authority to the garage and these improvements are included in improvements of the Parking Facilities Fund. The current period revenue recognition is \$38,000. The book value at June 30, 2016 was \$1.1 million.

## **19. SUBSEQUENT EVENTS**

In October of 2016 the City issued \$66,580,000 of general obligation bonds with a premium of \$3,558,000 and costs of \$927,000. The issuance included new general obligation bonds of \$54,915,000 with a premium of \$3,441,000 and \$11,665,000 of taxable refunding bonds with a premium of \$117,000. The refunding resulted in a savings with a net present value of \$816,000.

In November of 2016 the City issued \$12,550,000 of economic development revenue bonds with costs of \$318,000. The issuance included new bonds of \$10,000,000 with a premium of \$407,000 and refunding bonds of \$2,550,000 with a discount of \$6,000 and savings with a net present value of \$142,000.

In November 2016 the City issued \$119,575,000 of Water System Revenue Bonds with a premium of \$19,664,000 and Costs of \$1,159,000. The issuance included new revenue debt of \$25,000,000 with a premium of \$3,837,000 and refunding bonds of \$94,575,000 with a premium of \$15,827,000 and savings with a net present value of \$1,675,000.

## **20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

### **Plan Description**

The City administers a death benefit for its employees, both active and retired, that are police officers or fire fighters. If the police officer or fire fighter is retired, the benefit provides for \$5,000 to be paid to the designated beneficiary of the deceased police officer or fire fighter upon receipt of proof of death. If the police officer is active the benefit provides for \$35,000 and if the fire fighter is active the benefit provides for \$50,000, to be paid to the designated beneficiary of the deceased upon receipt of proof of death. Death benefit provisions are negotiated individually between the Fire union and the City, and the Police union and the City.

### **Funding Policy**

The benefit is funded on a pay-as-you-go basis. Each year the City budgets for a pre-determined amount based on prior years payments. The members of the Ohio Police and Fire Pension Fund do not make a contribution for this benefit. In fiscal year 2016, the City budgeted \$350,000 and paid out \$330,000. The benefits unfunded liability for Fiscal year ending June 30, 2016 based on the present value of the future liability as calculated by the City is \$7,544,000. Included in the Net Other Postemployment Benefits in the Governmental Activities financials is \$2,450,000 for the Police and Fire death benefit.

## **21. PENSION AND RETIREMENT**

City employees are covered by one of three pension systems. They are the Ohio Police and Fire Pension Fund (OP&F), the Ohio Public Employees Retirement System (OPERS), and the City of Cincinnati's Retirement System (CRS). OP&F and OPERS are cost-sharing multiple-employer defined benefit pension plans. In addition to the defined benefit plan, OPERS has two other pension plans: the Member Directed Plan-a defined contribution plan and the Combined Plan-a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and contribution plan. CRS is accounted for as a single-employer defined benefit pension plan.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its



employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting.

## **Ohio Police and Fire Pension Fund (OP&F)**

### **Plan Description**

City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

## Funding Policy

Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

<b>2015 Statutory Maximum Contribution Rates</b>		Police	Fire
Employer		19.50%	24.00%
Employee:			
	January 1, 2015 through July 1, 2015	11.50%	11.50%
	July 2 through December 31, 2015	12.25%	12.25%
<b>2015 Actual Contribution Rates</b>			
Employer:			
	Pension	19.00%	23.50%
	Post-employment Health Care Benefits	0.50%	0.50%
	Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee:			
	January 1, 2015 through July 1, 2015	11.50%	11.50%
	July 2 through December 31, 2015	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F for fiscal year 2016 was \$14,651,000 for police and \$14,864,000 for Fire.

The OP&F informed the City that the City's only unfunded prior service cost of the fund is the deficiency existing at the time the fund was established in 1967 as determined by actuarial evaluation. On March 1, 2000 the City sold bonds for the refunding of the City's obligation for the employer's accrued liability. Pursuant to Section 742.30 of the Ohio Revised Code, the City and the OP&F (the Fund) have entered into an agreement, which permitted the City to make a one-time payment to the Fund for the purpose of extinguishing the City's obligation to the Fund for employer's accrued liability. The payment amount was \$41,455,000, which represents 68% of the first \$500,000 of the employer's accrued liability and 70% of the balance, plus accrued interest on the full amount of such accrued liability from March 1, 2000 to the date of payment.

### **Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OP&F**

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015 which was rolled forward to December 31, 2015. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating

entities. Following is information related to the proportionate share and pension expense (amounts in thousands):

	Police	Fire	Total
Proportionate Share of Net Pension Liability	\$ 227,598	\$ 224,963	\$ 452,561
Proportion of Net Pension Liability	3.537931%	3.496979%	
Pension Expense	\$ 10,042	\$ 9,959	\$ 20,001

The following amounts are reported as deferred outflows and inflows of resources at June 30, 2016:

#### Summary of Deferred Outflows and (Inflows) for OP&F

(Amounts in Thousands)	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>	Net Deferred Outflows/ (Inflows) of <u>Resources</u>
Employer contributions subsequent to measurement date	\$ 16,009	N/A	\$ 16,009
Net difference between projected and actual investment earnings	73,368		73,368
Changes in proportionate share	9,247		9,247
Differences between expected and actual experience		(1,271)	(1,271)
Total	<u>\$ 98,624</u>	<u>\$ (1,271)</u>	<u>\$ 97,353</u>

\$16,009,000 reported as deferred outflows of resources related to pension resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2016. Other amounts reported as deferred outflows and deferred inflows related to pension will be recognized in pension expense as follows:

#### OP&F Amortization of Deferred Outflows and (Inflows)

(Amounts in Thousands)	Deferred <u>Outflows</u>	Deferred (Inflows)	Pension <u>Expense</u>
Fiscal year			
2017	\$ 21,082	\$ (245)	\$ 20,837
2018	21,081	(245)	20,836
2019	21,081	(245)	20,836
2020	17,252	(245)	17,007
2021	1,781	(245)	1,536
Remaining Years	338	(46)	292
Total Deferred Outflows	<u>\$ 82,615</u>	<u>\$ (1,271)</u>	<u>\$ 81,344</u>

#### Actuarial Assumptions

OPF's total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

OP&F Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Valuation Date	January 1, 2015
Experience Study	January 1, 2012
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	8.25%
Projected Salary Increases	4.25%-11.00
Inflation Assumptions	3.25%
Cost-of-living Adjustments	2.60% and 3.00%

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

*Long Term Expected Rate of Return:* The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2015 are summarized below:

<b>OP&amp;F Asset Class</b>	<b>Target Allocation</b>	<b>Long Term Expected Rate of Return</b>
Cash and Cash Equivalent		-
Domestic Equity	16.0%	7.80%
Non-U.S. Equity	16.0%	8.00%
Core Fixed Income*	20.0%	5.35%
Global Inflation Protected Securities*	20.0%	4.73%
High Yield	15.0%	7.21%
Real Estate	12.0%	7.43%
Private Markets	8.0%	10.73%
Timber	5.0%	7.35%
Master Limited Partnerships	8.0%	10.75%
Total	<u>120.0%</u>	

Note: Assumptions are geometric.

\* Levered 2x.

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio

may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

*Discount Rate:* The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25%. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

*Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:* Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using a discount rate of 8.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25%), or one percentage point higher (9.25%) than the current rate:

<u>Plan Type</u>	<u>OP&amp;F Net Pension Liability</u>		
	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
	<u>7.25%</u>	<u>Rate of 8.25%</u>	<u>9.25%</u>
Police	\$ 300,171	\$ 227,598	\$ 166,121
Fire	296,696	224,963	164,198

**Other Post Employment Benefit Information**

Plan Description: The City of Cincinnati contributes to the OP&F sponsored healthcare program, a cost-sharing multiple-employer defined post employment healthcare plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB 45.

The Ohio Revised code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits, are codified in Chapter 742 of the Ohio Revised code.

Funding Policy: OP&F maintains funds for health care in two separate accounts: One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 and the Section 401(h) account as employer contributions for retiree health care benefits. The portion of employer contributions allocated to health care was 0.5% of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for Police to OP&F for the fiscal periods ending June 30, 2016, 2015, and 2014 were \$16,264,000, \$15,036,000, and \$14,259,000, respectively, of which \$417,000, \$387,000, and \$366,000, respectively, was allocated to the healthcare plan. The City's contributions for Fire to OP&F for the fiscal periods ending June 30, 2016, 2015, and 2014 were \$15,849,000, \$15,180,000, and \$14,202,000, respectively, of which \$330,000, \$317,000, and \$296,000, respectively, was allocated to the healthcare plan.

## **Ohio Public Employees Retirement System (OPERS)**

### **Plan Description**

OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans: the traditional pension plan, the member-directed plan, and the combined plan.

*The Traditional Pension Plan.* The Traditional Pension Plan is a defined benefit plan in which a member's retirement benefits are calculated on a formula that considers years of service and final average salary. The pension benefits are funded by both member and employer contributions, and investment earnings on those contributions.

*The Combined Plan.* The Combined Plan is a defined benefit plan with elements of a defined contribution plan. Under the Combined Plan, members earn a formula benefit similar to, but at a factor less than, the Traditional Pension Plan benefit. This defined benefit is funded by employer contributions and associated investment earnings. Additionally, member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement or termination, the member may choose a defined contribution retirement distribution that is equal in amount to the member's contributions to the plan and investment earnings (or losses) on those contributions. Members may also elect to use their defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

*The Member-Directed Plan.* The Member-Directed Plan is a defined contribution plan in which members self-direct the investment of both member and employer contributions. The retirement distribution under this plan is equal to the sum of member and vested employer contributions, plus investment earnings (or losses) on those contributions. Employer contributions and associated investment earnings vest over a five-year period at a rate of 20% per year. Upon retirement or termination, the member may choose a defined contribution retirement distribution, or may elect to use his/her defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group.

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan for state and local government employees as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other groups and members hired on or after January 7, 2013
<b><u>State and Local</u></b>	<b><u>State and Local</u></b>	<b><u>State and Local</u></b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 months of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

### **Funding Policy**

The Ohio Revised Code (ORC) provides statutory authority for local government member and employer contributions. The statutory contributions rates are 14.0% for the employer and 10.0% for the member. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$235,000 for 2016. Additional information on other benefits available can be found in the OPERS CAFR.

While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; the following disclosure focuses are combined for the three plans. All public employees in Ohio, except those covered by one of the other state or local retirement systems in Ohio, are members of OPERS.

### **Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPERS**

Ohio Revised Code limits the City's obligation for this liability to annually required payments. They City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All

contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. For reporting purposes, the City combined the amounts for the Traditional Plan, Combined Plan and Member-Directed Plan., due to insignificance of the amounts that related to the Combined and Member-Directed Plans. The City reported a net pension liability of \$13,249,000 as its proportionate share and the City's proportion was 0.07671000%. The City recognized \$1,551,000 in pension expense.

The following amounts are reported as deferred outflows and inflows of resources at June 30, 2016:

**Summary of Deferred Outflows and (Inflows) for OPERS  
(Amounts in Thousands)**

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>	Net Deferred Outflows/ (Inflows) of <u>Resources</u>
Employer contributions subsequent to measurement date	\$ 611		\$ 611
Net difference between projected and actual investment earnings	3,757		3,757
Changes in proportionate share		\$ (592)	(592)
Differences between expected and actual experience		(254)	(254)
Total	\$ 4,368	\$ (846)	\$ 3,522

\$611,000 reported as deferred outflows of resources relate to pension resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2017. Other amounts reported as deferred outflows and deferred inflows related to pension will be recognized in pension expense as follows:

**OPERS Amortization of Deferred Outflows and (Inflows)  
(Amounts in Thousands)**

	Deferred <u>Outflows</u>	Deferred <u>(Inflows)</u>	Pension <u>Expense</u>
2017	\$ 973	\$ (428)	\$ 545
2018	972	(360)	612
2019	971	(58)	913
2020	841		841
Total Deferred Outflows	\$ 3,757	\$ (846)	\$ 2,911

**Actuarial Assumptions**

Total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:



OPERS Key Methods and Assumptions Used in Valuation of Total Pension Liability			
Actuarial Information	Traditional Pension Plan	Combined Plan	Member-Directed Plan
Valuation Date	December 31, 2015	December 31, 2015	December 31, 2015
Experience Study	5 Year Period Ending December 31, 2010	5 Year Period Ending December 31, 2010	5 Year Period Ending December 31, 2010
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:			
Investment Rate of Return	8.00%	8.00%	8.00%
Wage Inflation	3.75%	3.75%	3.75%
Projected Salary Increases	4.25%-10.05% (includes wage inflation of 3.75%)	4.25%-8.05% (includes wage inflation of 3.75%)	4.25%-8.05% (includes wage inflation of 3.75%)
Cost-of-living Adjustments	Pre 1/7/2013 Retiree: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018 then 2.80% Simple	Pre 1/7/2013 Retiree: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018 then 2.80% Simple	Pre 1/7/2013 Retiree: 3.00% Simple Post 1/7/2013 Retirees: 3.00% Simple through 2018 then 2.80% Simple

Mortality rates are the RP-2000 mortality table projected 20 years using Projected Scale AA. For males, 105% of the combined health male mortality rates were used. For females, 100% of the combined health female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males, 120% of the disabled female mortality rates were used, set forward two years. For females, 100% of the disabled female mortality rates were used.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

<b>OPERS</b>	<b>Target</b>	<b>Weighted Average</b>
<b><u>Asset Class</u></b>	<b><u>Allocation</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Fixed Income	23.00%	2.31%
Domestic Equities	20.70%	5.84%
Real Estate	10.00%	4.25%
Private Equity	10.00%	9.25%
International Equities	18.30%	7.40%
Other Investments	<u>18.00%</u>	<u>4.59%</u>
Total	<u>100.00%</u>	<u>5.27%</u>

*Discount Rate:* The discount rate used to measure the total pension liability was 8.0% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, the Combined Plan, and the Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:* The following chart represents the City's proportionate share in thousands of the net pension liability at the 8% discount rate as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate (amounts in thousands):

	<b><u>OPERS Net Pension Liability</u></b>		
	<b>1% Decrease <u>7.00%</u></b>	<b>Current Discount <u>Rate of 8%</u></b>	<b>1% Increase <u>9.00%</u></b>
City's proportionate share of the net pension liability	\$ 21,170	\$ 13,250	\$ 6,571

**Other Postemployment Benefit Information**

Plan Description: OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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 Post Employment Benefit (OPEB) as described in GASB Statement 45. Please see the Plan Statement in the OPERS 2015 CAFR for details. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Funding Policy: The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, the City contributed at a rate of 14.0% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a VEBA that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health

care plans. On September 19, 2012 the OPERS board of trustees adopted a set of changes to the OPERS health care plan that will allow the plan to continue offering retirees access to health care coverage. These changes were implemented in 2014.

The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1% during calendar year 2013 and 2.0% during calendar years 2014 and 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0% for both plans. The portion of the City's employer contributions that were used to fund postemployment benefits for the fiscal years 2014, 2015, and 2016 respectively were \$235,000, \$265,000, and \$185,000 which was equal to 100% of the required contribution for those fiscal years. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

### **City of Cincinnati Retirement System (CRS)**

CRS is accounted for as a single employer defined benefit pension plan. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The System is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund. No separate financial report is issued. Footnote 22 provides information on CRS as of June 30, 2016 and on the plan as a whole. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of the System in the Board of Trustees of the City of Cincinnati Retirement System.

Information in the remainder of this footnote is provided for the City's portion being reported in governmental activities and proprietary funds with a measurement date of June 30, 2015. Amounts related to the Metropolitan Sewer District (MSD), an agency fund of the City which also participates in and contributes to CRS, were excluded since MSD reports its portion as an enterprise fund of Hamilton County.

A major plan revision was approved by the City Council on March 16, 2011 and adopted by the CRS's Board. 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 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 as described below.

Following the changes in certain benefits, certain active and retired members filed various lawsuits. The City and the adverse parties agreed to a collaborative mediation in Federal District Court to attempt to reach an agreed resolution. A Collaborative Settlement Agreement (CSA) was approved by the Federal District Court on October 5, 2015. The impact of the CSA is not included in the CRS Pension disclosures in this footnote because it occurred after the measurement date of June 30, 2015.

#### **Prior Benefits**

Pensioners that retired prior to July 1, 2014, the annual retirement allowance was equal to 2.5% or 2.22% of the average of the three highest years' compensation multiplied by the number of years of membership service. Employees hired before July 12, 1998 elected either the 2.5% or a 2.22% formula, which factors in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and thereafter are subject to the 2.5% formula.

Pensions are increased by 3% compounded annually, commencing one year after retirement. The

System also provides death and disability benefits. These benefit provisions and all other requirements, are established by the Cincinnati Municipal Code.

### Current Plan Benefits

Active members who are not eligible to 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 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 the 2% for every year after 30 years of creditable service. Benefits will be calculated using the average of highest 60 consecutive months of compensation.

Pensions are increased based on the CPI-U with a maximum of 2% annually and will be based on simple interest, commencing one year after retirement. The System will not provide death benefits but will continue to provide disability benefits. The Medical benefits changed on January 1, 2011. Medicare reimbursements are eliminated for all retirees and all retirees will be on the City's 80/20 health plan. Premiums are charged for all retirees retiring after January 1, 2007 except for Carve out plan where we have approximately 300 remaining participants.

The service retirement allowance vesting after five years of creditable service. Medical care benefits are provided after fifteen years of creditable service, or if hired before January 9, 1997 after reaching age sixty with at least five years of creditable service. The 15 year requirement is universal for all members who retired on or after July 1, 2011.

In 2007, an Early Retirement Window (ERW) was offered to City employees who would have 28 or more years of service by December 31, 2007. Employees who elected the window were granted two additional years of service. The additional actuarial accrued liability associated with the ERW of approximately \$42,300,000 was funded by separate contributions to be made by the city over a 15 year period. During fiscal year 2016 payments were made to remove the accrued liability as required by the CSA.

### **Funding Policy**

Each member contributes at a rate of 9.0% of his pensionable wages since January 1, 2013. The percent contributed by employees is provided by Chapter 203 Section 73 of the Cincinnati Municipal Code.

The City makes employer contributions based on a percentage of the covered payroll of all CRS members. For fiscal year 2016, the contribution rate was 14% on covered payroll from July 1, 2015 through December 31, 2015 and increased to 16.25% January 1, 2016 as indicated in the CSA. The Employer's contributions (including ERIP) to the City of Cincinnati Retirement System's Pension Fund for the fiscal year ending June 30, 2016 were \$21,891,000.

### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CRS**

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. The City reported a net pension liability of \$1,129,231,000 and pension expense of \$56,298,000.

*Discount Rate:* The blended discount rate used to measure the total pension liability was 5.08% as of June 30, 2015 and 5.59% as of June 30, 2014. The discount rate determination used a municipal bond rate of 3.82% as of June 30, 2015 and 4.35% as of June 30, 2014. The projection of cash flows used to

determine the discount rate assumed plan member contributions of 9% and employer contributions of 14% will be made. Projected future benefit payments for all current plan members were projected through 2125.

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:* The following chart represents the City financial reporting entity's proportionate share in thousands of the net pension liability at the 5.08% blended discount rate as well as the sensitivity to a 1% increase and 1% decrease in the current discount rate (amounts in thousands):

<u>City's Financial Reporting Entity (MSD is not included)</u>	<u>1% Decrease (4.08%)</u>	<u>Current Discount Rate(5.08%)</u>	<u>1% Increase (6.08%)</u>
System's Net Pension Liability	\$ 1,412,602	\$ 1,129,231	\$ 891,580

*Change in the Net Pension Liability:* Changes in the City financial reporting entity's net pension liability for the year ended June 30, 2015 were as follows (amounts in thousands):

<u>City's Financial Reporting Entity (MSD is not included)</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Pension</u>	<u>Net Pension Liability</u>
Balances at June 30, 2014	\$ 2,226,120	\$ 1,279,341	\$ 946,779
Changes for the year:			
Service cost	22,439	-	22,439
Interest	120,372	-	120,372
Changes of assumptions	125,942	-	125,942
Difference between expected and actual experience	(11,326)	-	(11,326)
Contributions - employer	-	23,488	(23,488)
Contributions - employee	-	13,072	(13,072)
Net investment income	-	39,683	(39,683)
Benefit payments, including refunds of employee contributions	(130,350)	(130,350)	-
Administrative expense	-	(1,268)	1,268
Other changes	-	-	-
Net changes	<u>127,077</u>	<u>(55,375)</u>	<u>182,452</u>
Balances at June 30, 2015	<u>\$ 2,353,197</u>	<u>\$ 1,223,966</u>	<u>\$ 1,129,231</u>

The date of the actuarial valuation upon which the total pension liability (TPL) is based is December 31, 2014. An expected TPL is determined as of June 30, 2015 using standard roll forward techniques. The roll forward calculation adds the normal cost for the first half of 2015 (also called the service cost), subtracts the actual benefit payments and refunds for the six months, and then applies the expected single equivalent interest rate (SEIR) (5.08%) for the period. This procedure was used to determine the TPL as of June 30, 2015, as shown in the following table:

<b>CRS TPL Rollforward</b> (Amounts in thousands)	Old Assumptions (1)	New Assumptions (2)
(a) Interest Rate (SEIR)	5.59%	5.08%
(b) TPL as of December 31, 2014	\$ 2,213,183	\$ 2,339,947
(c) Entry Age Normal Cost for the period January 1, 2015 - June 30, 2015	11,529	12,945
(d) Actual Benefit Payments and Refunds for the period January 1, 2015 - June 30, 2015	65,175	65,175
(e) TPL as of June 30, 2015 = [(a) x (1 + SEIR) <sup>1/2</sup> ] + (b) - [(c) x (1 + SEIR) <sup>1/4</sup> ]	\$ 2,219,662	\$ 2,353,197
(f) June 30, 2014 TPL Rolled Forward to June 30, 2015	2,231,136	
(g) Experience (Gain)/Loss: (1e)-(1f)	(11,474)	
(h) Assumption (Gain)/Loss: (2e)-(1e)		133,535

At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Summary of Deferred Outflows and (Inflows) for CRS at June 30, 2016**  
(Amounts in Thousands)

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>	Net Deferred Outflows/ (Inflows) of <u>Resources</u>
City contributions subsequent to the measurement date	\$ 21,891		\$ 21,891
Net difference between projected and actual investment earnings	41,900	\$ (75,537)	(33,637)
Differences between expected and actual experience		(5,663)	(5,663)
Changes in assumptions	62,971	(7,712)	55,259
Total	<u>\$ 126,762</u>	<u>\$ (88,912)</u>	<u>\$ 37,850</u>

\$21,891,000 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

**CRS Amortization of Deferred (Inflows) and  
Deferred Outflows at 6/30/16  
(Amounts in Thousands)**

<u>Fiscal year</u>	<u>Deferred Outflows</u>	<u>Deferred (Inflows)</u>	<u>Pension Expense</u>
2017	\$ 73,446	\$ (34,211)	\$ 39,235
2018	10,475	(28,546)	(18,071)
2019	10,475	(26,155)	(15,680)
2020	10,475		10,475
Total Deferred Outflows	<u>\$ 104,871</u>	<u>\$ (88,912)</u>	<u>\$ 15,959</u>

*Actuarial Assumptions:* Total pension liability was determined by an actuarial valuation as of December 31, 2014, using the following actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2015:

Inflation	3.00%	
Salary increases, including inflation		3.0% to 7% for five-year select period beginning December 31, 2011; 4.0 to 7.5% thereafter
Long-Term Investment Rate of Return, net of pension plan investment expense, including inflation	7.50%	
Municipal Bond Index Rate		
Prior Measurement Date	4.35%	
Measurement Date	3.82%	
Year FNP is projected to be depleted	2031	
Single Equivalent Interest Rate, net of pension plan investment expense, including inflation		
Prior Measurement Date	5.59%	
Measurement Date	5.08%	
Mortality	Both pre-retirement and post-retirement mortality rates were based on the RP 2000 combined mortality table, male rates set forward 2 years and female rates set forward 1 year and using a Scale AA projection to 2020. Post-disability mortality rates were based on the RP 2000 disabled retiree mortality table, female rates set back 5 years.	

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of the last actuarial experience study, dated October 28, 2011.

*Long Term Expected Rate of Return:* The long term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate

of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as listed in the last actuarial experience study, dated October 28, 2011 are summarized in the following table:

<u>CRS Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Broad Fixed Income	14.0%	1.1%
High Yield	3.0%	5.6%
Broad US Equity	19.5%	6.6%
US Mid-Cap Growth	5.0%	7.8%
US Small-Cap Value	5.0%	10.6%
Developed Larg-Cap	11.0%	7.8%
Non-US Small-Cap	5.0%	11.9%
Emerging Market	5.0%	11.3%
Hedge Fund-Hedged Equity	15.0%	4.7%
Real Estate-Core	7.5%	5.1%
Infrastructure	5.0%	8.3%
Private Equity-FOF	5.0%	13.2%
Total	<u>100.0%</u>	

### **Other Postemployment Benefit Information**

The System provides hospital and surgical insurance to retired members who have earned fifteen years credited service at the time of termination and a group who terminated after age sixty with five years credited service. Those who are receiving optionee benefits of eligible members are entitled to have their hospital and surgical insurance as continued through the System.

The health care coverage provided by the System is considered an Other Postemployment Benefit (OPEB) as described in GASB statement 45. It is advance-funded on an actuarially determined basis as a portion of the employer contribution requirement to the System. The Cincinnati Municipal Code provides authority for employer contributions. The City of Cincinnati Retirement System's healthcare coverage was established under, and is administrated in accordance with, Internal Revenue Code 115. Additional information for the CRS OPEB is included in the next footnote.

The actuarial assumptions used for the December 31, 2015 valuation included an assumption for hospital and surgical benefits recognizing adjusted premiums based on experience for recent years. The actuarial valuations for OPEB plans are estimates of the value of reported amounts and assumptions about the probability of events far into the future. Amounts determined are subject to continual revision as results are compared to past expectations and new estimates are made about the future.



Additional actuarial assumptions are as follows:

Actuarial cost method	Entry age
Amortization period	Level dollar open
Remaining amortization period	30 years
Asset valuation method	Five-year smoothed market value
Actuarial Assumptions:	
Investment rate of return (includes inflation)	7.50%
Projected salary increases (includes inflation)*	3.00%-7.50%
Health care trend rate (includes inflation)	7.75%/5.75% initial (varies by age)
	5.00% ultimate
Inflation	3.00%

\* Select salary increases for 5-year period beginning December 31, 2011

The valuation reflects the plan and funding changes included in the CSA between the City of Cincinnati and various plaintiff groups representing certain active and retired members of CRS. The valuation represents the understanding of the CSA as of the valuation. Some of the changes outlined in the CSA were not finalized or may be subject to interpretation as of the valuation date.

The cost of OPEB is recognized as an expense as claims are paid. No employer contribution was used to fund postemployment benefits for the fiscal years ended June 30, 2016 and June 30, 2015. As of the December 31, 2015, valuation, the healthcare plan's unfunded actuarial accrued liability was \$10,087,000. The actuarial value of assets was \$474,746,000. The Actuarial Accrued Liability was \$484,833,000. The unfunded actuarial accrued liability as a percentage of covered payroll of \$174,963,000 was 5.8%. Calculations are based on the OPEB benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of cost sharing between the employer and the plan members at that point. The actuarial calculations of the OPEB plan reflect a long term perspective. The required supplementary schedule, which immediately follows the notes, contains multi-year trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual OPEB cost and net OPEB obligation to CRS for the current fiscal period and prior fiscal years were as follows:

<i>Annual OPEB Costs and Net OPEB Obligation</i> (Amounts in Thousands)	Fiscal <u>2016</u>	Fiscal <u>2015</u>	Fiscal <u>2014</u>
Annual required contribution	\$ (2,970)	\$ 1,139	\$ 5,969
Interest on net obligation	\$ 5,878	\$ 5,457	\$ 5,229
Adjustment to annual required contribution	\$ (5,997)	\$ (16,355)	\$ (5,491)
Annual OPEB Costs	\$ (3,089)	\$ (9,759)	\$ 5,707
Actual Contribution	\$ (490)	\$ (1,661)	\$ (2,048)
Increase (decrease) in net OPEB obligation	\$ (3,579)	\$ (11,420)	\$ 3,659
Net OPEB Obligation beginning of year	\$ 78,243	\$ 89,663	\$ 86,004
Net OPEB Obligation end of year	\$ 74,664	\$ 78,243	\$ 89,663
Annual OPEB costs	\$ (3,089)	\$ (9,759)	\$ 5,707
Percentage of annual OPEB cost contribution	-15.86%	-17.02%	35.89%

This footnote presents information on the Cincinnati Retirement System as a whole as of June 30, 2016.

### **Overview**

The Cincinnati Retirement System (CRS) was established in 1931 as the first Ohio pension plan for general city employees. It pre-dates Social Security and the Ohio Public Employees Retirement System. CRS is a single employer defined benefit pension plan, established by Chapter 203 of the Cincinnati Municipal Code and is a qualified governmental plan for tax purposes pursuant to 26 USC § 414(d). The Retirement plan is governed by the Cincinnati Municipal Code, Chapter 203. The System has a 9-member Board of Trustees: two members elected by active members; three members elected by retirees; and four members appointed by the Mayor and City Council.

CRS provides retirement and disability benefits, death benefits and retiree health care benefits to plan members and beneficiaries. CRS is considered part of the City of Cincinnati's financial reporting entity. The pension trust and retiree health care trust are included in the City's financial report. No separate financial report is issued. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of CRS in the Board of Trustees of the Cincinnati Retirement System.

A Collaborative Settlement Agreement was executed on May 7, 2015 and approved by the United States District Court on October 5, 2015. The Settlement Agreement impacts members who were retired on or before July 1, 2011 and employees who were in service on July 1, 2011 and who were vested (had 5 years service credit) on that date. Members of the Cincinnati Retirement System who did not meet these criteria may have different benefits depending on their classification.

The Settlement Agreement implemented a number of changes to the Retirement System, including but not limited to:

- Normal retirement eligibility;
- Early retirement eligibility;
- Retiree healthcare eligibility;
- Retirement benefit calculations;
- Cost of living adjustments payable to retirees;
- Establishment of a Deferred Retirement Option Program (DROP);
- Creation of a 115 Trust for retiree healthcare benefits;
- Changes to the composition of the Board of Trustees; and
- Payoff of the 2007 Early Retirement Incentive Program (ERIP) liability.

The following summarizes the membership of the Cincinnati Retirement System as of June 30, 2016:

	<u>Pension</u>	<u>Health</u>
Retirees and beneficiaries receiving benefits	4,244	3,845
Terminated plan members entitled to future benefits	183	51
 Inactive participants *	 7,527	
Active Plan Members		
Full time	2,949	2,949
Part time	1,169	1,169
Total	<u>16,072</u>	<u>8,014</u>

\* Participants who are former employees who have an employee account balance in the plan but are not otherwise vested in an employee provided benefit.

### **Funding of Pension and OPEB Trusts**

The Pension Fund is funded by employee and employer contributions, and investment income. Employees contribute 9.0% of pensionable earnings. If the member terminates employment and chooses to withdraw their employee contributions, the member forfeits all service credit and eligibility for a pension benefit. Employer contributions are not owned by the member and are not eligible for a lump sum withdrawal.

Employee pension contributions are pre-tax and deducted from payroll before Federal and State taxes are calculated. However, employee contributions are subject to City of Cincinnati income tax which is calculated before contributions are deducted. Pension benefits or a refund of employee contributions are taxable for Federal and State purposes when paid to the member, and are exempt from City of Cincinnati income tax.

The retiree health care provided by CRS is considered an Other Postemployment Benefit (OPEB) as described in GASB statement 45. It is advance-funded through a 115 OPEB trust. The OPEB trust is funded by employer contributions, interest on investments, and retiree premium contributions. Retirement healthcare is not a vested benefit.

## Retirement Benefits

<b>Groups C &amp; D</b>	<b>Group E</b>	<b>Group F</b>	<b>Group G</b>
Eligible to retire on or before July 1, 2011; or December 31, 2013	Eligible to retire on or before December 31, 2013	Hired before January 1, 2010 and not eligible for other groups	Hired on or after January 1, 2010
<b>Normal Retirement:</b> Age 60 with 5 years of service, or any age with 30 years of service	<b>Normal Retirement:</b> Age 60 with 5 years of service, or any age with 30 years of service	<b>Normal Retirement:</b> Age 60 with 5 years of service, or any age with 30 years of service	<b>Normal Retirement:</b> Age 67 with 5 years of service, or age 62 with 30 years of service
<b>Early Retirement:</b> Age 55 with 25 years of service	<b>Early Retirement:</b> Age 55 with 25 years of service	<b>Early Retirement:</b> Age 55 with 25 years of service	<b>Early Retirement:</b> Age 57 with 15 years of service
<b>Benefit Formula:</b> 2.5% of FAS times years of service	<b>Benefit Formula:</b> 2.5% of FAS times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	<b>Benefit Formula:</b> 2.5% of FAS times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	<b>Benefit Formula:</b> 2.2% of FAS times years of service

\* Less than 200 active members are subject to a 2.22% multiplier and a final average salary definition that includes compensation for overtime.

## Other Postemployment Benefit Information

The System provides health care coverage to eligible retirees, their spouse and dependent children. Active members in Group C who have earned fifteen years of membership service at the time of termination are eligible upon retirement. All other active members are eligible for retiree health care upon their retirement after reaching age 60 with 20 years of membership service, or any age with 30 years of service of which 20 years must be earned with CRS.

The actuarial valuations for OPEB plans are estimates of the value of reported amounts and assumptions about the probability of events far into the future. Amounts determined are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The cost of OPEB is recognized as an expense as claims are paid. No employer contribution was used to fund postemployment benefits for the fiscal year ended June 30, 2016. As of the 12/31/2015 valuation, the healthcare plan's unfunded actuarial accrued liability was (\$10,086,799). The actuarial value of assets was \$474,746,152. The unfunded actuarial accrued liability as a percentage of covered payroll of \$167,248,240 was 6.0%. Calculations are based on the OPEB benefits provided under the terms of the plans in effect at the time of each valuation and on the pattern of cost sharing between the employer and the plan members at that point. The actuarial calculations of the OPEB plan reflect a long term perspective.

### Medical Benefits:

The City offers medical and prescription benefits to retirees before and during Medicare eligibility. Prescription benefits for Medicare eligible participants are provided through a Medicare Part D Employer Group Waiver Plan. CRS administers three health care plans that differ by deductibles, co-pays and out-of-pocket maximums. Two plans are closed groups. The third plan for eligible

members who retire on or after January 1, 2016 follows the most advantageous plan offered to active City employees.

Most retirees are subject to premiums that range from 0% to 10%. Other retiree premiums range from 5% to 75% depending on their date of hire, years of service and age at retirement.

**Dental & Vision Benefits:**

All members electing to participate in the dental and/or vision plan are required to pay the full cost of coverage. As such, it is assumed that CRS has no liability under GASB 43 and 45 for these benefits.

**Actuarial Assumptions**

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

Valuation date	12/31/2015
Actuarial cost method	Entry age normal
Amortization method	Level dollar open
Remaining amortization period	30 years
Asset valuation method	5 year smoothed market value
Inflation	3.0 percent per year
Salary increase	3.0 to 7.0 percent, including inflation for five-year select Period beginning December 31, 2011; 4.0 to 7.5 percent, Including inflation thereafter
Investment rate of return	7.5 percent, net of pension plan investment expense, and Including inflation

Mortality

Non-disabled lives: RP-2000 Combined Morality Table set forward 2 years for males and 1 year forward for females using a Scale AA projection to 2020

Disabled Retirees: RP-2000 Disabled Morality Table (set back 5 years for females)

Withdraw assumption

It is assumed that 100% of vested members who terminate with less than 15 years of service elect to withdraw their contributions, and that 50% of vested members who terminate with 15 or more years of service elect to withdraw their contributions while the remaining 50% leave their contributions in the plan in order to be eligible for a benefit at their retirement date.

*Annual Net Post Employment Benefit Obligation.* The annual net other post employment obligation to CRS for the current fiscal period and prior fiscal years were as follows:

(Amounts in Thousands)	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual required contribution	\$ (3,346)	\$ 1,404	\$ 5,969
Interest on net obligation	\$ 6,622	\$ 6,725	\$ 5,229
Adjustment to annual required contribution	\$ (7,211)	\$ (7,592)	\$ (5,491)
Annual OPEB Costs	\$ (3,935)	\$ 537	\$ 5,707
Actual Contribution	\$ (552)	\$ (1,905)	\$ (2,048)
Increase (decrease) in net OPEB obligation	\$ (4,487)	\$ (1,368)	\$ 3,659
Net Pension Obligation beginning of year	\$ 88,295	\$ 89,663	\$ 86,004
Net Pension Obligation end of year	\$ 83,808	\$ 88,295	\$ 89,663
Annual OPEB costs	\$ (3,935)	\$ 537	\$ 5,707
Percentage of annual OPEB cost contribution	-14.03%	354.75%	35.89%

## **Deposits with Financial Institutions and Investments**

Deposits held by the City's Retirement System for which the fiscal year ended June 30, 2016 book balance was \$67,472,000. The June 30, 2016 bank balance was \$16,759,000 and the book balance was \$18,811,000. The cash balance was held by the City Treasurer. The cash equivalents of \$48,661,000 were held in money managers' custodial accounts at the Bank of New York at year-end and are not subject to the same insurance and collateralization requirements as the City's deposits and are uncollateralized.

City's Retirement System's fair value of investments for these funds at 2016 was \$2,085,079,000. These investments include \$29,066,000 in U.S. Government Bonds, \$26,884,000 in U.S. Government Agencies, \$169,242,000 in Corporate Fixed Income, \$212,554,000 in Private Equity, \$860,523,000 in Equity Securities, \$395,064,000 in Other Investments, \$182,345,000 in Real Estate Investments, \$32,077,000 in Private Placements, \$171,659,000 in mutual funds, and \$5,665,000 in other bonds. In those cases where resources are maintained in trust, the authority for investment of the property rests with either the trust agreement or local ordinance. Investments of the City of Cincinnati Retirement System are, by ordinance, subject to certain terms and limitations. These limitations do not apply to investments in securities of the City and federal government or their agencies. Investments of the Cincinnati Retirement System are uninsured. These securities are held by the counterparty or by its trust department or agent but not in the City's name.

The City of Cincinnati Retirement System's Pension Trust Fund primary investment return objectives are to preserve the safety of principal, earn the highest possible total return consistent with prudent levels of risk, and create a stream of investment returns to insure the systematic and adequate funding of actuarially determined benefits through contributions and professional management of the System assets. The System has established asset allocation goals with acceptable variances specific to the investment manager category. The total fixed income target allocation is 17% with a variance of 4%. The fixed income investment managers are divided between core bond managers (target allocation of 14% with a variance of 2%) and high yield bond managers (target allocation of 3% with a variance of 2%). The remaining investment manager asset target allocations are as follows: domestic equity 25% with a variance of 5%, non-U.S. equity 23% with a variance of 5%, real estate equity 7.5% with a variance of 3%, infrastructure 5% with a variance of 2%, hedge fund of funds 10% with a variance of 5%, risk parity 5% with a variance of 2.5%, and private equity 7.5% with a range of 0.0% to 12.5%.

## Fair Value Measurement

### City of Cincinnati Retirement System

#### Investments and Derivatives Measured at Fair Value (GASB 72)

(\$in thousands of dollars)

	6/30/2016	Fair Value Measurements Using		
		Quoted prices in Active Markets For Identical Assets (Level 1)	Significant Other observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b><u>Investments by fair Value Level</u></b>				
<b><u>Debt Securities:</u></b>				
Corporate Bonds	\$ 169,242		\$ 169,242	
International Bonds	5,665		5,665	
US Government Bonds	29,066	\$ 29,066		
Private placements	32,077	31,480		\$ 597
High Yield Bonds	59,596		59,596	
US Agencies	26,884		26,884	
<b>Total Debt Securities</b>	<b>322,530</b>	<b>60,546</b>	<b>261,387</b>	<b>597</b>
<b><u>Equity Securities</u></b>				
Domestic Equities	171,245	171,245		
International Equities	205,263	205,263		
Emerging Market Equities	105,857	105,857		
Global Equity Mutual Funds	171,659	171,659		
<b>Total Equity Securities</b>	<b>654,024</b>	<b>654,024</b>		
<b><u>Private Equity</u></b>				
Venture Capital and LBO Funds	152,958			152,958
Infrastructure	125,302			125,302
<b>Total Private Equity</b>	<b>278,260</b>			<b>278,260</b>
<b><u>Global Risk Parity</u></b>				
	<b>74,351</b>	<b>3,718</b>	<b>70,633</b>	
<b>Total Investments by Fair Value Level</b>	<b>\$ 1,329,165</b>	<b>\$ 718,288</b>	<b>\$ 332,020</b>	<b>\$ 278,857</b>
<b><u>Investments Measured at the Net Asset Value</u></b>				
Real Estate Funds <sup>1</sup>	\$ 182,345			
Long Short Hedge Funds <sup>2</sup>	89,793			
Multi strategy hedge funds <sup>3</sup>	105,618			
Northern Trust Equity Index Funds <sup>4</sup>	378,158			
<b>Total Investments at the Net Asset Value (NAV)</b>	<b>755,914</b>			
<b>Total Investments measured at Fair Value (NAV)</b>	<b>\$ 2,085,079</b>			

<b><u>Reconciliation - Equity to Financial Statements</u></b>	
Northern Trust Valued at NAV	\$ 378,158
Domestic Equity Funds	171,245
International Equity Funds	205,263
Emerging Equity Funds	105,857
<b>Financial Statements</b>	<b>\$ 860,523</b>



**Investments Measured at the Net Asset Value**

	<b>Net Asset Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
Real Estate Funds <sup>(1)</sup>	\$182,345	\$0	Quarterly, Not Eligible	45 - 90 days
Long Short Hedge Funds <sup>(2)</sup>	\$89,794	\$0	Quarterly	45 days
Multi Strategy Hedge Funds <sup>(3)</sup>	\$105,618	\$0	Annually	100 days
Commingled Index Funds <sup>(4)</sup>	\$378,158	\$0	Daily	1 day

- (1) The City of Cincinnati Retirement System’s real estate investments consist of two core open-end real estate funds and two value-added open-end real estate funds that primarily invest in U.S. commercial real estate, and one closed-end global real estate fund of funds that invests in global real estate private equity partnerships. The fair values of these investments have been determined using the NAV per share of the System’s ownership interest in partners’ capital. The open-end investments are eligible for redemption on a quarterly basis with notice periods ranging from 45 – 90 days. The closed-end investment is illiquid cannot be redeemed. Distributions from the closed-end investment will be received as the underlying investments of the fund are liquidated. It is expected that the underlying assets of this fund will be liquidated over the next 2 to 5 years.
- (2) The City of Cincinnati Retirement System’s long short hedge fund investments consist of one open-end global long/short equity hedge fund of funds portfolio that primarily invests both long and short in publicly traded global equities. The fair values of these investments have been determined using the NAV per share of the investments. These investments are eligible for redemption on a quarterly basis with a notice period of 45 days.
- (3) The City of Cincinnati Retirement System’s multi strategy hedge fund investments consist of one open-end multi strategy hedge fund of funds portfolio that invests both long and short in global bonds and publicly traded global equities. The fair values of these investments have been determined using the NAV per share of the investments. These investments are eligible for redemption on an annual basis with a notice period of 100 days.
- (4) The City of Cincinnati Retirement System’s commingled index fund investments consist of four open-end U.S. equity funds that invest in publicly traded US equities. The fair values of these investments have been determined using the NAV per share of the investments. These investments are eligible for redemption on a daily basis with a notice period of one day.

**City of Cincinnati Retirement System**  
**INVESTMENT SUMMARY**  
**30-Jun-16**

	Fair Value	Percent of Total Investments
<b>Stock:</b>		
<b>US Common Stock</b>		
Consumer Discretionary	\$ 28,135	1.35%
Consumer Staples	4,624	0.22%
Energy	6,132	0.29%
Financial Services	39,746	1.91%
Health Care	10,001	0.48%
Materials and Processing	30,293	1.45%
Producer Durables	23,529	1.13%
Technology	25,156	1.21%
Utilities	3,630	0.17%
Total US Common Stock	<u>171,246</u>	<u>8.21%</u>
<b>Other</b>		
International Stock	205,263	9.84%
Northern Trust Domestic Index Funds	378,158	18.14%
Emerging Market International Index Fund	105,857	5.08%
International Mutual Funds	171,659	8.23%
Total Other	<u>860,937</u>	<u>41.29%</u>
<b>Total Stock Equities</b>	<b>1,032,183</b>	<b>49.50%</b>
<b>DEBT:</b>		
<b>Corporate Bonds</b>		
Bond Mutual Funds	130,115	6.24%
Finance	15,485	0.74%
Industrial	17,438	0.84%
Transportation	403	0.02%
Utilities	5,801	0.28%
	<u>169,242</u>	<u>8.12%</u>
US Government Bonds		
US Government Bonds	29,066	1.39%
US Government Agencies	26,884	1.29%
	<u>55,950</u>	<u>2.68%</u>
<b>Private placements</b>	<b>32,077</b>	<b>1.54%</b>
<b>High Yield Bonds</b>	<b>59,596</b>	<b>2.86%</b>
<b>International Bonds</b>	<b>5,665</b>	<b>0.27%</b>
Total Debt	<u>322,530</u>	<u>15.47%</u>
<b>Other Investments:</b>		
Risk Parity	74,350	3.56%
Private Equity	278,260	13.34%
Real Estate Funds	182,345	8.75%
Long Short Hedge Funds	89,793	4.31%
Multi Strategy Hedge Fund	105,618	5.07%
Total Other Investments	<u>730,366</u>	<u>35.03%</u>
<b>Total Investments</b>	<b>\$ 2,085,079</b>	<b>100.00%</b>

### Interest Rate Risk

The interest rate risk is addressed by guidelines that require the weighted duration of the investments to be within a range of the duration of a benchmark index. For bonds the average effective duration may not vary more than 25%. At June 30, 2016, the System had the following investments subject to interest rate risk (amounts in thousands):

Investment Type	Investment Maturities (in years)				
	Fair Value	Less Than 1	1 to 5	6 to 10	More than 10
Cash Equivalents	\$ 35,236	\$ 35,236			
Fixed Investments					
Corporate Bonds	169,242	130,220	\$ 17,318	\$ 14,540	\$ 7,164
International Bonds	5,665		2,838	1,648	1,179
Private Placements	32,077	3,193	9,255	10,030	9,599
US Agencies	26,884		885	199	25,800
US Governments	29,066		11,720	4,563	12,783
Preferred Stock	2,001	2,001			
Derivatives					
Future Contracts	89	45	11	14	19
Total	\$ <u>300,260</u>	\$ <u>170,695</u>	\$ <u>42,027</u>	\$ <u>30,994</u>	\$ <u>56,544</u>

### Concentration of Credit Risk

The concentration of credit risk is minimized by the diversification policy, which requires the assets to be allocated across major asset classes and be diversified broadly within each asset class. The investment firm is required to notify the System when, in aggregate as a firm, the organization owns more than 10% of the outstanding shares in a single stock. Also, within the fixed investment asset class each of the investment managers may not allow a single issuer to comprise more than 5% of the portfolio's market value. For the U.S. equity and the Non-U.S. equity, no single security shall comprise more than 10% of the portfolio's market value for each investment manager. To further limit the concentration of credit risk, the U.S. equity investment managers are not permitted for the aggregate positions within each equity manager's portfolio to exceed 5% of the fair market value of the outstanding stock in any company. The limit for Non-U.S. equity investment managers is 1.5%.

### Credit Risk

In order to reduce credit risk, the core bond managers are required to maintain 80% of their portfolios in investment grade securities. The remaining 20% may be invested in below investment grade securities, defined as investments with a middle rating below BBB- (S&P), Baa3 (Moody's), or BBB- (Fitch). The high yield bonds overall portfolio average quality rating should be not less than B based upon the rating of at least two of the three rating agencies (S&P, Moody's, and Fitch). The following chart provides the investments held by the System summarized by credit rating at June 30, 2016 (amounts in thousands):

Investment Type	Total Fair Value	A-/A3 and Above	BBB-/Baa3 to BBB+/Baa1	B-/B3 to BB+/Ba1	Not Rated
Cash Equivalents	\$ 35,236	\$ 1,910			\$ 33,326
Corporate Bonds	169,242	1,764	\$ 15,182	\$ 21,979	130,317
International Bonds	5,665	2,838	2,001	826	
Private Placements	32,077	11,263	10,060	10,754	
US Agencies	26,884	10,384			16,500
US Governments	29,066	29,066			
Preferred Stock	2,001				2,001
Derivatives					
Future Contracts	89				89
Total	\$ <u>300,260</u>	\$ <u>57,225</u>	\$ <u>27,243</u>	\$ <u>33,559</u>	\$ <u>182,233</u>

### Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The System's target allocation for non-U.S. equities is 23% of the total investment assets with 10% in developed large cap, 5% in small cap, 5% in emerging markets all-cap, and 3% in emerging markets small cap. The non-U.S. equity managers may hold up to 5% of its portfolio in a money market or cash. Currency hedging which includes forward currency contracts and cross currency hedging, are permitted for defensive purposes. The System's exposure to foreign currency risk at June 30, 2016 is as follows (amounts in thousands):

Currency	Fair Value	Equity	Fixed Income	Cash
Australian Dollar	\$ 3,083	\$ 3,083		
Phillipines Peso	709		\$ 709	
Danish Krone	1,965	1,944		\$ 21
Euro Currency	52,606	52,321	273	12
Hong Kong Dollar	5,654	5,634		20
Japanese Yen	36,877	36,714		163
Mexican New Peso	2,845		2,845	
New Taiwan Dollar	1,665	1,665		
S African Comm Rand	4,441	4,441		
Singapore Dollar	7,879	7,845		34
Swedish Krona	6,769	6,769		
Swiss Franc	23,773	23,531		242
United Kingdom Pound Sterling	36,432	36,328		104
Total	\$ <u>184,698</u>	\$ <u>180,275</u>	\$ <u>3,827</u>	\$ <u>596</u>

### Custodial Credit Risk

As for custodial credit risk, the fund only requires collateral for their securities lending program as discussed in the Securities Lending section of this footnote.

## Securities Lending

City statutes and board of trustee policies permit the City of Cincinnati Retirement System to use investments of the plan to enter into securities lending transactions – loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same security in the future. Securities are loaned in exchange for collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned in exchange for collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned in exchange for collateral valued at 105% of the market value of the securities plus any accrued interest. Collateral cannot be pledged or sold unless the borrower defaults. The borrower is required to pay to the Lender the equivalent of all interest and dividends that are paid by the issuer during the term of the loan. All security loans can be terminated on demand by either the lender or the borrower, although the average term of the System’s overall loans was 40 days for the year ended June 30, 2016. Cash collateral is invested in a short-term investment pool, which had an average weighted maturity of 6 days as of June 30, 2016. Cash collateral may also be invested separately in “term loans”, in which the maturity of the term loan is matched to either the maturity of the cash collateral invested or the interest rate reset of the cash collateral invested. These loans have rights of substitution and securities can be recalled on demand. As of June 30, 2016, there were no violations of legal or contractual provisions, no borrower or lending agent default and no losses known to the securities lending agent. There are no dividends or coupon payments owed on the securities lent.

The following represents the balances relating to the securities lending transactions at the financial statement date (amounts in thousands):

Securities Lent	Fair Value of Underlying Securities	Cash Collateral Received/Securities Collateral Value
Lent for Cash Collateral:		
U.S. Government	\$ 2,525	\$ 2,593
U.S. Corporate Fixed Income	10,518	10,764
U.S. Equities	46,688	47,107
Non-U.S. Equities	1,141	1,160
Total	<u>\$ 60,872</u>	<u>\$ 61,624</u>

The following maturity chart for securities lending collateral provides information pertinent to interest rate risk (amounts in thousands):

Asset class	Investment Maturities (in years)			Total
	Less Than 1	1 to 5	More than 15	
Asset Backed Security			\$ 2,019	\$ 2,019
Floating Rate Notes	\$ 42,651	\$ 6,294		48,945
Repurchase Agreements	249			249
Total	<u>\$ 42,900</u>	<u>\$ 6,294</u>	<u>\$ 2,019</u>	<u>\$ 51,213</u>

In order to determine credit rate risk for the securities lending collateral, the following chart is useful (amounts in thousands):

Investment Type	Fair Value	A-/A3 and Above	C/C to CCC/Caa	D Default	Not Rated
Asset Backed Security	\$ 2,019		\$ 281	\$ 1,738	
Floating Rate Notes	48,945	\$ 48,945			
Repurchase Agreements	249				\$ 249
Total	\$ 51,213	\$ 48,945	\$ 281	\$ 1,738	\$ 249

## Derivatives

Derivatives are generally defined as a financial instrument whose characteristics and value depend on, or derive from, the value and characteristics of an underlying asset which is typically a commodity, bond, equity or currency. A derivative for financial statement purposes contains three traits: settlement factor, leverage, and net settlement. The retirement system enters into certain derivative financial instruments, primarily to enhance the performance and/or reduce the volatility of the portfolio.

The retirement system's investment-grade bond managers, Non-U.S. equity managers, and cash equitization manager are authorized to invest in derivatives. The derivatives permitted and utilized are: forwards, options, swaps, and futures. The derivatives held at the end of the fiscal period were for investment purposes only. The Non-U.S. equity manager is authorized to utilize currency hedging for defensive purposes, although the manager did not partake in hedging at year end.

As of June 30, 2016, CRS held investment derivatives consisting of forward contracts, but had no swaps, futures or options. Gains and losses are included in the net appreciation/(depreciation) in the fair value of investments total in the Statement of Changes in Fiduciary Net Position.

A forward contract (forward) is an obligation to buy (sell) an asset at a fixed price on a predetermined date. Forwards are over the counter instruments, which means they are not traded on an organized exchange. The price specified for the foreign currency, government securities, or other asset may be higher or lower than the actual market price at the time of delivery.

A swap is a transaction which exchanges one currency, obligation or financial instrument for another. Swaps are over-the-counter instruments. Usually a set of future cash flows are exchanged between two counterparties. Interest rate swaps involve the exchange of one stream of future interest payments for another based on a specified principal amount. Usually fixed and floating interest rates are exchanged. A credit default swap allows the transfer of third party credit risk from one party to the other. One party in a credit default swap is a lender whom faces credit risk from a third party. The counterparty to the swap agrees to insure this risk in exchange for regular periodic payments.

Options convey the right, but not the obligation, to engage in a future investment transaction. A call is an option contract that gives the buyer the right, but not the obligation, to exercise the option and buy an asset at the strike price on or at any time up to the expiration date. A put is an option contract that gives the buyer the right, but not the obligation, to sell an asset at the strike price on or at any time up to the expiration date.

Futures are exchange-traded contracts that require an asset to be bought (sold) at a specified price on a specified future date. Unlike options, futures convey an obligation to buy (sell) an investment. The

contracts contain standardize terms, trade on a formal exchange, are regulated by overseeing agencies, and are guaranteed by clearinghouses.

As of June 30, 2016, CRS had the following exposure via futures contracts (Notional and Fair Value in thousands):

Notional Value in Thousands:

Futures Contract	Expiration	Long/ Short	Quantity	Notional Value*	Fair Value
US LONG BD FUTURE (CBT)	9/21/2016	Long	2	\$ 345	\$ 19
US 10YR TREAS NTS FUTURE (CBT)	9/21/2016	Long	4	\$ 532	\$ 14
US 5YR TREAS NTS FUTURE (CBT)	9/30/2016	Long	5	\$ 611	\$ 11
S & P 500 EMINI IND FUT (CME)	9/16/2016	Short	70	\$ 7,316	\$ (6)
MSCI EAFE INDEX FUTURE (NYF)	9/16/2016	Long	61	\$ 4,926	\$ 30
MINI MSCI EMG MKT FUTURE (NYF)	9/16/2016	Long	15	\$ 626	\$ 21
			Total	\$ 14,356	\$ 89

\* Notional value is the nominal or face amount that is used to calculate payments made on derivative instruments (futures, forwards, swaps, etc.). The notional amount represents the economic equivalent to an investment in the physical securities represented by the derivative contract.

## Bonds Payable

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

(Amounts in Thousands)

Fiscal Year	Principal	Interest	Total
2017	\$ 8	\$ 11	\$ 19
2018	8	11	19
2019	8	10	18
2020	8	10	18
2021	9	10	19
2022-2026	46	47	93
2027-2031	55	38	93
2032-2036	67	26	93
2037-2041	84	9	93
Total	\$ 293	\$ 172	\$ 465

## Contributions

Each member contributes at a rate of 9.0% of his salary for fiscal year 2016. The percent contributed by employees is provided by Chapter 203 Section 73 of the Cincinnati Municipal Code.

The City makes employer contributions based on a percentage of covered payroll of all CRS members. For fiscal year 2016 the contribution rate was 14% on covered payroll from July 1, 2015 to December 31, 2015, then raised to 16.25% on covered payroll for January 1, 2016 through June 30, 2016. The total

covered payroll for CRS members was \$180,501,000. The Actuarially Determined Contribution rate (ADC), including ERIP for fiscal year 2016 based on the 2015 actuarial report, was 44.31% on covered payroll for the Pension Fund. The Annual Required Contribution rate (ARC) was -2.1% on covered payroll for the Health Benefits Fund. The City of Cincinnati's approved budget for Fiscal Year 2016 incorporated a contribution rate of 16.25%. The employer contributions (including ERIP) to the City of Cincinnati Retirement System's Pension Fund for the fiscal year ending June 30, 2016 were \$26,592,000. For the year ended June 30, 2015 the contributions were \$29,087,000. The contributions for these periods were less than the required contributions. Administrative costs are financed from the system assets.

As of the last actuarial valuation date of December 31, 2015, the pension plan unfunded actuarial accrued liability was \$504,482,000 to be amortized over an open period of 30 years. The funded ratio was 77.1%, and the actuarial value of assets was \$1,703,002,000. The unfunded actuarial accrued liability as a percentage of covered payroll of \$174,963,000 was 288.3%. The Actuarial Accrued Liability at 12/31/2015 was \$2,207,484,000. The required supplementary schedule, which immediately follows the notes, contains multi-year trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### Summary of Significant Accounting Policies and Plan Asset Matters

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

*Method Used to Value Investments* - The Retirement System investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

*Rate of Return* – For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -0.53%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Net Pension Liability* – The components of the change in the CRS' net pension liability for fiscal year 2016 are as follows:

(Amounts in Thousands)	
Total Pension Liability	2,215,822
Fiduciary Net Position	<u>1,651,375</u>
Net Pension Liability	564,447

Ratios of Fiduciary Net Position to Total Pension Liability	75%
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*Actuarial Assumptions:* Total pension liability was determined by an actuarial valuation as of December 31, 2013, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	3.0% to 7.0%, including inflation for five-year select period beginning December 31, 2011; 4.0% to 7.5%, including inflation thereafter
Investment rate of return	7.50%, net of pension plan investment expense, and including inflation
Mortality	Both pre-retirement and post-retirement mortality rates were based on the RP 2000 combined mortality table, male rates set forward 2 years and female rates set forward 1 year and using a Scale AA projection to 2020. Post-disability mortality rates were based on the RP 2000 disabled retiree mortality table, female rates set back 5 years.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of the last actuarial experience study, dated October 28, 2011.

*Long Term Expected Rate of Return:* The long term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as listed in the last actuarial experience study, dated October 28, 2011 are summarized in the following table:

<u>CRS Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Broad Fixed Income	14.0%	1.1%
High Yield	3.0%	5.6%
Broad US Equity	19.5%	6.6%
US Mid-Cap Growth	5.0%	7.8%
US Small-Cap Value	5.0%	10.6%
Developed Larg-Cap	11.0%	7.8%
Non-US Small-Cap	5.0%	11.9%
Emerging Market	5.0%	11.3%
Hedge Fund-Hedged Equity	15.0%	4.7%
Real Estate-Core	7.5%	5.1%
Infrastructure	5.0%	8.3%
Private Equity-FOF	5.0%	13.2%
Total	<u>100.0%</u>	

*Discount Rate* – The discount rate used to measure the total pension liability was 5.08% as of June 30, 2015 and 7.50% as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that plan member contributions of 9% and employer contributions of 16.25% will be made as set out in city council ordinance. The long-term expected rate of return on pension plan investments was determined using long-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for

each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The municipal bond rate used was 3.82% as of June 30, 2015. The municipal bond rate was not needed as of June 30, 2016 as the FNP is now projected to not be depleted during the projection period.

*Deferred Outflows and Deferred Inflows of Resources:* At June 30, 2016, the deferred outflows of resource and deferred inflows of resources for CRS were as follows:

**Summary of Deferred Outflows and (Inflows) for CRS at June 30, 2015**  
(Amounts in Thousands)

	Deferred Outflows of <u>Resources</u>	Deferred (Inflows) of <u>Resources</u>	Net Deferred Outflows/ (Inflows) of <u>Resources</u>
Employer contributions subsequent to the measurement date	\$ 26,592		\$ 26,592
Net difference between projected and actual investment earnings		\$ (41,332)	(41,332)
Differences between expected and actual experience		(7,012)	(7,012)
Changes in assumptions	77,974	(9,517)	68,457
Total	<u>\$ 104,566</u>	<u>\$ (57,861)</u>	<u>\$ 46,705</u>

\$26,592,000 reported as deferred outflows of resources related to pension resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

**CRS Amortization of Deferred Outflows (Inflows) at 6/30/15**  
(Amounts in Thousands)

<u>Fiscal year</u>	<u>Pension Expense</u>
2016	\$ 48,706
2017	(22,256)
2018	(19,307)
2019	12,970
Total Deferred Inflows	<u>\$ 20,113</u>

*Sensitivity of the net pension liability to changes in the discount rate* – The following table present the sensitivity of the net pension liability to a 1 percent increase (8.50%) and a 1 percent decrease (6.50%) from the calculated discount rate.

(Amounts in Thousands)	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate(7.50%)</u>	<u>1% Increase (8.50%)</u>
System's Net Pension Liability	\$ 787,823	\$ 564,447	\$ 373,616

*Change in the Net Pension Liability:* Changes in the City financial reporting entity's net pension liability for the year ended June 30, 2016 were as follows (amounts in thousands):

	Total Pension <u>Liability</u>	Plan Fiduciary <u>Net Pension</u>	Net Pension <u>Liability</u>
Balances at June 30, 2015	\$2,904,463	\$1,510,182	\$1,394,281
Changes for the year:			
Service cost	31,764		31,764
Interest	143,383		143,383
Benefit changes	(76,301)		(76,301)
Changes of assumptions	(627,693)		(627,693)
Difference between expected and actual experience	4,137		4,137
Contributions - employer		26,609	(26,609)
Contributions - Other ERIP		41,330	(41,330)
Contributions - employee		16,337	(16,337)
Net investment income		(11,631)	11,631
Benefit payments, including refunds of employee contributions	(163,931)	(163,931)	
Administrative expense		(5,418)	5,418
Other - Transfer from Healthcare		237,897	(237,897)
Net changes	<u>(688,641)</u>	<u>141,193</u>	<u>(829,834)</u>
Balances at June 30, 2016	<u>\$2,215,822</u>	<u>\$1,651,375</u>	<u>\$ 564,447</u>

The date of the actuarial valuation upon which the total pension liability (TPL) is based is December 31, 2015. An expected TPL is determined as of June 30, 2016 using standard roll forward techniques. The roll forward calculation adds the normal cost for the first half of 2016 (also called the service cost), subtracts the actual benefit payments and refunds for the six months, and then applies the expected single equivalent interest rate (SEIR) (7.50%) for the period. This procedure was used to determine the TPL as of June 30, 2016, as shown in the following table:

**CRS TPL Rollforward**  
(Amounts in thousands)

(a) Interest Rate (SEIR)	7.50%
(b) TPL as of December 31, 2015	\$ 2,281,985
(c) Entry Age Normal Cost for the period January 1, 2016 - June 30, 2016	9,572
(d) Actual Benefit Payments and Refunds for the period January 1, 2016 - June 30, 2016	81,966
(e) TPL as of June 30, 2016	
= [(a) x (1 + SEIR) <sup>1/2</sup> ] + (b)	
- [(c) x (1 + SEIR) <sup>1/4</sup> ]	\$ 2,292,123

**CITY OF CINCINNATI, OHIO**  
**Statement of Plan Net Position**  
**Pension Trust Fiscal Year Ending June 30, 2016**

(amounts in thousands)

	Pension Trust	Healthcare 115 Trust	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 52,778	\$ 14,694	\$ 67,472
Investments, at fair value:			
International Bonds	4,431	1,234	5,665
US Government Bonds	22,736	6,330	29,066
Corporate Fixed Income	132,383	36,859	169,242
US Agencies	21,029	5,855	26,884
Equities- Common Stock	673,113	187,410	860,523
Mutual Funds	134,275	37,384	171,659
Private Equity	166,263	46,291	212,554
Real Estate	142,633	39,712	182,345
Private Placements	25,091	6,986	32,077
Other Assets (Alternatives)	309,025	86,039	395,064
	<u>1,630,979</u>	<u>454,100</u>	<u>2,085,079</u>
Collateral on Loaned Securities	59,814	16,654	76,468
Receivables:			
Accounts Receivable - Other	1,724	480	2,204
Accounts Receivable for Securities	16,553	4,609	21,162
Accrued Interest and Dividends	1,826	508	2,334
Due from Primary Government	636	177	813
Loans Receivable	99	28	127
Machinery and Equipment	622	173	795
Accumulated Depreciation	(607)	(169)	(776)
	<u>1,764,424</u>	<u>491,254</u>	<u>2,255,678</u>
<b>Total Assets</b>	<b>\$ 1,764,424</b>	<b>\$ 491,254</b>	<b>\$ 2,255,678</b>
<b>LIABILITIES</b>			
Accounts Payable - Other	\$ 3,651	\$ 1,016	\$ 4,667
Accounts Payable for Securities Purchased	28,969	8,065	37,034
Due to Primary Government	1		1
Obligations Under Securities Lending	59,814	16,654	76,468
Accrued Payroll	26	7	33
Accrued Liabilities	20,217	5,629	25,846
Bonds Payable	229	64	293
Estimated Liability for Compensated Absences	142	39	181
	<u>113,049</u>	<u>31,474</u>	<u>144,523</u>
<b>Total Liabilities</b>	<b>\$ 113,049</b>	<b>\$ 31,474</b>	<b>\$ 144,523</b>
<b>NET POSITION</b>			
Held in Trust for Employees' Pension Benefits	\$ 1,651,375		\$ 1,651,375
Held in Trust for Employees' Postemployment Healthcare Benefits		<u>\$ 459,780</u>	<u>\$ 459,780</u>
<b>Combined Net Position</b>	<b>\$ 1,651,375</b>	<b>\$ 459,780</b>	<b>\$ 2,111,155</b>

**CITY OF CINCINNATI, OHIO**  
**Statement of Changes in Position**  
**Pension Trust Fiscal Year Ending June 30, 2016**

(amounts in thousands)

	Pension Trust	Healthcare 115 Trust	Total
<b>ADDITIONS:</b>			
Contributions:			
Members	\$ 16,337		\$ 16,337
Employers	26,609		26,609
Other	41,330	\$ 552	41,882
Total Contributions:	<u>84,276</u>	<u>552</u>	<u>84,828</u>
Transfers From Other Retirement Systems	233		233
Investment Income			
From Investing Activities:			
Interest & Dividends	24,479	9,154	33,633
Proceeds from Litigation	362	135	497
Net Appreciation (Depreciation) in Fair Value of Investments	<u>(29,130)</u>	<u>(10,893)</u>	<u>(40,023)</u>
Investment Income	(4,289)	(1,604)	(5,893)
Less Investment Management Expenses:	<u>7,639</u>	<u>2,856</u>	<u>10,495</u>
Net Income From Investing Activities	<u>(11,928)</u>	<u>(4,460)</u>	<u>(16,388)</u>
From Security Lending Activities:			
Securities Lending Income:	<u>322</u>	<u>121</u>	<u>443</u>
Securities Lending Expense:			
Borrower Rebates	74	28	102
Management Fees	<u>(99)</u>	<u>(37)</u>	<u>(136)</u>
Total Securities Lending Activities Expenses	<u>(25)</u>	<u>(9)</u>	<u>(34)</u>
Net Income from Securities Lending Activities	<u>297</u>	<u>112</u>	<u>409</u>
Transfer From Healthcare	<u>237,897</u>		<u>237,897</u>
Total Additions:	<u>310,775</u>	<u>(3,796)</u>	<u>306,979</u>
<b>DEDUCTIONS</b>			
Benefits Payments:			
Pensions and Annuities	161,253		161,253
Hospital and Medical Care		38,818	38,818
Vision Benefits			
Death Benefits, Active and Retired	552		552
Transfers - Retirement to other Systems	<u>531</u>		<u>531</u>
Total Benefits:	<u>162,336</u>	<u>38,818</u>	<u>201,154</u>
Refunds of Contributions	<u>1,828</u>		<u>1,828</u>
Administration Expenses;			
Personal Services	858	321	1,179
Contractual Services	4,312	1,613	5,925
Material & Supplies	245	92	337
Depreciation	<u>3</u>	<u>1</u>	<u>4</u>
Total Administrative Expenses:	<u>5,418</u>	<u>2,027</u>	<u>7,445</u>
Transfer To Pension		<u>237,897</u>	<u>237,897</u>
Total Deductions:	<u>169,582</u>	<u>278,742</u>	<u>210,427</u>
Net Increase ( Decrease )	141,193	(282,538)	(141,345)
Net Position held in Trust for Benefits			
Beginning of Year	<u>1,510,182</u>	<u>742,318</u>	<u>2,252,500</u>
End of Year	<u>\$ 1,651,375</u>	<u>\$ 459,780</u>	<u>\$ 2,111,155</u>

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**REQUIRED**  
**SUPPLEMENTARY INFORMATION**

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**City of Cincinnati, Ohio**  
**Required Supplementary Information 1**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**Ohio Police and Fire Pension Fund**  
**Last Three Measurement Years (1) (2)**  
**(Amounts in thousands)**

	2015		2014		2013	
	<u>Police Portion</u>	<u>Fire Portion</u>	<u>Police Portion</u>	<u>Fire Portion</u>	<u>Police Portion</u>	<u>Fire Portion</u>
City's Proportion of the Net Pension Liability	3.5379310%	3.4969790%	3.4279241%	3.4327927%	3.4279241%	3.4327927%
City's Proportionate Share of the Net Pension Liability	\$ 227,598	\$ 224,963	\$ 177,581	\$ 177,833	\$ 166,951	\$ 167,188
City's Covered-Employee Payroll	\$ 79,878	\$ 63,834	\$ 74,916	\$ 61,191	\$ 72,980	\$ 58,574
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	284.93%	352.42%	237.04%	290.62%	228.76%	285.43%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (3)	66.77%		72.20%			73.00%

(1) Information presented based on measurement periods ended December 31.

(2) Information prior to 2013 is not available.

(3) Information by portion was not available.

City of Cincinnati, Ohio  
 Required Supplementary Information 2  
 Schedule of City Contributions  
 Ohio Police and Fire Pension Fund  
 Last Ten Fiscal Years  
 (Amounts in thousands)

	2016		2015		2014		2013 (1)		2012	
	Police Portion	Fire Portion	Police Portion	Fire Portion	Police Portion	Fire Portion	Police Portion	Fire Portion	Police Portion	Fire Portion
Contractually Required Contributions	\$ 15,302	\$ 18,428	\$ 14,672	\$ 14,880	\$ 13,048	\$ 13,247	\$ 4,581	\$ 4,999	\$ 9,720	\$ 9,896
Contributions in Relation to the Contractually Contractually Required Contributions	\$ (15,302)	\$ (18,428)	\$ (14,672)	\$ (14,880)	\$ (13,048)	\$ (13,247)	\$ (4,581)	\$ (4,999)	\$ (9,720)	\$ (9,896)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered-Employee Payroll	\$ 80,536	\$ 78,415	\$ 77,222	\$ 63,318	\$ 73,200	\$ 59,336	\$ 35,933	\$ 28,980	\$ 76,232	\$ 57,368
Contributions as a Percentage of Covered - Employee Payroll	19.00%	23.50%	19.00%	23.50%	17.83%	22.33%	12.75%	17.25%	12.75%	17.25%

(1) 2013 represents the short period covering January 1, 2013 to June 30, 2013 when the City changed reporting periods. 2012 and prior represent calendar year reporting periods.

(Continued)

City of Cincinnati, Ohio  
 Required Supplementary Information 2  
 Schedule of City Contributions  
 Ohio Police and Fire Pension Fund  
 Last Ten Fiscal Years  
 (Amounts in thousands)

(Continued)

	2011		2010		2009		2008		2007	
	Police Portion	Fire Portion	Police Portion	Fire Portion	Police Portion	Fire Portion	Police Portion	Fire Portion	Police Portion	Fire Portion
Contractually Required Contributions	\$ 9,943	\$ 9,669	\$ 10,550	\$ 10,352	\$ 10,558	\$ 10,876	\$ 10,040	\$ 10,138	\$ 8,921	\$ 9,003
Contributions in Relation to the Contractually Contractually Required Contributions	\$ (9,943)	\$ (9,669)	\$ (10,550)	\$ (10,352)	\$ (10,558)	\$ (10,876)	\$ (10,040)	\$ (10,138)	\$ (8,921)	\$ (9,003)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered-Employee Payroll	\$ 77,985	\$ 56,051	\$ 82,742	\$ 60,009	\$ 82,806	\$ 63,050	\$ 78,744	\$ 58,771	\$ 75,921	\$ 55,401
Contributions as a Percentage of Covered- Employee Payroll	12.75%	17.25%	12.75%	17.25%	12.75%	17.25%	12.75%	17.25%	11.75%	16.25%

(1) 2013 represents the short period covering January 1, 2013 to June 30, 2013 when the City changed reporting periods. 2012 and prior represent calendar year reporting periods.

**City of Cincinnati, Ohio**  
**Required Supplementary Information 3**  
**Schedule of the City's Proportionate Share of the Net Pension Liability**  
**Ohio Public Employees Retirement System**  
**Last Three Measurement Years**  
**(Amounts in thousands)**

	2015	2014	2013
City's Proportion of the Net Pension Liability			
Traditional Plan	0.091213%	0.100176838%	0.100176838%
Combined Plan	0.016740%	0.0169847845%	0.0169847845%
Member Directed Plan	0.084261%		
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 15,790	\$ 12,075	\$ 11,808
City's Covered-Employee Payroll (3)	\$ 11,901	\$ 12,902	\$ 13,226
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	132.68%	93.59%	89.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
Traditional Plan	81.08%	86.45%	86.36%
Combined Plan	116.90%	114.83%	104.56%
Member Directed Plan (4)	103.91%		

(1) Information presented based on measurement periods ended December 31.

(2) Information prior to 2013 is not available.

(3) Covered-employee payroll broken down by plan (Traditional vs. Combined) was not available.

(4) 2015 is the first year information for the Member Directed Plan was provided.

City of Cincinnati, Ohio  
 Required Supplementary Information 4  
 Schedule of City Contributions  
 Ohio Public Employees Retirement System  
 Last Ten Fiscal Years  
 (Amounts in thousands)

	2016	2015	2014	2013 (1)	2012	2011	2010	2009	2008	2007
Contractually Required Contributions (2)	\$ 1,412	\$ 1,588	\$ 1,492	\$ 865	\$ 1,456	\$ 1,504	\$ 1,366	\$ 1,377	\$ 1,225	\$ 1,419
Contributions in Relation to the Contractually Contractually Required Contributions	\$ (1,412)	\$ (1,588)	\$ (1,492)	\$ (865)	\$ (1,456)	\$ (1,504)	\$ (1,366)	\$ (1,377)	\$ (1,225)	\$ (1,419)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Covered-Employee Payroll	\$ 11,764	\$ 13,229	\$ 12,429	\$ 6,652	\$ 14,564	\$ 15,036	\$ 15,314	\$ 16,693	\$ 17,493	\$ 16,996
Contributions as a Percentage of Covered- Employee Payroll	12.00%	12.00%	12.00%	13.00%	10.00%	10.00%	8.92%	8.25%	7.00%	8.35%

(1) 2013 represents the short period covering January 1, 2013 to June 30, 2013 when the City changed reporting periods. 2012 and prior represent calendar year reporting periods.

(2) Information broken down by plan type (Traditional vs. Combined) was not available.

**City of Cincinnati, Ohio**  
**Required Supplementary Information 5**  
**Schedule of City Financial Reporting Entity's Changes in Net Pension Liability and Related Ratios (1)**  
**Cincinnati Retirement System**  
**Last Two Measurement Years (2)**  
**(Amounts in thousands)**

	2015	2014
<b>Total pension liability</b>		
Service cost	\$ 22,439	\$ 21,018
Interest	120,372	120,262
Difference between expected and actual experience	(11,326)	
Changes of assumptions	125,942	(14,446)
Benefit payments, including refunds of employee contributions	(130,350)	(127,981)
<b>Net change in total pension liability</b>	<b>\$ 127,077</b>	<b>\$ (1,147)</b>
<b>Total pension liability - beginning</b>	<b>2,226,120</b>	<b>2,227,267</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 2,353,197</b>	<b>\$ 2,226,120</b>
<b>Plan net position</b>		
Contributions - employer	24,566	30,488
Contributions - member	11,994	12,298
Net investment income	39,683	209,380
Benefit payments	(128,548)	(126,535)
Administrative expense	(1,268)	(1,122)
Refunds of contributions	(1,802)	(1,425)
<b>Net change in plan net position</b>	<b>\$ (55,375)</b>	<b>\$ 123,084</b>
<b>Plan net position - beginning</b>	<b>1,279,341</b>	<b>1,156,279</b>
<b>Plan net position - ending (b)</b>	<b>1,223,966</b>	<b>1,279,341</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 1,129,231</b>	<b>\$ 946,779</b>
<b>Ratio of plan net position to total pension liability</b>	<b>52.01%</b>	<b>57.47%</b>
<b>Covered-employee payroll</b>	<b>\$ 146,605</b>	<b>\$ 134,680</b>
<b>Net pension liability as a percentage of covered- employee payroll</b>	<b>770.25%</b>	<b>702.98%</b>

(1) This schedule does not include MSD.

(2) Information prior to 2014 was not available. The City will continue to present information for years available until a full ten-year trend is available.

City of Cincinnati, Ohio  
 Required Supplementary Information 6  
 Schedule of City Financial Reporting Entity's Contributions  
 Cincinnati Retirement System  
 Last Ten Fiscal Years  
 (Amounts in thousands)

	2016	2015	2014	2013 (1)	2012	2011	2010	2009	2008	2007
Actuarially determined employer contributions	\$ 57,583	\$ 60,751	\$ 62,992	\$ 27,476	\$ 40,029	\$ 44,083	\$ 65,593	\$ 35,300	\$ 32,260	\$ 32,222
Actual employer contributions	\$ (21,908)	\$ (24,566)	\$ (31,484)	\$ (13,246)	\$ (26,932)	\$ (25,032)	\$ (24,353)	\$ (21,845)	\$ (20,763)	\$ (26,536)
Contribution Deficiency (Excess)	\$ 35,675	\$ 36,185	\$ 31,508	\$ 14,230	\$ 13,097	\$ 19,051	\$ 41,240	\$ 13,455	\$ 11,497	\$ 5,686
City Covered-Employee Payroll	\$ 149,722	\$ 146,605	\$ 134,680	\$ 63,254	\$ 133,477	\$ 133,378	\$ 136,613	\$ 140,957	\$ 137,946	\$ 153,439
Actual contributions as a Percentage of Covered- Employee Payroll	14.63%	16.76%	23.38%	20.94%	20.18%	18.77%	17.83%	15.50%	15.05%	17.29%

(1) 2013 represents the short period covering January 1, 2013 to June 30, 2013 when the City changed reporting periods. 2012 and prior represent calendar year reporting periods.

**Cincinnati Retirement System**  
**Required Supplementary Information 7**  
**Schedule of Funding Progress OPEB**  
**(Amounts in Thousands)**  
**Health Care Plan**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	unfunded Actuarial Liability (UAAL) (b-a)	% Funded Ratio (a/b)	Covered Payroll (c)	% UAAL as a Percentage of Payroll Covered ((b-a) / c)
12/31/2007	\$ 835,486	\$ 921,985	\$ 86,499	90.62%	\$ 182,396	47.42%
12/31/2008	688,870	998,491	309,621	68.99%	164,640	188.06%
12/31/2009	746,029	877,399	131,370	85.03%	170,416	77.09%
12/31/2010	726,412	657,045	(69,367)	110.56%	167,589	-41.39%
12/31/2011	668,392	653,404	(14,988)	102.29%	165,029	-9.08%
12/31/2012	634,173	641,876	7,703	98.80%	167,148	4.61%
12/31/2013	674,709	618,508	(56,201)	109.09%	163,477	-34.38%
12/31/2014	706,959	590,902	(116,057)	119.64%	164,575	-70.52%
12/31/2015	474,746	484,833	10,087	97.92%	174,963	5.77%

**Schedule of Employer's Contributions of OPEB**

Fiscal Year	Health Care Plan	
	Annual Required Contribution	% Percentage Contributed
2007	30,691	17.18%
2008	22,767	18.78%
2009	11,388	49.15%
2010	44,689	9.78%
2011	19,943	10.74%
2012	453	441.50%
2013*	2,441	37.81%
2014	7,363	27.81%
2015	1,404	135.68%
2016	-3,346	-2.12%

\* The City changed fiscal year end to June 30 beginning with June 30, 2013.



**Cincinnati Retirement System**  
**REQUIRED SUPPLEMENTARY INFORMATION 8**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**(Amounts In Thousands)**

	2016	2015	2014
<b>Total pension liability</b>			
Service Cost	\$ 31,764	\$ 27,785	\$ 25,937
Interest	143,383	149,052	148,408
Benefit changes	(76,301)		
Difference between expected and actual experience	4,137	(14,024)	
Changes of assumptions	(627,693)	155,948	(17,827)
Benefit payments	(162,103)	(159,176)	(156,149)
Refunds of contributions	<u>(1,828)</u>	<u>(2,231)</u>	<u>(1,785)</u>
<b>Net change in total pension liability</b>	\$ (688,641)	\$ 157,354	\$ (1,416)
<b>Total pension liability - beginning</b>	2,904,463	2,747,109	2,748,525
<b>Total pension liability - ending (a)</b>	<u>\$ 2,215,822</u>	<u>\$ 2,904,463</u>	<u>\$2,747,109</u>
<b>Plan net position</b>			
Contributions – employer	\$ 67,939	\$ 29,084	\$ 37,740
Contributions – member	16,337	16,186	15,059
Net investment income	(11,631)	49,138	258,382
Benefit payments	(162,103)	(159,176)	(156,149)
Administrative expense	(5,418)	(1,570)	(1,384)
Refunds of contributions	(1,828)	(2,231)	(1,785)
Other	237,897		
<b>Net change in plan net position</b>	<u>\$ 141,193</u>	<u>\$ (68,569)</u>	<u>\$ 151,863</u>
<b>Plan net position – beginning</b>	\$ 1,510,182	\$ 1,578,751	\$1,426,888
<b>Plan net position - ending (b)</b>	<u>\$ 1,651,375</u>	<u>\$ 1,510,182</u>	<u>\$1,578,751</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 564,447</u>	<u>\$ 1,394,281</u>	<u>\$1,168,358</u>
Total pension liability	\$ 2,215,822	\$ 2,904,463	\$2,747,109
Plan net position	<u>\$ 1,651,375</u>	<u>1,510,182</u>	<u>1,578,751</u>
Net pension liability	\$ 564,447	\$ 1,394,281	\$1,168,358
Ratio of plan net position to total pension liability	74.53%	52.00%	57.47%
Covered-employee payroll	\$ 174,963	\$ 164,575	\$ 163,477
Net pension liability as a percentage of covered-employee payroll	322.61%	847.20%	714.69%
<b>Money -Weighted Rate of Return on Pension Plan Investments</b>	-0.53%	0.97%	16.65%

\* For fiscal year 2016 only three years of data are available. The chart will eventually present ten years

**Cincinnati Retirement System**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 Required Supplementary Information 9  
 (Amounts in thousands)

Fiscal year	2016	2015	2014	2013*	2012	2011	2010	2009	2008	2007
Actuarially determined employer contribution	\$ 69,939	\$ 75,566	\$ 78,101	\$ 33,500	\$ 49,952	\$ 54,875	\$ 80,882	\$ 43,065	\$ 38,767	\$ 38,571
Actual employer contributions:										
City of Cincinnati Financial Reporting Entity	21,908	24,566	31,484	13,246	26,932	25,032	24,353	21,845	20,763	26,536
City of Cincinnati Operating Unit (MSD)	4,701	4,518	6,256	2,904	6,676	6,128	5,676	4,805	4,201	5,228
Total Actual employer contributions	26,609	29,084	37,740	16,150	33,608	31,160	30,029	26,650	24,964	31,764
Annual contribution deficiency/(excess)	\$ 43,330	\$ 46,482	\$ 40,361	\$ 17,350	\$ 16,344	\$ 23,715	\$ 50,853	\$ 16,415	\$ 13,803	\$ 6,807
Covered-employee payroll	\$ 180,501	\$ 164,575	\$ 163,477	\$ 77,637	\$ 167,148	\$ 165,029	\$ 167,589	\$ 170,416	\$ 164,640	\$ 182,396
Actual contributions as a percentage of covered-employee payroll	14.74%	17.67%	23.09%	20.80%	20.11%	18.88%	17.92%	15.64%	15.16%	17.41%

\* 2013 represents the short period covering January 1, 2013 to June 30, 2013 when the City changed reporting periods. 2012 and prior represent calendar year reporting periods.  
*Valuation date:* The actuarially determined contribution rates are calculated as of the December 31, eighteen months prior to the calendar year end in which contributions are reported.  
*The following actuarial methods and assumptions were used to determine actuarial contribution rates:*

- Actuarial cost method:* Entry age
- Asset Valuation method:* 5 year smoothed market
- Amortization method:* Level dollar, open
- Inflation:* 3.00%
- Remaining amortization period:* 30 years
- Investment rate of return:* 7.5% net of pension plan investment expense including inflation
- Salary increase:* 3.0 to 7.0 %, including inflation for five year select period beginning 12/31/11; 4.0 to 7.5 %, including inflation thereafter

**City of Cincinnati, Ohio**  
**Budgetary Comparison Schedule**  
**Non GAAP**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in thousands)**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Budget - Positive (Negative)
	Original	Final		
<b>General Fund</b>				
Revenue				
Taxes	\$ 299,469	\$ 303,999	\$ 311,270	\$ 7,271
Licenses and Permits	12,651	12,639	13,410	771
Use of Money and Property	9,665	9,815	10,307	492
Intergovernmental Revenue	24,310	24,310	23,277	(1,033)
Charges for Services	24,597	26,255	28,312	2,057
Miscellaneous	4,816	4,690	3,488	(1,202)
Total Revenues	<u>375,508</u>	<u>381,708</u>	<u>390,064</u>	<u>8,356</u>
<b>EXPENDITURES</b>				
Current				
General Government	62,963	64,832	63,166	1,666
Community Development	6,864	9,554	9,504	50
Parks and Recreation	24,293	23,962	23,942	20
Public Safety	231,008	235,439	233,953	1,486
Transportation and Engineering	3,609	4,463	3,739	724
Public Services	18,656	19,146	18,591	555
Public Health	16,901	17,070	17,029	41
Employee Benefits	8,225	7,994	7,722	272
Capital Outlay	176	71	71	
Debt Service	1,441	888	814	74
Total Expenditures	<u>374,136</u>	<u>383,419</u>	<u>378,531</u>	<u>4,888</u>
Deficiency of Revenue under Expense	1,372	(1,711)	11,533	13,244
Other Financing Sources (Uses)				
Transfers In		400	400	
Transfers (Out)	(1,372)	(11,937)	(11,937)	
Total Other Financing Sources (Uses)	<u>(1,372)</u>	<u>(11,537)</u>	<u>(11,537)</u>	
Change in Fund Balance		(13,248)	(4)	13,244
Cancellation of Prior Years Encumbrances			1,941	1,941
Fund balances - beginning	26,341	26,341	26,341	
Fund balances - ending	<u>\$ 26,341</u>	<u>\$ 13,093</u>	<u>\$ 28,278</u>	<u>\$ 15,185</u>

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

**Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other uses per the Budgetary Comparison Schedule** \$ (4)

(Increases) decreases from revenues:

Received in cash during year but already accrued as receivables (GAAP) at June 30, 2013 (26,376)  
Accrued as receivables at June 30, 2014 but not recognized in budget 22,746

(Increases) decreases from encumbrances:

Expenditures of amounts encumbered during prior years (8,545)  
Recognized as expenditures in the budget 10,938

(Increases) decreases from expenditures:

Accrued as liabilities at June 30, 2013 recognized as expenditures (GAAP) but not in budget 8,693  
Accrued as liabilities at June 30, 2014 (1,456)

**Net Change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balance (Page 44)** \$ 5,996

See notes to required supplementary information.

**City Of Cincinnati, Ohio**  
Note to the Required Supplementary Information  
June 30, 2016

**Note A- Budgetary Data**

An annual operating budget is legally adopted each fiscal year for the General Fund, Debt Service Fund, Capital Projects Fund and the following Special Revenue Funds: Health Services, Street Construction Maintenance and Repair, Income Tax Infrastructure, Income Tax Transit, Motor Vehicle License and Special Recreation. The budgetary data reports included within this report are prepared on a cash basis of accounting, with the exception of certain accrued personal service and employee benefit costs. Encumbrances, which do not lapse at year-end, are included as expenditures in the current year budget (Non-GAAP). The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by January 20. By July 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By October 1, City Council must adopt annual appropriation ordinances. Only unencumbered appropriations lapse at end of the fiscal period.

There are several other special revenue appropriated funds whose revenues are mostly grants which are appropriated monthly as revenues are receipted. These funds include: Tax Increment Financing Funds, Recreation, Parks, Safety, Health, Cincinnati Blue Ash Airport, Community Development, Department of Labor Grants and Other. The budgets for these funds in the reports included herein are equivalent to the funds expenditures at year end. Outstanding encumbrances are re-appropriated in the next periods' budget. The budgeted revenue is the amount of resources available for expenditures within the period.

Some reimbursable grant funds are expended before revenue is receipted resulting in negative fund balances. The Community Development fund (\$2,639,000) reflects a negative fund balance at June 30, 2016.

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

## **SUPPLEMENTARY INFORMATION**

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## **MAJOR GOVERNMENTAL FUNDS**

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

Capital Projects Fund - is used primarily to account for resources restricted to construct or acquire governmental fund capital assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax.

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on general obligation debt and capital lease payments of the governmental funds.

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**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

<b>General Fund</b>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenue</b>				
<b>Taxes</b>				
Real Property	\$ 26,869	\$ 26,869	\$ 27,011	\$ 142
City Income Tax	267,400	271,800	277,673	5,873
Admissions	5,200	5,330	6,586	1,256
<b>Total Taxes</b>	<u>299,469</u>	<u>303,999</u>	<u>311,270</u>	<u>7,271</u>
<b>Licenses and Permits</b>				
Street Use	4,793	4,721	4,645	(76)
Police and Protective	28	96	132	36
Beer and Liquor	530	530	568	38
Business and Merchandising	2,014	2,020	1,855	(165)
Amusements	71	60	80	20
Professional and Occupational	169	165	202	37
Buildings, Structures and Equipment	5,046	5,047	5,928	881
<b>Total Licenses and Permits</b>	<u>12,651</u>	<u>12,639</u>	<u>13,410</u>	<u>771</u>
<b>Use of Money and Property</b>				
Fines, Forfeits and Penalties	6,895	7,045	6,591	(454)
Income from Treasury Investments	2,600	2,600	3,501	901
Rents	165	165	212	47
General Concessions and Commissions	5	5	3	(2)
<b>Total Use of Money and Property</b>	<u>9,665</u>	<u>9,815</u>	<u>10,307</u>	<u>492</u>
<b>Intergovernmental Revenue</b>				
Proportionately Shared State Taxes				
Local Government Fund - Sales, Franchise, State Income Tax	13,574	13,574	12,730	(844)
Casino Tax-County Share	5,000	5,000	4,776	(224)
Casino Tax-Host City	3,600	3,600	3,259	(341)
State Income Tax - Real Property Tax Reduction	2,136	2,136	2,512	376
<b>Total Intergovernmental Revenue</b>	<u>24,310</u>	<u>24,310</u>	<u>23,277</u>	<u>(1,033)</u>
<b>Charges for Services</b>				
General Government	8,062	7,995	7,991	(4)
City Planning				
Other Inspection Certificates	1,827	1,830	2,211	381
Elevator Certificates	575	575	570	(5)
Public Safety				
Police and Communication Charges	775	748	366	(382)
Motor Vehicle Response	600	600	629	29
Impounded Vehicle Fees	600	600	523	(77)
Protective Inspection Fees	250	250	236	(14)
Protective Service - Burglary Alarm	708	660	773	113
Emergency Transportation Service	7,600	7,600	8,665	1,065
Other Public Safety Charges	437	485	584	99
Parking Facilities	1,500	3,000	2,500	(500)
Public Services				
Recycling Incentive Fee	420	420	400	(20)
Other Public Services Charges	590	840	2,133	1,293
Public Health				
Vital Statistics	545	545	615	70
Clinic Fees	106	106	106	-
Other Public Health charges	2	1	10	9
<b>Total Charges for Current Services</b>	<u>24,597</u>	<u>26,255</u>	<u>28,312</u>	<u>2,057</u>
<b>Miscellaneous</b>	4,816	4,690	3,488	(1,202)
<b>Total Revenues</b>	<u>375,508</u>	<u>381,708</u>	<u>390,064</u>	<u>8,356</u>

(Continued)

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

General Fund (Continued)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures				
City Council				
Personal Services	\$ 2,111	\$ 2,091	\$ 1,905	\$ 186
Non Personal Services	47	28	23	5
Total City Council	<u>2,158</u>	<u>2,119</u>	<u>1,928</u>	<u>191</u>
Office of the Mayor				
Personal Services	715	730	719	11
Non Personal Services	19	8	8	-
Total Office of the Mayor	<u>734</u>	<u>738</u>	<u>727</u>	<u>11</u>
Office of the Clerk of Council				
Personal Services	489	484	446	38
Non Personal Services	261	258	203	55
Total Office of the Clerk of Council	<u>750</u>	<u>742</u>	<u>649</u>	<u>93</u>
Department of Enterprise Technology Services				
Personal Services	3,640	3,705	3,696	9
Non Personal Services	640	528	528	-
Total Department of Enterprise Technology Services	<u>4,280</u>	<u>4,233</u>	<u>4,224</u>	<u>9</u>
Department of the City Manager				
Office of the City Manager				
Personal Services	1,678	1,712	1,654	58
Non Personal Services	1,262	1,445	1,417	28
Total Office of the City Manager	<u>2,940</u>	<u>3,157</u>	<u>3,071</u>	<u>86</u>
Division of Budget and Evaluation				
Personal Services	892	908	887	21
Non Personal Services	163	126	110	16
Total Division of Budget and Evaluation	<u>1,055</u>	<u>1,034</u>	<u>997</u>	<u>37</u>
Division of Emergency Communications				
Personal Services	7,676	7,176	7,176	-
Non Personal Services	388	884	883	1
Total Division of Emergency Communications	<u>8,064</u>	<u>8,060</u>	<u>8,059</u>	<u>1</u>
Office of Environment Sustainability				
Personal Services	435	450	429	21
Non Personal Services	2,801	2,851	2,827	24
Total Office of Environment Sustainability	<u>3,236</u>	<u>3,301</u>	<u>3,256</u>	<u>45</u>
Division of Performance and Data Analytics				
Personal Services	305	477	416	61
Non Personal Services	90	58	50	8
Total Division of Performance and Data Analytics	<u>395</u>	<u>535</u>	<u>466</u>	<u>69</u>
Total Department of the City Manager	<u>15,690</u>	<u>16,087</u>	<u>15,849</u>	<u>238</u>
Citizen's Complaint Authority & Internal Audit				
Personal Services	810	801	778	23
Non Personal Services	59	88	65	23
Total Citizen's Complaint Authority & Internal Audit	<u>869</u>	<u>889</u>	<u>843</u>	<u>46</u>
Department of Economic Inclusion				
Personal Services	848	765	694	71
Non Personal Services	325	531	523	8
Total Department of Economic Inclusion	<u>1,173</u>	<u>1,296</u>	<u>1,217</u>	<u>79</u>
Department of Law				
Personal Services	5,507	5,673	5,646	27
Non Personal Services	652	645	630	15
Total Department of Law	<u>6,159</u>	<u>6,318</u>	<u>6,276</u>	<u>42</u>
Department of Human Resources				
Personal Services	1,479	1,442	1,442	-
Non Personal Services	314	331	329	2
Total Department of Human Resources	<u>1,793</u>	<u>1,773</u>	<u>1,771</u>	<u>2</u>
Department of Finance				
Office of the Director				
Personal Services	337	337	326	11
Non Personal Services	19	20	17	3
Total Office of the Director	<u>356</u>	<u>357</u>	<u>343</u>	<u>14</u>

(Continued)

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>General Fund</b>				
(Continued)				
Expenditures				
Department of Finance (Continued)				
Division of Accounts and Audits				
Personal Services	\$ 1,191	\$ 1,173	\$ 1,137	\$ 36
Non Personal Services	121	142	142	-
Total Division of Accounts and Audits	<u>1,312</u>	<u>1,315</u>	<u>1,279</u>	<u>36</u>
Division of Treasury				
Personal Services	638	593	509	84
Non Personal Services	322	366	329	37
Capital	-	10	10	-
Total Division of Treasury	<u>960</u>	<u>969</u>	<u>848</u>	<u>121</u>
Division of Risk Management				
Non Personal Services	150	150	146	4
Total Division of Risk Management	<u>150</u>	<u>150</u>	<u>146</u>	<u>4</u>
Division of Income Tax				
Personal Services	2,452	2,343	2,266	77
Non Personal Services	635	619	613	6
Total Division of Income Tax	<u>3,087</u>	<u>2,962</u>	<u>2,879</u>	<u>83</u>
Division of Purchasing				
Personal Services	758	628	532	96
Non Personal Services	133	222	222	-
Total Division of Purchasing	<u>891</u>	<u>850</u>	<u>754</u>	<u>96</u>
Total Department of Finance	<u>6,756</u>	<u>6,603</u>	<u>6,249</u>	<u>354</u>
Department of Community and Economic Development				
Director's Office and Administration				
Personal Services	876	802	773	29
Non Personal Services	3,353	5,518	5,516	2
Total Director's Office and Administration	<u>4,229</u>	<u>6,320</u>	<u>6,289</u>	<u>31</u>
Housing Division				
Personal Services	157	157	143	14
Non Personal Services	603	634	634	-
Total Housing Division	<u>760</u>	<u>791</u>	<u>777</u>	<u>14</u>
Economic Development and Major/Special Projects Divisions				
Personal Services	578	552	548	4
Non Personal Services	1,297	1,891	1,890	1
Total Economic Development and Major/Special Projects Divisions	<u>1,875</u>	<u>2,443</u>	<u>2,438</u>	<u>5</u>
Total Department of Community and Economic Development	<u>6,864</u>	<u>9,554</u>	<u>9,504</u>	<u>50</u>
Department of City Planning				
Personal Services	534	550	545	5
Non Personal Services	58	47	45	2
Total Department of City Planning	<u>592</u>	<u>597</u>	<u>590</u>	<u>7</u>
Department of Public Recreation				
West Region Division				
Personal Services	2,134	2,137	2,131	6
Non Personal Services	480	514	514	-
Debt Service	135	135	133	2
Total West Region Division	<u>2,749</u>	<u>2,786</u>	<u>2,778</u>	<u>8</u>
East Region Division				
Personal Services	1,551	1,611	1,611	-
Non Personal Services	405	369	369	-
Debt Service	124	124	113	11
Total East Region Division	<u>2,080</u>	<u>2,104</u>	<u>2,093</u>	<u>11</u>

(Continued)

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>General Fund</b>				
(Continued)				
Expenditures				
Department of Public Recreation (Continued)				
Central Region Division				
Personal Services	\$ 2,072	\$ 1,988	\$ 1,988	\$ -
Non Personal Services	448	438	438	-
Debt Service	133	133	119	14
Total Central Region Division	<u>2,653</u>	<u>2,559</u>	<u>2,545</u>	<u>14</u>
Maintenance Division				
Personal Services	2,815	2,466	2,453	13
Non Personal Services	1,032	1,000	1,000	-
Debt Service	5	5	5	-
Total Maintenance Division	<u>3,852</u>	<u>3,471</u>	<u>3,458</u>	<u>13</u>
Division of Athletics				
Personal Services	2,276	2,571	2,571	-
Non Personal Services	385	396	396	-
Total Division of Athletics	<u>2,661</u>	<u>2,967</u>	<u>2,967</u>	<u>-</u>
Division of Support Services				
Personal Services	1,283	1,228	1,228	-
Non Personal Services	195	216	216	-
Capital Outlay	26	26	26	-
Total Division of Support Services	<u>1,504</u>	<u>1,470</u>	<u>1,470</u>	<u>-</u>
Total Department of Public Recreation	<u>15,499</u>	<u>15,357</u>	<u>15,311</u>	<u>46</u>
Department of Parks				
Office of the Director				
Personal Services	221	222	222	-
Non Personal Services	1	1	1	-
Total Office of the Director	<u>222</u>	<u>223</u>	<u>223</u>	<u>-</u>
Division of Operations and Facility Management				
Personal Services	4,407	4,252	4,252	-
Non Personal Services	2,460	2,429	2,429	-
Total Division of Operations and Facility Management	<u>6,867</u>	<u>6,681</u>	<u>6,681</u>	<u>-</u>
Division of Administration and Program Services				
Personal Services	1,295	1,296	1,295	1
Non Personal Services	828	823	823	-
Total Division of Administration and Program Services	<u>2,123</u>	<u>2,119</u>	<u>2,118</u>	<u>1</u>
Total Department of Parks	<u>9,212</u>	<u>9,023</u>	<u>9,022</u>	<u>1</u>
Department of Building and Inspections				
Building Division				
Personal Services	5,177	5,016	4,855	161
Non Personal Services	475	553	552	1
Debt Service	70	70	57	13
Total Building Division	<u>5,722</u>	<u>5,639</u>	<u>5,464</u>	<u>175</u>
Division of Building Inspections, Licenses and Permits				
Personal Services	1,727	1,649	1,649	-
Non Personal Services	157	157	157	-
Total Division of Building Inspections, Licenses and Permits	<u>1,884</u>	<u>1,806</u>	<u>1,806</u>	<u>-</u>
Total Department of Buildings and Inspections	<u>7,606</u>	<u>7,445</u>	<u>7,270</u>	<u>175</u>
Department of Police				
Personal Services	119,626	119,529	119,528	1
Non Personal Services	12,695	13,911	13,911	-
Debt Service	611	58	58	-
Total Department of Police	<u>132,932</u>	<u>133,498</u>	<u>133,497</u>	<u>1</u>
Department of Fire				
Personal Services	90,092	92,781	91,309	1,472
Non Personal Services	8,595	9,218	9,205	13
Capital Outlay	147	42	42	-
Debt Service	84	84	71	13
Total Department of Fire	<u>98,918</u>	<u>102,125</u>	<u>100,627</u>	<u>1,498</u>

(Continued)

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>General Fund</b>				
(Continued)				
Expenditures				
Department of Transportation and Engineering				
Office of the Director				
Personal Services	\$ 547	\$ 555	\$ 551	\$ 4
Non Personal Services	150	94	93	1
Total Office of the Director	<u>697</u>	<u>649</u>	<u>644</u>	<u>5</u>
Division of Transportation Planning				
Personal Services	25	19	16	3
Non Personal Services	22	940	388	552
Total Division of Transportation Planning	<u>47</u>	<u>959</u>	<u>404</u>	<u>555</u>
Division of Engineering				
Personal Services	236	282	164	118
Non Personal Services	52	42	41	1
Total Division of Engineering	<u>288</u>	<u>324</u>	<u>205</u>	<u>119</u>
Division of Traffic Engineering				
Personal Services	75	67	32	35
Non Personal Services	2,333	2,295	2,285	10
Debt Service	169	169	169	-
Total Division of Traffic Engineering	<u>2,577</u>	<u>2,531</u>	<u>2,486</u>	<u>45</u>
Total Department of Transportation and Engineering	<u>3,609</u>	<u>4,463</u>	<u>3,739</u>	<u>724</u>
Department of Public Services				
Office of the Director				
Personal Services	838	774	709	65
Non Personal Services	103	97	72	25
Total Office of the Director	<u>941</u>	<u>871</u>	<u>781</u>	<u>90</u>
Division of Traffic and Road Operations				
Personal Services	418	358	317	41
Non Personal Services	769	1,408	1,408	-
Total Traffic and Road Operations	<u>1,187</u>	<u>1,766</u>	<u>1,725</u>	<u>41</u>
Neighborhood Operations Division				
Personal Services	8,003	7,678	7,308	370
Non Personal Services	5,903	6,214	6,198	16
Debt Service	80	80	66	14
Total Neighborhood Operations Division	<u>13,986</u>	<u>13,972</u>	<u>13,572</u>	<u>400</u>
Division of City Facility Management				
Personal Services	81	74	72	2
Non Personal Services	2,406	2,406	2,370	36
Debt Service	152	152	140	12
Total City Facility Management	<u>2,639</u>	<u>2,632</u>	<u>2,582</u>	<u>50</u>
Division of Fleet Services				
Personal Services	135	136	136	-
Non Personal Services	1	1	1	-
Total Fleet Services	<u>135</u>	<u>137</u>	<u>137</u>	<u>-</u>
Total Department of Public Services	<u>18,888</u>	<u>19,378</u>	<u>18,797</u>	<u>581</u>
Department of Public Health				
Office of the Commissioner				
Personal Services	1,648	1,498	1,498	-
Non Personal Services	207	207	207	-
Capital Outlay	3	3	3	-
Total Office of the Commissioner	<u>1,858</u>	<u>1,708</u>	<u>1,708</u>	<u>-</u>
Office of Technical Resources				
Personal Services	1,703	1,688	1,682	6
Non Personal Services	468	468	467	1
Debt Service	122	122	114	8
Total Office of Technical Resources	<u>2,293</u>	<u>2,278</u>	<u>2,263</u>	<u>15</u>
Office of Community Health Services				
Personal Services	3,002	3,125	3,125	-
Non Personal Services	238	228	228	-
Total Office of Community Health Services	<u>3,240</u>	<u>3,353</u>	<u>3,353</u>	<u>-</u>

(Continued)

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>General Fund</b>				
(Continued)				
Expenditures				
Department of Public Health (Continued)				
Division of Primary Care - Programs				
Personal Services	\$ 2,460	\$ 2,354	\$ 2,344	\$ 10
Non Personal Services	17	17	17	-
Total Division of Primary Care - Programs	<u>2,477</u>	<u>2,371</u>	<u>2,361</u>	<u>10</u>
Department of Public Health (Continued)				
Division of Primary Care - Centers				
Personal Services	6,208	6,517	6,493	24
Non Personal Services	85	85	85	-
Total Division of Primary Care - Centers	<u>6,293</u>	<u>6,602</u>	<u>6,578</u>	<u>24</u>
Division of School and Adolescent Health				
Personal Services	842	860	860	-
Non Personal Services	23	23	23	-
Total Division of School and Adolescent Health	<u>865</u>	<u>883</u>	<u>883</u>	<u>-</u>
Total Department of Public Health	<u>17,026</u>	<u>17,195</u>	<u>17,146</u>	<u>49</u>
Nondepartmental Accounts				
Pension				
Contributions to City Pension System	663	310	310	-
Contributions to Police Pension System	1,311	1,311	1,202	109
Contributions to Fire Pension System	1,365	1,365	1,251	114
Employee Benefits				
Public Employee Assistance	279	279	278	1
Workers' Compensation Insurance	3,562	3,329	3,329	-
Police Officers and Firefighters' Insurance	245	350	330	20
State Unemployment Compensation	300	300	275	25
Lump Sum Payments	500	750	747	3
Professional Services and Legal Fees				
Judgments Against the City	900	900	900	-
Audit and Examiners' Fees	350	350	350	-
Hamilton County Treasurer's and Auditor's Fees	550	4,950	4,849	101
County Clerk Fees	350	350	350	-
Election Expense	112	236	236	-
Miscellaneous Accounts				
Enterprise Software and Licenses	2,954	2,804	2,804	-
Memberships and Lobbyists	217	217	138	79
Mayor's Office Obligations	113	113	110	3
Manager's Office Obligations	146	146	130	16
Downtown Special Improvement District	90	90	6	84
Cincinnati Public Schools	5,000	5,000	5,000	-
Port Authority of Greater Cincinnati	700	700	700	-
Property Investment Reimbursement Agreements	2,221	-	-	-
Reserve for Contingencies	700	136	-	136
Total Nondepartmental Accounts	<u>22,628</u>	<u>23,986</u>	<u>23,295</u>	<u>691</u>
Total Expenditures	<u>374,136</u>	<u>383,419</u>	<u>378,531</u>	<u>4,888</u>
Excess (deficiency) of revenues over expenditures	1,372	(1,711)	11,533	13,244
Other Financing Sources (Uses)				
Transfers In		400	400	-
Transfers (Out)	(1,372)	(11,937)	(11,937)	-
Total Other Financing Sources (Uses)	<u>(1,372)</u>	<u>(11,537)</u>	<u>(11,537)</u>	<u>-</u>
Excess (Deficiency) of Revenue over (under) Expenditures and Other Financing Sources (Uses)		(13,248)	(4)	13,244
Cancellation of Prior Years Encumbrances			1,941	1,941
Fund balances - beginning	26,341	26,341	26,341	
Fund balances - ending	<u>\$ 26,341</u>	<u>\$ 13,093</u>	<u>\$ 28,278</u>	<u>\$ 15,185</u>

**City of Cincinnati, Ohio**  
**Statement of Revenue, Expenditures and Changes in Fund Balance**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

GENERAL FUND

Revenue

Taxes

Property Taxes	\$ 27,028
City Income Tax	274,154
Other Taxes	6,585
Total Taxes	<u>307,767</u>

Licenses and Permits

Street Use	4,645
Police and Protective	132
Beer and Liquor	593
Business and Merchandising	1,855
Amusements	81
Professional and Occupational	148
Buildings, Structures and Equipment	5,983
Total Licenses and Permits	<u>13,437</u>

Use of Money and Property

Fines, Forfeits and Penalties	6,485
Income from Treasury Investments	6,493
Rents	61
Total Use of Money and Property	<u>13,039</u>

Intergovernmental Revenue

Proportionately shared State Taxes	
Local Government Fund - Sales, Franchise, State	
Income Tax	12,736
State Income Tax - Real Property Tax Reduction	2,512
Estate Tax	
Casino Tax - County Share	4,795
Casino Tax - Host City Share	3,264
Payments from Other Governmental Units	17
Revenues from Private Sources	78
Total Intergovernmental Revenue	<u>23,402</u>

(Continued)

**City of Cincinnati, Ohio**  
**Statement of Revenue, Expenditures and Changes in Fund Balance**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

GENERAL FUND

(Continued)

Charges for Services		
General Government	\$	7,319
Planning and Buildings		
Other Inspection Certificates		2,213
Elevator Certificates		573
Public Safety		
Police and Communication Charges		366
Impounded Vehicle Fees		1,152
Protective Inspection Fees		241
Protective Service - Burglary Alarm		850
Emergency Transportation Service		8,525
Other Public Safety Charges		560
Public Services		2,454
Public Health		
Vital Statistics		615
Clinic Fees		106
Other Public Health charges		10
Total Charges for Current Services		<u>24,984</u>
Miscellaneous		<u>582</u>
Total Revenues		383,211
Expenditures		
City Council		1,977
Office of the Clerk of Council		598
Office of the Mayor		741
Department of the City Manager		
Office of the City Manager		2,996
Division of Budget and Evaluation		987
Emergency Communications Center		8,140
Division of Environmental Management		3,310
Division of Performance and Data Analytics		467
Total Department of City Manager		<u>15,900</u>
Citizen's Complaint and Internal Audit		843

(Continued)



**City of Cincinnati, Ohio**  
**Statement of Revenue, Expenditures and Changes in Fund Balance**  
**For the fiscal year ended June 30, 2016**  
(Amounts in Thousands)

GENERAL FUND	
(Continued)	
Expenditures	
Department of Economic Inclusion	\$ 1,240
Department of Law	6,345
Department of Human Resources	1,781
Department of Finance	
Office of the Director	343
Division of Accounts and Audits	1,286
Division of Treasury	793
Division of Risk Management	140
Division of Income Tax	2,649
Division of Purchasing	680
Total Department of Finance	<u>5,891</u>
Department of City Planning and Buildings	
Office of the Director	601
Division of Licenses and Permits	69
Total Department of City Planning and Buildings	<u>670</u>
Department of Community Development	
Office of the Director	5,812
Division of Housing Development	614
Division of Community Development	2,343
Total Department of Community Development	<u>8,769</u>
Department of Public Recreation	
Division of Community Activities - West Region Division	2,694
Division of Community Activities - East Region Division	2,065
Division of Community Activities - Central Region Division	2,484
Division of Community Activities - Maintenance Division	3,634
Division of Athletics	3,035
Division of Administration	1,477
Total Department of Public Recreation	<u>15,389</u>

(Continued)

**City of Cincinnati, Ohio**  
**Statement of Revenue, Expenditures and Changes in Fund Balance**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

GENERAL FUND

(Continued)

Expenditures

Department of Parks Administration and Program Services	
Office of the Director	\$ 255
Division of Operations and Facility Management	6,634
Division of Planning, Design and Development	2,216
Total Department of Parks Administration and Program Services	<u>9,105</u>
Department of Buildings and Inspections	
Division of Buildings	5,388
Division of Building Inspections, Licenses and Permits	1,852
Total Department of Buildings and Inspections	<u>7,240</u>
Department of Police	133,219
Department of Fire	99,315
Department of Transportation and Engineering	
Office of the Director	635
Division of Engineering	74
Division of Transportation Planning	402
Division of Traffic Engineering	2,348
Total Department of Transportation and Engineering	<u>3,459</u>
Department of Public Services	
Office of the Director	783
Division of Traffic and Road Operations	1,634
Division of Neighborhood Operations	13,338
Division of City Facility Management	1,932
Total Department of Public Services	<u>17,687</u>
Department of Regional Computer Center	4,195
Department of Enterprise Services	
Division of Fleet Services	139
Total Department of Enterprise	<u>139</u>

(Continued)

**City of Cincinnati, Ohio**  
**Statement of Revenue, Expenditures and Changes in Fund Balance**  
**For the fiscal year ended June 30, 2016**  
(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

Department of Public Health	
Office of the Commissioner	\$ 1,937
Division of Technical Resources	2,149
Division of Community Health Services	3,369
Division of Primary Care - Programs	2,380
Division of Primary Care - Health Centers	6,662
Division of Primary Care - Other	890
Total Department of Public Health	<u>17,387</u>

Nondepartmental Accounts

Judgments Against the City	1,623
Enterprise Software Licenses	3,059
County Fees and Estate Tax Adjustment	5,204
Election Expense	237
Mayor's Office Obligations	121
Cincinnati Manager's Office Obligations	67
Professional Memberships and Publications	133
Downtown Special Improvement Districts	6
Cincinnati Public Schools	5,000
Audit Fees	291
Port Authority of Greater Cincinnati	700
Property Investment Reimbursement Agreements	755
Total Nondepartmental Accounts	<u>17,196</u>

Total Expenditures 369,086

Excess (Deficiency) of revenues over expenditures 14,125

Other Financing Sources(Uses)

Transfers In	3,038
Transfers (Out)	<u>(11,167)</u>
Total Other Financing Sources (Uses)	(8,129)

Net Change in Fund Balance 5,996

Fund balances, July 1 86,842

Fund balances, June 30 \$ 92,838

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<b>Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Capital Project Funds</b>			
<b>Revenue</b>			
Taxes	\$ 26,871	\$ 26,871	
Use of Money and Property	1,185	1,185	
Special Assessments	403	403	
Intergovernmental Revenue	2,730	2,730	
Federal Grants	15,250	15,250	
State Grants and Subsidies	3,633	3,633	
Miscellaneous	3,105	3,105	
Total Revenues	53,177	53,177	
<b>Capital Outlay Expenditures</b>			
Enterprise Technology Services	609	609	
Department of the City Manager			
Office of the City Manager	130	130	
Office of Environment and Sustainability	144	144	
Division of Economic Development	2,541	2,541	
Total Department of the City Manager	2,815	2,815	
Department of Finance			
Division of Accounts and Audits	2	2	
Division of Purchasing	1	1	
Total Department of Finance	3	3	
Department Community and Economic Development			
Housing Division	3,446	3,446	
Economic Development and Major/Special Projects Divisions	11,647	11,647	
Division of New Construction and Building Standards	13	13	
Total Department of Community and Economic Development	15,106	15,106	
Department of City Planning	81	81	
Department of Public Recreation			
Division of Golf	189	189	
Division of Support Services	4,647	4,647	
Total Department of Public Recreation	4,836	4,836	
Department of Parks			
Division of Operations and Facility Management	113	113	
Division of Administration and Program Services	13,358	13,358	
Total Department of Parks	13,471	13,471	
Department of Police	6,866	6,866	
Department of Fire	317	317	
Department of Building and Inspections			
Building Division	15	15	
Division of Building Inspections, Licenses and Permits	235	235	
Total Department of Building and Inspections	250	250	
Department of Transportation and Engineering			
Office of the Director	89	89	
Division of Transportation Planning	3,122	3,122	
Division of Engineering	61,583	61,583	
Division of Aviation	1,021	1,021	
Division of Traffic Engineering	1,736	1,736	
Total Department of Transportation and Engineering	67,551	67,551	
Department of Enterprise Services			
Division of Convention Center	1,959	1,959	
Division of Parking Facilities	744	744	
Total Department of Enterprise Services	2,703	2,703	

(Continued)

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Capital Project Funds</b>			
(Continued)			
<b>Capital Outlay Expenditures</b>			
Department of Public Services			
Division of Traffic and Road Operations	\$ 391	\$ 391	
Neighborhood Operations Division	89	89	
Division of City Facility Management	<u>9,720</u>	<u>9,720</u>	
Total Department of Public Services	10,200	10,200	
Department of Public Health			
Office of the Commissioner	102	102	
Department of Stormwater Management			
Office of the Director	2,422	2,422	
Motorized Equipment	<u>4,473</u>	<u>4,473</u>	
Total Capital Outlay Expenditures	131,805	131,805	
<b>Other Expenditures</b>			
Department of Law			
Non Personal Services	1	1	
Department of Finance			
Division of Accounts and Audits			
Non Personal Services	706	706	
Debt Service	12,572	12,572	
Department Community and Economic Development			
Economic Development and Major/Special Projects Divisions			
Debt Service	37	37	
Department of Parks			
Division of Operations and Facility Management			
Non Personal Services	299	299	
Department of Transportation and Engineering			
Division of Transportation Planning			
Debt Service	2	2	
Division of Engineering			
Non Personal Services	<u>9</u>	<u>9</u>	
Total Other Expenditures	13,626	13,626	
Total Expenditures	<u>145,431</u>	<u>145,431</u>	
Excess (deficiency) of revenues over expenditures	(92,254)	(92,254)	
Other Financing Sources (Uses)			
Bond and Note Proceeds	109,774	109,774	
Master Lease Financing Program	5,401	5,401	
Judgement Payments from bond proceeds	(34,976)	(34,976)	
Transfers In	123,141	123,141	
Transfers (Out)	<u>(101,203)</u>	<u>(101,203)</u>	
Total Other Financing Sources (Uses)	<u>102,137</u>	<u>102,137</u>	
Net Change in Fund Balance	9,883	9,883	
Fund balances - beginning	<u>182,744</u>	<u>182,744</u>	
Fund balances - ending	<u>\$ 192,627</u>	<u>\$ 192,627</u>	

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

<b>Debt Service Fund</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Revenue			
Taxes	\$ 37,853	\$ 37,917	\$ 64
Use of Money and Property	27,989	28,588	599
Intergovernmental Revenue	6,838	7,109	271
Miscellaneous Revenue	5,082	4,759	(323)
Total Revenues	<u>77,762</u>	<u>78,373</u>	<u>611</u>
Expenditures			
Department of Finance			
Office of the Director			
Personal Services	95	94	1
Division of Accounts and Audits			
Personal Services	50	50	-
Non Personal Services	1,326	1,326	-
Total Division of Accounts and Audits	<u>1,376</u>	<u>1,376</u>	<u>-</u>
Division of Treasury			
Personal Services	345	215	130
Non Personal Services	4,232	2,564	1,668
Debt Service	155,605	127,455	28,150
Total Division of Treasury	<u>160,182</u>	<u>130,234</u>	<u>29,948</u>
Total Department of Finance	<u>161,653</u>	<u>131,704</u>	<u>29,949</u>
Department Community and Economic Development			
Housing Division			
Non Personal Services	3	3	-
Debt Service	855	855	-
Total Housing Division	<u>858</u>	<u>858</u>	<u>-</u>
Economic Development and Major/Special Projects Divisions			
Non Personal Services	530	530	-
Debt Service	24,407	24,407	-
Total Economic Development and Major/Special Projects Divisions	<u>24,937</u>	<u>24,937</u>	<u>-</u>
Total Department Community and Economic Development	<u>25,795</u>	<u>25,795</u>	<u>-</u>
Non Departmental Accounts			
Workers' Compensation Insurance	6	5	1
Total Non-Departmental Accounts	<u>6</u>	<u>5</u>	<u>1</u>
Non Departmental - Debt Service Payments			
Non Personal Services	2	2	-
Debt Service	5,189	5,189	-
Total Non-Departmental - Debt Service Payments	<u>5,191</u>	<u>5,191</u>	<u>-</u>
Total Expenditures	<u>192,645</u>	<u>162,695</u>	<u>29,950</u>
Excess (deficiency) of revenues over expenditures	(114,883)	(84,322)	30,561
Other Financing Sources (Uses)			
General Obligation Bond Proceeds	58,800	104,214	45,414
Bond Premiums	12,699	12,699	-
Build America Bonds Subsidy	82	82	-
Transfers In	32,173	32,173	-
Transfers (Out)	(48,763)	(48,763)	-
Total Other Financing Sources (Uses)	<u>54,991</u>	<u>100,405</u>	<u>45,414</u>
Net Change in Fund Balance	(59,892)	16,083	75,975
Fund balances - beginning	97,427	97,427	-
Fund balances - ending	<u>\$ 37,535</u>	<u>\$ 113,510</u>	<u>\$ 75,975</u>

**CITY OF CINCINNATI, OHIO**  
**NONMAJOR GOVERNMENTAL FUNDS**

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**SPECIAL REVENUE FUNDS**

Tax Increment Financing Funds - Used to account for service payments in lieu of property taxes, capital and debt service expenditures from Tax Increment Financing Districts and Projects.

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

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

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

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

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

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

Special Parks Fund – Used to account for monies received for special parks, such as, Sawyer Point Park.

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

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

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

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

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

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

**CITY OF CINCINNATI, OHIO**  
**NONMAJOR GOVERNMENTAL FUNDS**

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**SPECIAL REVENUE FUNDS (Cont)**

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

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

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

**PERMANENT FUNDS**

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

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

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

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

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

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

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

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



**CITY OF CINCINNATI, OHIO**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2016  
 (Amounts in Thousands)

	Special Revenue Funds									
	Tax Increment Financing Funds	Health Services	Street Construction Maintenance and Repair	Income Tax Infrastructure	Income Tax Transit	Motor Vehicle License	Special Recreation	Parks	Special Recreation	Recreation
<b>ASSETS</b>										
Cash and Equivalents	\$ 8								\$ 409	\$ 10
Equity in City Treasury Cash Investments	44,288	2,649	4,201	11,825	13,560	1,593		2,143	2,834	2,640
Receivables:	14,685									
Taxes				1,370	4,111					
Accounts, Net	36,791	773	10	76		5			16	10
Accrued Interest					39				9	7
Due from Other Funds	1,259	75	301	467	389	89		62	82	76
Due from Other Governments			1,290			231				
Inventory				94		4				
Advances to Other Funds			496							25
Total Assets	\$ 97,031	\$ 3,497	\$ 6,298	\$ 13,832	\$ 18,099	\$ 1,922	\$ 3,350	\$ 2,211	\$ 3,350	\$ 2,768
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>										
Liabilities:										
Accounts Payable	\$ 4,774	\$ 125	\$ 115	\$ 120	\$ 18	\$ 14	\$ 77	\$ 67	\$ 77	\$ 18
Due to Other Funds		9	123	89		19	2	1	2	
Due to Fiduciary Funds		17	31	72		7	4		4	
Accrued Payroll		109	235	356	1	48	136	5	136	5
Accrued Liabilities	4,767	3	3	8		1	4		4	
Deposits Payable			6	22						
Estimated Liability for Unpaid Claims			9	9			5			
Total Liabilities	9,541	263	522	676	19	89	228	73	228	18
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Revenues Levied for the next year and Unavailable Revenue	37,206		10	376	1,048		21	5		6
Fund Balances:										
Restricted	50,284		5,766	12,780	17,032	1,833	3,101	2,133	3,101	2,244
Committed		3,234								500
Total Fund Balances	50,284	3,234	5,766	12,780	17,032	1,833	3,101	2,133	3,101	2,744
Total Liabilities, Deferred Inflows and Fund Balances	\$ 97,031	\$ 3,497	\$ 6,298	\$ 13,832	\$ 18,099	\$ 1,922	\$ 3,350	\$ 2,211	\$ 3,350	\$ 2,768

**CITY OF CINCINNATI, OHIO**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2016  
 (Amounts in Thousands)

	Special Revenue Funds							Bettman Nature Center
	Parks	Safety	Health	Cincinnati Blue Ash Airport	Community Development	Department of Labor Grants	Other	
<b>ASSETS</b>								
Cash and Equivalents	\$ 6,559				\$ 96	\$ 730	\$ 80	
Equity in City Treasury Cash	5,373	7,584	2,096	108		16	10,806	
Investments	201							1,545
Receivables:								
Accounts, Net		598	817					
Special Assessments			1		10,349		17,656	
Accrued Interest	14	3						
Due from Other Funds	155	216	60	3	7		317	
Inventory			96				94	
Total Assets	\$ 12,302	\$ 8,401	\$ 3,070	\$ 111	\$ 10,452	\$ 16	\$ 29,603	\$ 1,625
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>								
Liabilities:								
Accounts Payable	\$ 139	\$ 203	\$ 649		\$ 1,201		\$ 1,026	
Due to Other Funds	1	192	29		46		1	
Due to Fiduciary Funds	2	6	45		10		3	
Accrued Payroll	29	41	318		30		21	
Accrued Liabilities		1	6		312		444	
Deposits Payable		3,128					6	
Estimated Liability for Unpaid Claims	6				6			
Advances from Other Funds							900	
Total Liabilities	177	3,571	1,047		1,605		2,401	
Revenues Levied for the next year and Unavailable Revenue	10	3	1		10,349		17,656	
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Fund Balances:								
Restricted	6,929	4,586	1,732	111		\$ 16	5,102	\$ 1,625
Committed	5,186	241	290		(1,502)		4,444	
Unassigned								
Total Fund Balances	12,115	4,827	2,022	111	(1,502)	16	9,546	1,625
Total Liabilities, Deferred Inflows and Fund Balances	\$ 12,302	\$ 8,401	\$ 3,070	\$ 111	\$ 10,452	\$ 16	\$ 29,603	\$ 1,625

CITY OF CINCINNATI, OHIO  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2016  
 (Amounts in Thousands)

	Permanent Funds										Total
	Groesbeck Endowment Fund	Schmidlapp Park Music Fund	Joanna Peters Bequest	The W.M. Music Endowment Fund	Crosley Field Trust	Kroger Trust	Yeatman's Cove Park Trust	Park Board Fund	Nonmajor Governmental Funds		
<b>ASSETS</b>											
Cash and Equivalents	\$ 38	\$ 50	\$ 123	\$ 127	\$ 17	\$ 91	\$ 648	\$ 119	\$ 8,028		
Equity in City Treasury Cash Investments, at Fair Value	573			195	852			6,725	112,793		
Receivables:									24,776		
Taxes									5,481		
Accounts, Net									39,096		
Special Assessments									28,006		
Accrued Interest							1		79		
Due from Other Funds	1	1	3	4		3	19		3,589		
Due from Other Governments									1,521		
Inventory									288		
Advances to Other Funds									521		
Total Assets	\$ 612	\$ 51	\$ 126	\$ 326	\$ 869	\$ 94	\$ 668	\$ 6,844	\$ 224,178		

**LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES**

Liabilities:										
Accounts Payable									\$ 8,546	
Due to Other Funds									512	
Due to Fiduciary Funds									197	
Accrued Payroll									1,329	
Accrued Liabilities									5,549	
Deposits Payable									3,162	
Estimated Liability for Unpaid Claims									35	
Advances from Other Funds									900	
Total Liabilities									20,230	

**DEFERRED INFLOWS OF RESOURCES**

Revenues Levied for the next year and Unavailable Revenue							\$ 1		66,692
Fund Balances:									
Nonspendable	\$ 604	\$ 51	\$ 126	\$ 318	\$ 225	\$ 51	\$ 507	\$ 672	2,428
Restricted	8			8	644	43	160	6,172	117,201
Committed									19,129
Unassigned									(1,502)
Total Fund Balances	612	51	126	326	869	94	667	6,844	137,256
Total Liabilities, Deferred Inflows and Fund Balances	\$ 612	\$ 51	\$ 126	\$ 326	\$ 869	\$ 94	\$ 668	\$ 6,844	\$ 224,178

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	Special Revenue Funds								
	Tax Increment Financing Funds	Health Services	Street Construction Maintenance and Repair	Income Tax Infrastructure	Income Tax Transit	Motor Vehicle License	Special Recreation	Special Parks	Recreation
<b>REVENUES</b>									
Taxes	\$ 15			\$ 17,687	\$ 53,062		\$ 326	\$ 489	\$ 44
Use of Money and Property	5,365		\$ 9,528		224	\$ 2,680			
Intergovernmental Revenue							156		326
Federal Grants									128
State Grants and Subsidies		\$ 9,003	239				3,695	665	4
Charges for Current Services	34,903			3			78	1	
Miscellaneous	40,283	9,003	9,767	17,690	53,286	2,680	4,255	1,155	502
Total Revenues									
<b>EXPENDITURES</b>									
Current:									
General Government	16,550	106		2,698	2	107	214	23	
Community Development	2,324								
Parks and Recreation			361	2,616	23		3,661	739	572
Transportation and Engineering				4,428	86				
Public Services			8,504	5,584		2,183			
Transit System					50,811				
Public Health		7,923							
Capital Outlay	7,017								
Debt Service Principal	1,232								
Debt Service Interest	2,358								
Bond Issuance Costs	594								
Total Expenditures	30,075	8,029	8,865	15,326	50,922	2,290	3,875	762	572
Excess (Deficiency) of Revenues over (under) Expenditures	10,208	974	902	2,364	2,364	390	380	393	(70)
<b>OTHER FINANCING SOURCES (USES)</b>									
Revenue Bonds and Notes Issued	11,730								
Discounts on Bonds and Notes Issued	(14)								
Refunding Bonds Issued	34,225								
Payment to Refunded Bonds Escrow Agent	(35,815)								
Premiums on Bonds Issued	2,551								
Transfers In	14,000								
Transfers (Out)	(17,724)			(60)	(100)	(12)		12	15
Revenue Loan Proceeds	3,773		(392)					(850)	
Total Other Financing Sources (Uses)	12,726		(392)	(60)	(100)	(12)		(838)	15
Net Change in Fund Balances	22,934	974	510	2,304	2,264	378	380	(445)	(55)
Fund Balances, July 1	27,350	2,260	5,256	10,476	14,768	1,455	2,721	2,578	2,799
Fund Balances, June 30	\$ 50,284	\$ 3,234	\$ 5,766	\$ 12,780	\$ 17,032	\$ 1,833	\$ 3,101	\$ 2,133	\$ 2,744

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	Special Revenue Funds							
	Parks	Safety	Health	Cincinnati Blue Ash Airport	Community Development	Department of Labor Grants	Other	Bettman Nature Center
<b>REVENUES</b>								
Taxes		\$ 77	\$ 1,265				\$ 3,369	
Licenses and Permits		16		10	\$ 110		2	
Use of Money and Property	\$ 1,468						2,231	\$ (11)
Special Assessments			2				5,095	
Intergovernmental Revenue		5,007	2,027					
Federal Grants		7,855	8,423		12,481		9,534	
State Grants and Subsidies	15	233	579				2	
Charges for Current Services	1,355	1,436	11,624		3		723	
Miscellaneous	1,467	42	2		1,790		156	
Total Revenues	4,305	14,666	23,922	10	14,384		21,112	(11)
<b>EXPENDITURES</b>								
Current:								
General Government		6,001	178		1,277		6,891	
Community Development					25,589		8,931	
Parks and Recreation	3,812						1,876	11
Public Safety		9,146					27	
Transportation and Engineering							412	
Public Services					284		3,036	
Public Health			23,887		307			
Debt Service Interest					536			
Total Expenditures	3,812	15,147	24,065		27,993		21,173	11
Excess (Deficiency) of Revenues over (under) Expenditures	493	(481)	(143)	10	(13,609)		(61)	(22)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	550				6		2,141	
Transfers (Out)		(35)			(9)		(402)	(91)
Total Other Financing Sources (Uses)	550	(35)			(3)		1,739	(91)
Net Change in Fund Balances	1,043	(516)	(143)	10	(13,612)		1,678	(113)
Fund Balances, July 1	11,072	5,343	2,165	101	12,110	\$ 16	7,868	1,738
Fund Balances, June 30	\$ 12,115	\$ 4,827	\$ 2,022	\$ 111	\$ (1,502)	\$ 16	\$ 9,546	\$ 1,625

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Revenue, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	Permanent Funds										Total
	Grosbeck Endowment Fund	Schmidlapp Park Music Fund	Joanna Peters Bequest	The W.M. Ampt Music Endowment Fund	Crosley Field Trust	Kroger Trust	Yeatman's Cove Park Trust	Park Board Fund			
<b>REVENUES</b>											
Taxes											\$ 74,118
Licenses and Permits											1,344
Use of Money and Property	87	1	\$ 2	\$ 25	\$ (11)	\$ 2	\$ 12	\$ (41)			
Special Assessments											5,097
Intergovernmental Revenue											24,607
Federal Grants											38,775
State Grants and Subsidies											957
Charges for Current Services											28,747
Miscellaneous											38,442
<b>Total Revenues</b>	87	1	2	25	(11)	2	12	(41)			217,086
<b>EXPENDITURES</b>											
Current:											
General Government											34,047
Community Development											36,844
Parks and Recreation		1			3			49			13,724
Public Safety											9,173
Transportation and Engineering											4,926
Public Services											19,591
Transit System											50,811
Public Health											32,117
Capital Outlay											7,017
Debt Service Principal											1,232
Debt Service Interest											2,894
Bond Issuance Costs											594
<b>Total Expenditures</b>		1			3			49			212,970
Excess (Deficiency) of Revenues over Expenditures	87		2	25	(14)	2	12	(90)			4,116
<b>OTHER FINANCING SOURCES (USES)</b>											
Revenue Bonds and Notes Issued											11,730
Discounts on Bonds and Notes Issued											(14)
Refunding Bonds Issued											34,225
Payment to Refunded Bonds Escrow Agent											(35,815)
Premiums on Bonds Issued											2,551
Transfers In											16,724
Transfers (Out)											(20,149)
Revenue Loan Proceeds											3,773
<b>Total Other Financing Sources (Uses)</b>	(21)			(8)	(15)			(430)			13,025
<b>Net Change in Fund Balances</b>	66		2	17	(29)	2	12	(520)			17,141
<b>Fund Balances, July 1</b>	546	51	124	309	898	92	655	7,364			120,115
<b>Fund Balances, June 30</b>	\$ 612	\$ 51	\$ 126	\$ 326	\$ 869	\$ 94	\$ 667	\$ 6,844			\$ 137,256

**CITY OF CINCINNATI, OHIO**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Tax Increment Financing Funds</b>			
Revenue			
Intergovernmental Revenue	\$ 5,365	\$ 5,365	\$ -
Use of Money and Property	15	15	-
Miscellaneous Revenue	<u>34,903</u>	<u>34,903</u>	<u>-</u>
Total Revenues	40,283	40,283	-
Expenditures			
Department of the City Manager			
Office of the City Manager			
Non Personal Services	544	544	-
Debt Service	<u>30,888</u>	<u>30,888</u>	<u>-</u>
Total Office of the City Manager	31,432	31,432	-
Office of Economic Development			
Capital Outlay	975	975	-
Debt Service	<u>1</u>	<u>1</u>	<u>-</u>
Total Office of Economic Development	976	976	-
Total Department of the City Manager	<u>32,408</u>	<u>32,408</u>	<u>-</u>
Department of Finance			
Division of Accounts and Audits			
Non Personal Services	16,418	16,418	-
Capital Outlay	6,093	6,093	-
Debt Service	<u>13,162</u>	<u>13,162</u>	<u>-</u>
Total Department of Finance	<u>35,673</u>	<u>35,673</u>	<u>-</u>
Department Community and Economic Development			
Housing Division			
Non Personal Services	562	562	-
Debt Service	<u>4,977</u>	<u>4,977</u>	<u>-</u>
Total Housing Division	5,539	5,539	-
Economic Development and Major/Special Projects Divisions			
Non Personal Services	78	78	-
Capital Outlay	1,986	1,986	-
Debt Service	<u>41</u>	<u>41</u>	<u>-</u>
Total Economic Development and Major/Special Projects Divisions	<u>2,105</u>	<u>2,105</u>	<u>-</u>
Total Department Community and Economic Development	<u>7,644</u>	<u>7,644</u>	<u>-</u>
Total Expenditures	<u>75,725</u>	<u>75,725</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	(35,442)	(35,442)	-
Other Financing Sources (Uses)			
Bond Proceeds	49,304	49,304	-
Premium on Bonds Sold	2,536	2,536	-
Transfers In	20,907	20,907	-
Transfers (Out)	<u>(14,200)</u>	<u>(14,200)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>58,547</u>	<u>58,547</u>	<u>-</u>
Net Change in Fund Balance	23,105	23,105	-
Fund balances - July 1	<u>37,135</u>	<u>37,135</u>	<u>-</u>
Fund balances - June 30	<u>\$ 60,240</u>	<u>\$ 60,240</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>HEALTH SERVICES FUND</b>			
<b>REVENUES</b>			
Charges for Current Services	\$ 8,333	\$ 9,013	\$ 680
Total Revenues	8,333	9,013	680
<b>EXPENDITURES</b>			
Department of Public Health			
Division of Primary Health Care - Programs			
Personal Services	124	120	4
Non-Personal Services	3	3	-
Total Division of Primary Health Care - Programs	127	123	4
Division of Primary Health Care - Centers			
Personal Services	4,344	4,170	174
Non-Personal Services	3,989	3,968	21
Total Division of Primary Health Care - Centers	8,333	8,138	195
Total Department of Public Health	8,460	8,261	199
Nondepartmental Accounts			
Public Employee Assistance	3	3	-
Workers' Compensation Insurance	45	41	4
General Fund Overhead Charge	108	106	2
Total Nondepartmental Accounts	156	150	6
Total Expenditures	8,616	8,411	205
Net Change in Fund Balance	(283)	602	885
Cancellation of Prior Year Encumbrances	-	77	77
Fund Balance - July 1	1,625	1,625	-
Fund Balance - June 30	<u>\$ 1,342</u>	<u>\$ 2,304</u>	<u>\$ 962</u>



**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND</b>			
<b>REVENUES</b>			
Intergovernmental Revenue			
Motor Vehicle License	\$ 1,810	\$ 1,902	\$ 92
Gasoline	7,483	7,609	126
Miscellaneous	141	857	716
Total Revenues	9,434	10,368	934
<b>EXPENDITURES</b>			
Department of Parks			
Operations and Facility Management			
Personal Services	253	253	-
Non-Personal Services	111	111	-
Total Operations and Facility Management	364	364	-
Total Department of Parks	364	364	-
Department of Public Services			
Traffic and Road Operations Division			
Personal Services	4,037	3,733	304
Non-Personal Services	2,495	2,238	257
Capital Outlay	18	18	-
Debt Service	29	29	-
Total Traffic and Road Operations Division	6,579	6,018	561
Neighborhood Operations Division			
Personal Services	2,608	2,559	49
Non-Personal Services	514	448	66
Total Neighborhood Operations Division	3,122	3,007	115
Total Department of Public Services	9,701	9,025	676
Nondepartmental Accounts			
Contributions to Pension	30	12	18
Public Employee Assistance	7	6	1
Workers' Compensation Insurance	94	74	20
State Unemployment Compensation	7	5	2
Total Nondepartmental Accounts	138	97	41
Total Expenditures	10,203	9,486	717
Excess (Deficiency) of Revenues over (under) Expenditures	(769)	882	1,651
<b>OTHER FINANCING SOURCES</b>			
Transfers In	-	-	-
Transfers Out	(350)	(350)	-
Total Other Financing Sources	(350)	(350)	-
Net Change in Fund Balance	(1,119)	532	1,651
Cancellation of Prior Year Encumbrances	-	150	150
Fund Balance - July 1	3,184	3,184	-
Fund Balance - June 30	<u>\$ 2,065</u>	<u>\$ 3,866</u>	<u>\$ 1,801</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>INCOME TAX INFRASTRUCTURE FUND</b>			
<b>REVENUES</b>			
Taxes			
City Income Tax	\$ 17,252	\$ 17,914	\$ 662
Grants and Subsidies	-	2	2
Miscellaneous	-	419	419
Total Revenues	<u>17,252</u>	<u>18,335</u>	<u>1,083</u>
<b>EXPENDITURES</b>			
Enterprise Technology Services			
Non-Personal Services	803	803	-
Total Enterprise Technology Services	<u>803</u>	<u>803</u>	<u>-</u>
Department of the City Manager			
Office of the Budget and Evaluation			
Personal Services	155	148	7
Non-Personal Services	25	11	14
Total Office of Budget and Evaluation	<u>180</u>	<u>159</u>	<u>21</u>
Total Department of the City Manager	<u>180</u>	<u>159</u>	<u>21</u>
Department of Law			
Administration			
Personal Services	184	184	-
Non-Personal Services	7	6	1
Total Department of Law	<u>191</u>	<u>190</u>	<u>1</u>
Department of Human Resources			
Personal Services	282	282	-
Total Department of Human Resources	<u>282</u>	<u>282</u>	<u>-</u>
Department of Finance			
Division of Accounts and Audits			
Personal Services	225	179	46
Non-Personal Services	14	4	10
Total Division of Accounts and Audits	<u>239</u>	<u>183</u>	<u>56</u>
Division of Purchasing			
Personal Services	114	90	24
Total Division of Purchasing	<u>114</u>	<u>90</u>	<u>24</u>
Total Department of Finance	<u>353</u>	<u>273</u>	<u>80</u>
Department of Public Recreation			
Division of Maintenance			
Personal Services	734	729	5
Non-Personal Services	232	232	-
Total Department of Public Recreation	<u>966</u>	<u>961</u>	<u>5</u>
Department of Parks			
Division of Operations and Facility Management			
Personal Services	1,581	1,581	-
Non-Personal Services	10	10	-
Total Division of Operations and Facility Management	<u>1,591</u>	<u>1,591</u>	<u>-</u>
Division of Administration and Program Services			
Personal Services	69	69	-
Total Division of Administration and Program Services	<u>69</u>	<u>69</u>	<u>-</u>
Total Department of Parks	<u>1,660</u>	<u>1,660</u>	<u>-</u>
Department of Buildings & Inspections			
Building Division			
Personal Services	68	67	1
Total Department of Buildings & Inspections	<u>68</u>	<u>67</u>	<u>1</u>

(Continued)

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>INCOME TAX INFRASTRUCTURE FUND</b>			
(Continued)			
<b>EXPENDITURES (Continued)</b>			
Department of Transportation and Engineering			
Office of the Director			
Personal Services	\$ 670	\$ 648	\$ 22
Non-Personal Services	31	16	15
Total Office of the Director	<u>701</u>	<u>664</u>	<u>37</u>
Division of Transportation Planning			
Personal Services	137	86	51
Non-Personal Services	15	15	-
Total Division of Transportation Planning	<u>152</u>	<u>101</u>	<u>51</u>
Division of Engineering			
Personal Services	1,882	1,833	49
Non-Personal Services	473	453	20
Total Division of Engineering	<u>2,355</u>	<u>2,286</u>	<u>69</u>
Division of Traffic Engineering			
Personal Services	1,561	1,558	3
Non-Personal Services	74	68	6
Total Division of Traffic Engineering	<u>1,635</u>	<u>1,626</u>	<u>9</u>
Total Department of Transportation and Engineering	<u>4,843</u>	<u>4,677</u>	<u>166</u>
Department of Public Services			
Office of the Director			
Personal Services	109	107	2
Non-Personal Services	80	56	24
Total Office of the Director	<u>189</u>	<u>163</u>	<u>26</u>
Division of Traffic and Road Operations			
Personal Services	1,719	1,483	236
Non-Personal Services	1,375	1,011	364
Capital Outlay	12	-	12
Total Division of Traffic and Road Operations	<u>3,106</u>	<u>2,494</u>	<u>612</u>
Division of City Facility Management			
Personal Services	1,962	1,937	25
Non-Personal Services	1,210	1,210	-
Debt Service	11	11	-
Total City Facility Management	<u>3,183</u>	<u>3,158</u>	<u>25</u>
Total Department of Public Services	<u>6,478</u>	<u>5,815</u>	<u>663</u>
Department of Economic Inclusion			
Personal Services	285	138	147
Non-Personal Services	23	23	-
Total Department of Economic Inclusion	<u>308</u>	<u>161</u>	<u>147</u>
Nondepartmental Accounts			
Contributions to City Pension	117	49	68
Public Employee Assistance	21	11	10
State Unemployment Compensation	2	2	-
Workers' Compensation Insurance	132	132	-
Lump Sum Payments	100	100	-
General Fund Overhead	740	740	-
Total Nondepartmental Accounts	<u>1,112</u>	<u>1,034</u>	<u>78</u>
Total Expenditures	<u>17,244</u>	<u>16,082</u>	<u>1,162</u>
Net Change in Fund Balance	8	2,253	2,245
Cancellation of Prior Years Encumbrances	-	43	43
Fund Balance - July 1	<u>8,618</u>	<u>8,618</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 8,626</u>	<u>\$ 10,914</u>	<u>\$ 2,288</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>INCOME TAX TRANSIT FUND</b>			
<b>REVENUES</b>			
Taxes			
City Income Tax	\$ 51,755	\$ 53,743	\$ 1,988
Use of Money and Property	60	128	68
Miscellaneous	-	3	3
Total Revenues	<u>51,815</u>	<u>53,874</u>	<u>2,059</u>
<b>EXPENDITURES</b>			
SORTA			
Operations	<u>50,811</u>	<u>50,811</u>	<u>-</u>
Total SORTA	<u>50,811</u>	<u>50,811</u>	<u>-</u>
Department of Parks			
Division of Parks Operations and Facility Management			
Non Personal Services	<u>30</u>	<u>23</u>	<u>7</u>
Total Department of Parks	<u>30</u>	<u>23</u>	<u>7</u>
Department of Transportation and Engineering			
Office of the Director			
Personal Services	<u>52</u>	<u>13</u>	<u>39</u>
Total Office of the Director	<u>52</u>	<u>13</u>	<u>39</u>
Division of Transportation Planning			
Personal Services	46	19	27
Non-Personal Services	<u>109</u>	<u>40</u>	<u>69</u>
Total Division of Transportation Planning	<u>155</u>	<u>59</u>	<u>96</u>
Total Department of Transportation and Engineering	207	72	135
Nondepartmental Accounts			
Workers' Compensation Insurance	1	-	1
General Fund Overhead	<u>459</u>	<u>375</u>	<u>84</u>
Total Nondepartmental Accounts	<u>460</u>	<u>375</u>	<u>85</u>
Total Expenditures	<u>51,508</u>	<u>51,281</u>	<u>227</u>
Excess (Deficiency) of Revenues over (under) Expenditures	307	2,593	2,286
<b>OTHER FINANCING SOURCES</b>			
Transfers Out	<u>(200)</u>	<u>(200)</u>	<u>-</u>
Total Other Financing Sources	<u>(200)</u>	<u>(200)</u>	<u>-</u>
Net Change in Fund Balance	107	2,393	2,286
Cancellation of Prior Years Encumbrances	-	12	12
Fund Balance - July 1	<u>11,386</u>	<u>11,386</u>	
Fund Balance - June 30	<u>\$ 11,493</u>	<u>\$ 13,791</u>	<u>\$ 2,298</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<b>Variance with Budget - Positive (Negative)</b>
<b>MOTOR VEHICLE LICENSE FUND</b>			
<b>REVENUES</b>			
Charges for Services	\$ 8	\$ 8	\$ -
Intergovernmental Revenue	2,673	2,673	-
Miscellaneous	71	71	-
Total Revenues	<u>2,752</u>	<u>2,752</u>	-
<b>EXPENDITURES</b>			
Department of Public Services			
Traffic and Road Operations Division			
Personal Services	1,752	1,443	309
Non-Personal Services	829	720	109
Debt Service	3	3	-
Total Department of Public Services	<u>2,584</u>	<u>2,166</u>	418
Nondepartmental Accounts			
Contributions to City Pension	22	9	13
Workers' Compensation Insurance	22	19	3
Public Employees Assistance Program	2	2	-
General Fund Overhead	106	106	-
Total Nondepartmental Accounts	<u>152</u>	<u>136</u>	16
Total Expenditures	<u>2,736</u>	<u>2,302</u>	434
Net Change in Fund Balance	16	450	434
Cancellation of Prior Years Encumbrances	-	55	55
Fund Balance - July 1	<u>941</u>	<u>941</u>	-
Fund Balance - June 30	<u>\$ 957</u>	<u>\$ 1,446</u>	<u>\$ 489</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>SPECIAL RECREATION FUND</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 376	\$ 335	\$ (41)
Charges for Services	3,216	3,421	205
Federal Grants	100	155	55
Miscellaneous Revenue	8	92	84
Total Revenues	<u>3,700</u>	<u>4,003</u>	<u>303</u>
<b>EXPENDITURES</b>			
Department of Recreation			
West Region			
Personal Services	632	556	76
Non-Personal Services	148	117	31
Total West Region	<u>780</u>	<u>673</u>	<u>107</u>
East Region			
Personal Services	915	859	56
Non-Personal Services	176	152	24
Total East Region	<u>1,091</u>	<u>1,011</u>	<u>80</u>
Central Region			
Personal Services	762	662	100
Non-Personal Services	162	130	32
Total Central Region	<u>924</u>	<u>792</u>	<u>132</u>
Division of Athletics			
Personal Services	797	626	171
Non-Personal Services	508	406	102
Total Division of Athletics	<u>1,305</u>	<u>1,032</u>	<u>273</u>
Division of Support Services			
Personal Services	118	85	33
Non-Personal Services	113	87	26
Capital Outlay	13	-	13
Total Division of Support Services	<u>244</u>	<u>172</u>	<u>72</u>
Total Department of Recreation	<u>4,344</u>	<u>3,680</u>	<u>664</u>
Nondepartmental Accounts			
Public Employee Assistance	4	3	1
Workers' Compensation Insurance	47	38	9
General Fund Overhead	225	214	11
Total Nondepartmental Accounts	<u>276</u>	<u>255</u>	<u>21</u>
Total Expenditures	<u>4,620</u>	<u>3,935</u>	<u>685</u>
Net Change in Fund Balance	(920)	68	988
Cancellation of Prior Year Encumbrances	-	34	34
Fund Balance - July 1	<u>2,566</u>	<u>2,566</u>	
Fund Balance - June 30	<u>\$ 1,646</u>	<u>\$ 2,668</u>	<u>\$ 1,022</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>SPECIAL PARKS FUND</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 23	\$ 58	\$ 35
Charges for Services	702	1,096	394
Total Revenues	<u>725</u>	<u>1,154</u>	<u>429</u>
<b>EXPENDITURES</b>			
Department of Parks			
Division of Parks, Operations, and Facility Management			
Personal Services	577	332	245
Non-Personal Services	532	322	210
Total Division of Parks, Operations and Facility Mgt	<u>1,109</u>	<u>654</u>	<u>455</u>
Division of Parks, Administration and Program Services			
Personal Services	20	-	20
Total Division of Parks, Operations and Facility Mgt	<u>20</u>	<u>-</u>	<u>20</u>
Total Department of Parks	1,129	654	475
Nondepartmental Accounts			
Workers' Compensation Insurance	4	4	-
General Fund Overhead	23	23	-
Total Nondepartmental Accounts	<u>27</u>	<u>27</u>	<u>-</u>
Total Expenditures	<u>1,156</u>	<u>681</u>	<u>475</u>
Excess of Revenue over Expenditures	(431)	473	904
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers(Out)	<u>(850)</u>	<u>(850)</u>	<u>-</u>
Net Change in Fund Balance	(1,281)	(377)	904
Cancellation of Prior Year Encumbrances		11	11
Fund Balance - July 1	<u>2,419</u>	<u>2,419</u>	
Fund Balance - June 30	<u>\$ 1,138</u>	<u>\$ 2,053</u>	<u>\$ 915</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>RECREATION GRANTS</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 19	\$ 28	\$ 9
Federal Grants	400	321	(79)
Grants and Subsidies	250	128	(122)
Charges for Current Services	8	6	(2)
Miscellaneous	13	13	-
Total Revenues	<u>690</u>	<u>496</u>	<u>(194)</u>
<b>EXPENDITURES</b>			
Department of Recreation			
West Region			
Non-Personal Services	<u>32</u>	<u>32</u>	<u>-</u>
Total West Region	32	32	-
East Region			
Personal Services	57	57	-
Non-Personal Services	<u>8</u>	<u>8</u>	<u>-</u>
Total East Region	65	65	-
Central Region			
Non-Personal Services	<u>27</u>	<u>27</u>	<u>-</u>
Total Central Region	27	27	-
Division of Athletics			
Personal Services	208	208	-
Non-Personal Services	<u>109</u>	<u>109</u>	<u>-</u>
Total Division of Athletics	317	317	-
Division of Support Services			
Personal Services	26	26	-
Non-Personal Services	<u>114</u>	<u>114</u>	<u>-</u>
Total Division of Support Services	140	140	-
Total Department of Recreation	<u>581</u>	<u>581</u>	<u>-</u>
Nondepartmental Accounts			
Workers' Compensation Insurance	<u>1</u>	<u>1</u>	<u>-</u>
Total Division of Support Services	<u>1</u>	<u>1</u>	<u>-</u>
Total Expenditures	582	582	-
Excess (Deficiency) of Revenues over (under) Expenditures	108	(86)	(194)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>15</u>	<u>15</u>	<u>-</u>
Total Other Financing Sources	15	15	-
Net Change in Fund Balance	123	(71)	(194)
Fund Balance - July 1	2,780	2,780	
Fund Balance - June 30	<u>\$ 2,903</u>	<u>\$ 2,709</u>	<u>\$ (194)</u>



**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>PARKS</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 186	\$ 406	\$ 220
Charges for Current Services	1,287	2,372	1,085
State Grants	19	-	(19)
Grants and Subsidies	107	125	18
Miscellaneous	48	37	(11)
Total Revenues	1,647	2,940	1,293
<b>EXPENDITURES</b>			
Department of Parks			
Division of Operations and Facility Management			
Personal Services	726	726	-
Non-Personal Services	609	609	-
Total Division of Operations and Facility Management	1,335	1,335	-
Division of Administration and Program Services			
Personal Services	228	228	-
Non-Personal Services	2,079	2,079	-
Total Division of Administration and Program Services	2,307	2,307	-
Total Department of Parks	3,642	3,642	-
Nondepartmental Accounts			
Public Employee Assistance Program	1	1	-
Workers' Compensation Insurance	11	11	-
Total Nondepartmental Accounts	12	12	-
Total Expenditures	3,654	3,654	-
Excess (Deficiency) of Revenues over (under) Expenditures	(2,007)	(714)	1,293
<b>OTHER FINANCING SOURCES(USES)</b>			
Transfers In	29	29	-
Total Financing Sources	29	29	-
Net Change in Fund Balances	(1,978)	(685)	1,293
Fund Balance - July 1	6,012	6,012	
Prior Period Adjustment to Fund Balance for accruals*	117	117	
Fund Balance - June 30	<u>\$ 4,151</u>	<u>\$ 5,444</u>	<u>\$ 1,293</u>

\* In prior periods, accrued expenses were included in the budgetary schedule.

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>SAFETY</b>			
<b>REVENUES</b>			
Licenses and Permits	\$ 75	\$ 77	\$ 2
Use of Money and Property	10	11	1
Intergovernmental Revenue	5,670	5,163	(507)
Federal Grants	3,475	7,855	4,380
State Grants	210	210	-
Grants and Subsidies	25	23	(2)
Charges for Current Services	1,485	1,436	(49)
Miscellaneous	41	41	-
Total Revenues	<u>10,991</u>	<u>14,816</u>	<u>3,825</u>
<b>EXPENDITURES</b>			
Enterprise Technology Services			
Personal Services	1,407	1,407	-
Non-Personal Services	2,073	2,073	-
Total Enterprise Technology Services	<u>3,480</u>	<u>3,480</u>	<u>-</u>
Office of the City Manager			
Division of Emergency Communications			
Personal Services	2,043	2,043	-
Non-Personal Services	266	266	-
Total Office of the City Manager	<u>2,309</u>	<u>2,309</u>	<u>-</u>
Department of Law			
Non-Personal Services	37	37	-
Total Department of Law	<u>37</u>	<u>37</u>	<u>-</u>
Department of Police			
Personal Services	17	17	-
Non-Personal Services	3,729	3,729	-
Capital Outlay	262	262	-
Total Department of Police	<u>4,008</u>	<u>4,008</u>	<u>-</u>
Department of Fire			
Personal Services	5,366	5,366	-
Non-Personal Services	26	26	-
Total Department of Fire	<u>5,392</u>	<u>5,392</u>	<u>-</u>
Nondepartmental Accounts			
Contributions to City Pension	5	5	-
Public Employee Assistance Program	1	1	-
General Fund Overhead	93	93	-
Workers' Compensation Program	17	17	-
Total Nondepartmental Accounts	<u>116</u>	<u>116</u>	<u>-</u>
Total Expenditures	<u>15,342</u>	<u>15,342</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(4,351)	(526)	3,825
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(30)	(30)	-
Total Other Financing Sources (Uses)	<u>(30)</u>	<u>(30)</u>	<u>-</u>
Net Change in Fund Balance	(4,381)	(556)	3,825
Fund Balance - July 1	6,055	6,055	
Prior Period Adjustment to Fund Balance for accruals*	(853)	(853)	
Fund Balance - June 30	<u>\$ 821</u>	<u>\$ 4,646</u>	<u>\$ 3,825</u>

\* In prior periods, accrued revenues were included in the budgetary schedule.

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

<b>HEALTH</b>	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Licenses and Permits	\$ 1,182	\$ 1,266	\$ 84
Intergovernmental Revenue	1,619	2,027	408
Federal Grants	8,417	8,424	7
State Grants	84	147	63
Grants and Subsidies	431	433	2
Charges for Current Services	11,618	11,641	23
Special Assessments	2	2	-
Miscellaneous	<u>12</u>	<u>12</u>	<u>-</u>
Total Revenues	23,365	23,952	587
<b>EXPENDITURES</b>			
Department of Finance			
Division of Treasury			
Personal Services	<u>16</u>	<u>16</u>	<u>-</u>
Total Department of Finance	16	16	-
Department of Public Health			
Office of the Commissioner			
Personal Services	247	247	-
Non-Personal Services	<u>726</u>	<u>726</u>	<u>-</u>
Total Office of the Commissioner	973	973	-
Division of Technical Resources			
Personal Services	68	68	-
Non-Personal Services	<u>63</u>	<u>63</u>	<u>-</u>
Total Division of Technical Resources	131	131	-
Division of Community Health Services			
Personal Services	1,851	1,851	-
Non-Personal Services	<u>1,694</u>	<u>1,694</u>	<u>-</u>
Total Division of Community Health Services	3,545	3,545	-
Division of Primary Health Care - Programs			
Personal Services	3,449	3,449	-
Non-Personal Services	<u>1,574</u>	<u>1,574</u>	<u>-</u>
Total Division of Primary Health Care - Programs	5,023	5,023	-
Division of Primary Health Care - Centers			
Personal Services	3,330	3,330	-
Non-Personal Services	<u>3,757</u>	<u>3,757</u>	<u>-</u>
Total Division of Primary Health Care - Centers	7,087	7,087	-
Division of School and Adolescent Health			
Personal Services	5,224	5,224	-
Non-Personal Services	<u>1,877</u>	<u>1,877</u>	<u>-</u>
Total Division of School and Adolescent Health	<u>7,101</u>	<u>7,101</u>	<u>-</u>
Total Department of Public Health	23,860	23,860	-
Nondepartmental Accounts			
Public Employee Assistance	10	10	-
Workers' Compensation Insurance	129	129	-
General Fund Overhead Charge	<u>162</u>	<u>162</u>	<u>-</u>
Total Nondepartmental Accounts	<u>301</u>	<u>301</u>	<u>-</u>
Total Expenditures	<u>24,177</u>	<u>24,177</u>	<u>-</u>
Net Change in Fund Balance	(812)	(225)	587
Fund Balance - July 1	2,784	2,784	
Prior Period Adjustment to Fund Balance for accruals*	<u>(795)</u>	<u>(795)</u>	
Fund Balance - June 30	<u>\$ 1,177</u>	<u>\$ 1,764</u>	<u>\$ 587</u>

\* In prior periods, accrued revenues were included in the budgetary schedule.

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>CINCINNATI BLUE ASH AIRPORT</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 10	\$ 10	\$ -
Total Revenues	10	10	-
<b>EXPENDITURES</b>			
Total Expenditures	-	-	-
Net Change in Fund Balance	10	10	-
Fund Balance - July 1	236	236	
Prior Period Adjustment to Fund Balance for accruals*	(135)	(135)	
Fund Balance - June 30	<u>\$ 111</u>	<u>\$ 111</u>	<u>\$ -</u>

\* In prior years, accrued revenue was included in the budgetary schedule.

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>COMMUNITY DEVELOPMENT</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 1,900	\$ 1,900	\$ -
Federal Grants	12,484	12,484	-
Charges for Current Services	90	90	-
Miscellaneous	53	53	-
Total Revenues	<u>14,527</u>	<u>14,527</u>	<u>-</u>
<b>EXPENDITURES</b>			
Department of the City Manager			
Office of Budget and Evaluation			
Personal Services	3	3	-
Total Office of Budget and Evaluation	<u>3</u>	<u>3</u>	<u>-</u>
Office of Economic Development			
Capital Outlay	783	783	-
Total Office of Economic Development	<u>783</u>	<u>783</u>	<u>-</u>
Total Department of the City Manager	786	786	-
Department of Finance			
Division of Accounts and Audits			
Personal Services	44	44	-
Total Division of Accounts and Audits	<u>44</u>	<u>44</u>	<u>-</u>
Total Department of Finance	44	44	-
Department of Community and Economic Development			
Director's Office and Administration			
Personal Services	961	961	-
Non-Personal Services	463	463	-
Capital Outlay	990	990	-
Debt Service	9	9	-
Total Director's Office and Administration	<u>2,423</u>	<u>2,423</u>	<u>-</u>
Division of Housing			
Personal Services	405	405	-
Non-Personal Services	95	95	-
Capital Outlay	20,632	20,632	-
Total Division of Housing	<u>21,132</u>	<u>21,132</u>	<u>-</u>
Division of Economic Development and Major/Special Projects			
Personal	161	161	-
Non-Personal Services	71	71	-
Capital Outlay	987	987	-
Total Division of Economic Development and Major/Special Projects	<u>1,219</u>	<u>1,219</u>	<u>-</u>
Division of New Construction and Existing Building Standards			
Capital Outlay	826	826	-
Total Division of New Construction and Existing Building Standards	<u>826</u>	<u>826</u>	<u>-</u>
Total Department of Community and Economic Development	25,600	25,600	-
Department of City Planning			
Division of City Planning			
Personal Services	102	102	-
Non-Personal Services	4	4	-
Total Division of City Planning	<u>106</u>	<u>106</u>	<u>-</u>
Total Department of City Planning and Buildings	106	106	-

(Continued)

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>COMMUNITY DEVELOPMENT</b>			
(Continued)			
<b>EXPENDITURES (Continued)</b>			
Department of Buildings and Inspections			
Division of Bldg. Inspections, License and Permits			
Capital Outlay	\$ 435	\$ 435	\$ -
Total Division of Bldg. Inspections, License and Permits	<u>435</u>	<u>435</u>	<u>-</u>
Total Department of Buildings and Inspections	435	435	-
Department of Public Services			
Division of City Facility Management			
Capital Outlay	294	294	-
Total Division of City Facility Management	<u>294</u>	<u>294</u>	<u>-</u>
Total Department of Public Services	294	294	-
Department of Health			
Division of Community Health Services			
Capital Outlay	307	307	-
Division of Community Health Services	<u>307</u>	<u>307</u>	<u>-</u>
Total Department of Health	307	307	-
Department of Economic Inclusion			
Personal Services	12	12	-
Total Department of Economic Inclusion	<u>12</u>	<u>12</u>	<u>-</u>
Nondepartmental Accounts			
Public Employee Assistance	1	1	-
Workers' Compensation Insurance	18	18	-
Special Investigations and Studies	1,122	1,122	-
Total Nondepartmental Accounts	<u>1,141</u>	<u>1,141</u>	<u>-</u>
Total Expenditures	<u>28,725</u>	<u>28,725</u>	<u>-</u>
Net Change in Fund Balance	(14,198)	(14,198)	
Fund Balance - July 1	<u>11,559</u>	<u>11,559</u>	<u>-</u>
Fund Balance - June 30	<u>\$ (2,639)</u>	<u>\$ (2,639)</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
 Schedule of Revenue, Expenditures and Changes in Fund Balance  
 Budget(Non-GAAP Budgetary Basis) and Actual  
 For the year ended June 30, 2016  
 (Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>DEPARTMENT OF LABOR GRANTS</b>			
<b>REVENUES</b>			
Total Revenues	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Total Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	<u>15</u>	<u>15</u>	
Fund Balance - June 30	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>OTHER GRANTS</b>			
<b>REVENUES</b>			
Taxes	\$ 2,500	\$ 3,368	\$ 868
Use of Money and Property	2,007	2,166	159
Special Assessments	5,095	5,095	-
Federal Grants	9,533	9,533	-
Grants and Subsidies	5	5	-
Charges for Current Services	722	722	-
License and Permits	2	2	-
Miscellaneous	401	401	-
Total Revenues	<u>20,265</u>	<u>21,292</u>	<u>1,027</u>
<b>EXPENDITURES</b>			
Department of the City Manager			
Office of the City Manager			
Personal Services	375	375	-
Non-Personal Services	108	108	-
Total Office of the City Manager	<u>483</u>	<u>483</u>	<u>-</u>
Office of Environment and Sustainability			
Personal Services	17	17	-
Non-Personal Services	80	80	-
Total Office of Environment and Sustainability	<u>97</u>	<u>97</u>	<u>-</u>
Total Department of the City Manager	580	580	-
Department of Finance			
Division of Accounts and Audits			
Non-Personal Services	7	7	-
Total Division of Accounts and Audits	<u>7</u>	<u>7</u>	<u>-</u>
Division of Treasury			
Non-Personal Services	5,913	5,913	-
Total Division of Treasury	<u>5,913</u>	<u>5,913</u>	<u>-</u>
Total Department of Finance	5,920	5,920	-
Department of Community and Economic Development			
Director's Office and Administration			
Non-Personal Services	16	16	-
Total Director's Office and Administration	<u>16</u>	<u>16</u>	<u>-</u>
Division of Housing			
Non-Personal Services	1,003	1,003	-
Capital Outlay	8,002	8,002	-
Total Division of Housing	<u>9,005</u>	<u>9,005</u>	<u>-</u>
Division of Economic Development and Major/Special Projects			
Non Personal Services	516	516	-
Total Division of Economic Development and Major/Special Projects	<u>516</u>	<u>516</u>	<u>-</u>
Division of New Construction and Existing Building Standards			
Non-Personal Services	109	109	-
Total Division of New Construction and Existing Building Standards	<u>109</u>	<u>109</u>	<u>-</u>
Total Department of Community and Economic Development	9,646	9,646	-
Department of Parks			
Division of Operations and Facility Management			
Personal Services	643	643	-
Non-Personal Services	1,195	1,195	-
Total Department of Parks	<u>1,838</u>	<u>1,838</u>	<u>-</u>

(Continued)



**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>OTHER GRANTS</b>			
(Continued)			
<b>EXPENDITURES (Continued)</b>			
Department of Buildings and Inspections			
Division of Bldg. Inspections, License and Permit			
Personal Services	\$ 48	\$ 48	\$ -
Non-Personal Services	313	313	-
Total Division of Bldg. Inspections, License and Permit	<u>361</u>	<u>361</u>	<u>-</u>
Total Department of Buildings and Inspections	361	361	-
Department of Police			
Non-Personal Services	<u>27</u>	<u>27</u>	<u>-</u>
Total Department of Police	27	27	-
Department of Transportation and Engineering			
Division of Traffic Engineering			
Personal Services	99	99	-
Non-Personal Services	<u>346</u>	<u>346</u>	<u>-</u>
Total Division of Traffic Engineering	<u>445</u>	<u>445</u>	<u>-</u>
Total Department of Transportation and Engineering	445	445	-
Department of Public Services			
Division of Traffic and Road Operations			
Personal Services	95	95	-
Non-Personal Services	<u>129</u>	<u>129</u>	<u>-</u>
Total Division of Traffic and Road Operations	<u>224</u>	<u>224</u>	<u>-</u>
Division of Neighborhood Operations			
Non-Personal Services	<u>27</u>	<u>27</u>	<u>-</u>
Total Division of Neighborhood Operations	27	27	-
Division of City Facility Management			
Non-Personal Services	<u>1,917</u>	<u>1,917</u>	<u>-</u>
Total City Facility Management	<u>1,917</u>	<u>1,917</u>	<u>-</u>
Total Department of Public Services:	2,168	2,168	-
Nondepartmental Accounts			
Public Employees Assistance	1	1	-
Workers' Compensation Insurance	10	10	-
Contribution to City Pension	<u>2</u>	<u>2</u>	<u>-</u>
Total Department of Nondepartmental Accounts	<u>13</u>	<u>13</u>	<u>-</u>
Total Expenditures	<u>20,998</u>	<u>20,998</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(733)	294	1,027
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	1,954	1,954	-
Transfers Out	<u>(400)</u>	<u>(400)</u>	<u>-</u>
Total Other Financing Sources	<u>1,554</u>	<u>1,554</u>	<u>-</u>
Net Change in Fund Balance	821	1,848	1,027
Fund Balance - July 1	11,186	11,186	
Prior Period Adjustment to Fund Balance for accruals*	<u>(2,835)</u>	<u>(2,835)</u>	
Fund Balance - June 30	<u>\$ 9,172</u>	<u>\$ 10,199</u>	<u>\$ 1,027</u>

\* In prior periods, accrued revenues were included in the budgetary schedule.

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>BETTMAN NATURE CENTER</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 187	\$ 187	\$ -
Total Revenues	187	187	-
<b>EXPENDITURES</b>			
Department of Parks			
Division of Operations and Facility Management			
Non-Personal Services	11	11	-
Total Division of Operations and Facility Management	11	11	-
Total Department of Parks	11	11	-
Total Expenditures	11	11	-
Excess (Deficiency) of Revenues over (under) Expenditures	176	176	-
<b>OTHER FINANCING (USES)</b>			
Transfers Out	(91)	(91)	-
Total Other Financing Uses	(91)	(91)	-
Net Change in Fund Balance	85	85	-
Fund Balance - July 1	1,507	1,507	
Fund Balance - June 30	<u>\$ 1,592</u>	<u>\$ 1,592</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>GROESBECK ENDOWMENT FUND</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 22	\$ 22	\$ -
Total Revenues	22	22	-
<hr/>			
Excess (Deficiency) of Revenues over (under) Expenditures	22	22	-
<b>OTHER FINANCING (USES)</b>			
Transfers Out	(21)	(21)	-
Total Other Financing Uses	(21)	(21)	-
Net Change in Fund Balance	1	1	-
Fund Balance - July 1	57	57	-
Fund Balance - June 30	<u>\$ 58</u>	<u>\$ 58</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
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(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>SCHMIDLAPP PARK MUSIC FUND</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 1	\$ 1	\$ -
Total Revenues	1	1	-
Excess (Deficiency) of Revenues over (under) Expenditures	1	1	-
<b>OTHER FINANCING (USES)</b>			
Transfers Out	(1)	(1)	-
Total Other Financing Uses	(1)	(1)	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	<u>51</u>	<u>51</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 51</u>	<u>\$ 51</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>JOANNA PETERS BEQUEST</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 1	\$ 1	\$ -
Total Revenues	1	1	-
<hr/>			
Net Change in Fund Balance	1	1	-
Fund Balance - July 1	124	124	
Fund Balance - June 30	<u>\$ 125</u>	<u>\$ 125</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>THE W. M. AMPT MUSIC ENDOWMENT FUND</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 8	\$ 8	\$ -
Total Revenues	8	8	-
<hr/>			
Excess (Deficiency) of Revenues over (under) Expenditures	8	8	-
<b>OTHER FINANCING (USES)</b>			
Transfers Out	(8)	(8)	-
Total Other Financing Uses	(8)	(8)	-
Net Change in Fund Balance	-	-	-
Fund Balance - July 1	137	137	
Fund Balance - June 30	<u>\$ 137</u>	<u>\$ 137</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>CROSLEY FIELD TRUST</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 127	\$ 127	\$ -
Total Revenues	127	127	-
<b>EXPENDITURES</b>			
Department of Recreation			
Division of Athletics			
Non-Personal Services	<u>2</u>	<u>2</u>	<u>-</u>
Total Department of Recreation	<u>2</u>	<u>2</u>	<u>-</u>
Total Expenditures	<u>2</u>	<u>2</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	125	125	-
<b>OTHER FINANCING (USES)</b>			
Transfers Out	<u>(15)</u>	<u>(15)</u>	<u>-</u>
Total Other Financing Uses	<u>(15)</u>	<u>(15)</u>	<u>-</u>
Net Change in Fund Balance	110	110	-
Fund Balance - July 1	<u>763</u>	<u>763</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 873</u>	<u>\$ 873</u>	<u>\$ -</u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>KROGER TRUST</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 1	\$ 1	\$ -
Total Revenues	1	1	-
Net Change in Fund Balance	1	1	-
Fund Balance - July 1	93	93	
Fund Balance - June 30	<u>\$ 94</u>	<u>\$ 94</u>	<u>\$ -</u>



**City of Cincinnati, Ohio**  
 Schedule of Revenue, Expenditures and Changes in Fund Balance  
 Budget(Non-GAAP Budgetary Basis) and Actual  
 For the year ended June 30, 2016  
 (Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>YEATMAN'S COVE PARK TRUST</b>			
<b>REVENUES</b>			
Use of Money and Property	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ -</u>
Total Revenues	<u>7</u>	<u>7</u>	<u>-</u>
Net Change in Fund Balance	7	7	-
Fund Balance - July 1	<u>652</u>	<u>652</u>	
Fund Balance - June 30	<u><u>\$ 659</u></u>	<u><u>\$ 659</u></u>	<u><u>\$ -</u></u>

**City of Cincinnati, Ohio**  
Schedule of Revenue, Expenditures and Changes in Fund Balance  
Budget(Non-GAAP Budgetary Basis) and Actual  
For the year ended June 30, 2016  
(Amounts in Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
<b>PARK BOARD FUND</b>			
<b>REVENUES</b>			
Use of Money and Property	\$ 153	\$ 153	\$ -
Total Revenues	153	153	-
<b>EXPENDITURES</b>			
Department of Parks			
Division of Administration and Program Services			
Non-Personal Services	49	49	-
Total Division of Administration and Program Services	49	49	-
Total Department of Parks	49	49	-
Total Expenditures	49	49	-
Excess (Deficiency) of Revenues over (under) Expenditures	104	104	-
<b>OTHER FINANCING (USES)</b>			
Transfers Out	(430)	(430)	-
Total Other Financing Uses	(430)	(430)	-
Net Change in Fund Balance	(326)	(326)	-
Fund Balance - July 1	6,463	6,463	
Fund Balance - June 30	<u>\$ 6,137</u>	<u>\$ 6,137</u>	<u>\$ -</u>

CITY OF CINCINNATI, OHIO

**NON-MAJOR ENTERPRISE FUNDS**

**Convention Center** – Used to account for the expenses from the operation of the Duke Energy Convention Center, financed primarily through user fees.

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

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

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

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

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**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business Type Activities - Enterprise Funds</b>					Total Nonmajor Enterprise Funds
	Convention Center	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
<b>ASSETS</b>						
Current Assets:						
Cash and Equivalents		\$ 69		\$ 302		\$ 371
Equity in City Treasury Cash	\$ 1,077	1,759	\$ 491	385	\$ 2,347	6,059
Receivables:						
Taxes	530					530
Accounts, Net	1,129	58	24		2,412	3,623
Accrued Interest		32	12	3	44	91
Due from Other Funds	155	256	72	55	414	952
Due from Other Governments						
Prepaid Items	501	87	7			595
Advances to Other Funds	1,158	2,320	2,191	1,479	2,950	10,098
Total Current Assets	<u>4,550</u>	<u>4,581</u>	<u>2,797</u>	<u>2,224</u>	<u>8,167</u>	<u>22,319</u>
Noncurrent Assets:						
Equity in City Treasury Cash	4,378	7,150	1,994	1,565	9,543	24,630
Land	11,555	14,952	13,229	1,324	7,074	48,134
Buildings, net of Accumulated Depreciation	58	11,811	473	262		12,604
Improvements, net of Accumulated Depreciation	83,368	18,442	6,863	6,480	49,880	165,033
Machinery and Equipment, net of Accumulated Depreciation	252	665	735	65	677	2,394
Property Acquired Under Capital Lease Net of Accumulated Amortization				715		715
Construction in Progress	4,581	4,272	718	61	4,973	14,605
Total Noncurrent Assets	<u>104,192</u>	<u>57,292</u>	<u>24,012</u>	<u>10,472</u>	<u>72,147</u>	<u>268,115</u>
Total Assets	<u>108,742</u>	<u>61,873</u>	<u>26,809</u>	<u>12,696</u>	<u>80,314</u>	<u>290,434</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Loss on Defeasance			13	14		27
Cincinnati Retirement System		1,390	482	55	935	2,862
Ohio Public Employees Retirement System				3		3
Total Deferred Outflows of Resources		<u>1,390</u>	<u>495</u>	<u>72</u>	<u>935</u>	<u>2,892</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	145	266	119	181	94	805
Due to Other Funds	229	7	26	40	162	464
Due to Fiduciary Funds		8	3		6	17
Accrued Payroll		55	24	4	40	123
Accrued Liabilities		510	20		1	531
Accrued Interest	3	41	2	4		50
Obligations Under Capital Lease				251		251
Deposits Payable	2		4			6
Unearned Revenue	1,060	12	35			1,107
Compensated Absences Payable		149	83	18	138	388
General Obligation Bonds Payable	37	565	44	282	4	932
Total Current Liabilities	<u>1,476</u>	<u>1,613</u>	<u>360</u>	<u>780</u>	<u>445</u>	<u>4,674</u>
Noncurrent Liabilities:						
Compensated Absences Payable		219	168	14	198	599
General Obligation Bonds Payable	3,656	9,950	427	830	130	14,993
Obligations Under Capital Lease				699		699
Net Pension Liability-Cincinnati Retirement System	137	13,800	5,296	440	8,305	27,978
Net Pension Liability-Ohio Public Employees Retirement System			22	65		87
Net Other Post Employment Benefit Obligation	41	913	370	10	508	1,842
Total Noncurrent Liabilities	<u>3,834</u>	<u>24,882</u>	<u>6,283</u>	<u>2,058</u>	<u>9,141</u>	<u>46,198</u>
Total Liabilities	<u>5,310</u>	<u>26,495</u>	<u>6,643</u>	<u>2,838</u>	<u>9,586</u>	<u>50,872</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Gain on Defeasance	39		14	6		59
Service Concession Arrangements		12,447				12,447
Cincinnati Retirement System		822	390	41	668	1,921
Ohio Public Employees Retirement System						
Total Deferred Inflows of Resources	<u>39</u>	<u>13,269</u>	<u>404</u>	<u>47</u>	<u>668</u>	<u>14,427</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	96,121	39,627	21,560	6,859	62,470	226,637
Unrestricted Net Position	7,272	(16,128)	(1,303)	3,024	8,525	1,390
Total Net Position	<u>\$ 103,393</u>	<u>\$ 23,499</u>	<u>\$ 20,257</u>	<u>\$ 9,883</u>	<u>\$ 70,995</u>	<u>\$ 228,027</u>

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Revenue, Expenses and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**For the year ended June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business Type Activities - Enterprise Funds</b>					Total Nonmajor Enterprise Funds
	Convention Center	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
<b>OPERATING REVENUES</b>						
Charges for Services	\$ 8,087	\$ 13,095	\$ 2,086	\$ 5,759	\$ 11,200	\$ 40,227
Miscellaneous Income	124	423			22	569
Total Operating Revenues	<u>8,211</u>	<u>13,518</u>	<u>2,086</u>	<u>5,759</u>	<u>11,222</u>	<u>40,796</u>
<b>OPERATING EXPENSES</b>						
Personal Services	90	2,975	1,061	222	2,882	7,230
Contractual Services	7,847	4,316	191	4,036	1,443	17,833
Maintenance and Repairs		222	90	1	4,331	4,644
Materials and Supplies		98	64	145	189	496
Utilities		156	175	400	66	797
Insurance	60	49	10	5		124
Taxes	2,076	868	40	254		3,238
Rent		101	10		162	273
Other Expense		101	3	7		111
Depreciation and Amortization	4,532	2,528	764	953	3,102	11,879
Total Operating Expenses	<u>14,605</u>	<u>11,414</u>	<u>2,408</u>	<u>6,023</u>	<u>12,175</u>	<u>46,625</u>
Operating Income (Loss)	<u>(6,394)</u>	<u>2,104</u>	<u>(322)</u>	<u>(264)</u>	<u>(953)</u>	<u>(5,829)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest Revenue		186	74	27	270	557
Occupancy Tax	2,179					2,179
Interest Expense	(65)	(460)	(23)	(80)	(9)	(637)
Judgment CSA ERIP payment		(565)			(134)	(699)
Loss on Disposal of Assets		(5)				(5)
Total Non-Operating Revenues (Expenses)	<u>2,114</u>	<u>(844)</u>	<u>51</u>	<u>(53)</u>	<u>127</u>	<u>1,395</u>
Income (Loss) before Contributions and Transfers	<u>(4,280)</u>	<u>1,260</u>	<u>(271)</u>	<u>(317)</u>	<u>(826)</u>	<u>(4,434)</u>
Transfers In		575				575
Transfers (Out)	(1,329)	(4,018)	(16)			(5,363)
Capital Contributions	1,217		785			2,002
Change in Net Position	<u>(4,392)</u>	<u>(2,183)</u>	<u>498</u>	<u>(317)</u>	<u>(826)</u>	<u>(7,220)</u>
Beginning Net Position	<u>107,785</u>	<u>25,682</u>	<u>19,759</u>	<u>10,200</u>	<u>71,821</u>	<u>235,247</u>
Ending Net Position	<u>\$ 103,393</u>	<u>\$ 23,499</u>	<u>\$ 20,257</u>	<u>\$ 9,883</u>	<u>\$ 70,995</u>	<u>\$ 228,027</u>

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the year ended June 30, 2016**  
**(Amounts in Thousands)**

	<u>Business Type Activities - Enterprise Funds</u>					Total Nonmajor Enterprise Funds
	Convention Center	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
<u>Cash Flows from Operating Activities:</u>						
Receipts from Customers	\$ 7,669	\$ 13,046	\$ 2,094	\$ 8,280	\$ 11,468	\$ 42,557
Receipts from Other Funds	896					896
Payments to Suppliers	(7,920)	(4,631)	(448)	(4,787)	(2,492)	(20,278)
Payments to Other Funds	166	(382)			(4,247)	(4,463)
Payments to Employees	(90)	(2,313)	(885)	(231)	(2,473)	(5,992)
Payments for Property Taxes	(2,076)	(1,016)	(40)			(3,132)
Net Cash Provided (Used) by Operating Activities	<u>(1,355)</u>	<u>4,704</u>	<u>721</u>	<u>3,262</u>	<u>2,256</u>	<u>9,588</u>
<u>Cash Flows from Noncapital Financing Activities:</u>						
Repayment of Advances Made To Other Funds		435			626	1,061
Advances to Other Funds	367		(497)	(1,414)		(1,544)
Amounts Due From Other Funds for City Notes	275	860	264	59	1,229	2,687
Occupancy Tax	2,021					2,021
Transfers to Other Funds	(1,329)	(4,018)	(16)			(5,363)
Transfers from Other Funds		575				575
Net Cash Provided (Used) by Noncapital Financing	<u>1,334</u>	<u>(2,148)</u>	<u>(249)</u>	<u>(1,355)</u>	<u>1,855</u>	<u>(563)</u>
<u>Cash Flows from Capital and Related</u>						
<u>Financing Activities:</u>						
Capital Items Expensed	1,217					1,217
Proceeds from the Sale of Bonds	3,284	6,000			(134)	9,150
Capital Contributed by Other Sources			785			785
Acquisition of Property, Plant and Equipment		(6,089)	(112)		67	(6,134)
Interest Paid on Bonds and Notes	(69)	(436)	(23)	(80)	(10)	(618)
Principal Paid on Bonds and Notes	(37)	(250)	(41)	(284)	(541)	(1,153)
Payments on Long Term Capital Leases Obligations				(244)		(244)
Additions to Construction in Progress	(1,810)	(535)	(901)	(127)	(2,351)	(5,724)
Net Cash (Used) by Capital and Related Financing Activities	<u>2,585</u>	<u>(1,310)</u>	<u>(292)</u>	<u>(735)</u>	<u>(2,969)</u>	<u>(2,721)</u>
<u>Cash Flow from Investing Activities:</u>						
Interest and Dividends on Investments		194	74	25	270	563
Net Cash Provided by Investing Activities		<u>194</u>	<u>74</u>	<u>25</u>	<u>270</u>	<u>563</u>
Net Increase (decrease) in Cash and Cash Equivalents	2,564	1,440	254	1,197	1,412	6,867
Cash and Cash Equivalents, July 1	<u>2,891</u>	<u>7,538</u>	<u>2,231</u>	<u>1,055</u>	<u>10,478</u>	<u>24,193</u>
Cash and Cash Equivalents, June 30	<u>\$ 5,455</u>	<u>\$ 8,978</u>	<u>\$ 2,485</u>	<u>\$ 2,252</u>	<u>\$ 11,890</u>	<u>\$ 31,060</u>

(Continued)

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the year ended June 30, 2016**  
**(Amounts in Thousands)**

	<b>Business Type Activities - Enterprise Funds</b>					Total Nonmajor Enterprise Funds
	Convention Center	Parking Facilities	General Aviation	Municipal Golf	Stormwater Management	
<b>(Continued)</b>						
<b>Reconciliation of Operating Income (Loss) to</b>						
<b>Net Cash Provided (Used) by</b>						
<b>Operating Activities:</b>						
Operating Income (Loss)	\$ (6,394)	\$ 2,104	\$ (322)	\$ (264)	\$ (953)	\$ (5,829)
Depreciation and Amortization	4,532	2,528	764	953	3,102	11,879
<b>Changes in Assets, Deferred Inflows/Outflows and Liabilities:</b>						
<b>(Increase) Decrease in:</b>						
Receivables	(62)	(50)	8		249	145
Due from Other Funds					(3)	(3)
Due from Other Governments				2,521		2,521
Prepaid Items	(79)	9				(70)
Deferred Outflows Cincinnati Retirement System		(1,126)	(394)	(45)	(762)	(2,327)
Deferred Outflows Ohio Public Employees Retirement System				1		1
<b>Increase (Decrease) in:</b>						
Accounts Payable	3	23	75	83	(352)	(168)
Deposits Payable	(2)					(2)
Due to Other Funds	229	(2)	20	(22)	(196)	29
Due to Fiduciary Funds		3	1	(1)	2	5
Accrued Payroll		16	5	1	8	30
Accrued Liabilities		(148)			1	(147)
Unearned Revenue	418	1				419
Compensated Absences Payable		12	(24)	(10)	9	(13)
Deferred Inflows Service Concession Arrangements		(423)				(423)
Deferred Inflows Cincinnati Retirement System		(197)	(106)	(11)	(172)	(486)
Deferred Inflows Ohio Public Employees Retirement System				(1)		(1)
Net Pension Liability Cincinnati Retirement System		1,989	708	76	1,349	4,122
Net Pension Liability Ohio Public Employees Retirement System						
Net Other Post Employment Benefit Obligation		(35)	(14)	(19)	(26)	(94)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (1,355)</b>	<b>\$ 4,704</b>	<b>\$ 721</b>	<b>\$ 3,262</b>	<b>\$ 2,256</b>	<b>\$ 9,588</b>
<b>Schedule of Noncash Investing,</b>						
<b>Capital and Financing Activities:</b>						
Change in Fair Value of Investments	\$	\$ 8	\$ 2	\$	\$ 103	\$ 113
Property Plant and Equipment						
Contributed by Other Funds			82			82
<b>Total Noncash Investing, Capital and Financing Activities</b>	<b>\$</b>	<b>\$ 8</b>	<b>\$ 84</b>	<b>\$</b>	<b>\$ 103</b>	<b>\$ 195</b>



CITY OF CINCINNATI, OHIO

**INTERNAL SERVICE FUNDS**

**Purchasing, Reproduction, and Printing** - Used to account for revenue from City departments and for the expenses of operations and maintenance of the Division of Reproduction and Printing. Also, used to account for the revenue and expenses related to the distribution and sale of materials and supplies.

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

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

**Self Insurance-Risk Management**- Used to account for monies appropriated from the General or other funds or received from contract agencies, employees, members of council and others, including interest earned, and to make expenditures for insurance costs for employees' health care and for City property, liability, and other risk coverage.

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

**Enterprise Technology Services** - Used to account for revenue and expenses related to the delivery of data processing services to the City, Hamilton County, and others.

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**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Self Insurance Risk Management	Self Insurance Workers' Compensation	Enterprise Technology Services	Total Internal Service Funds
<b>ASSETS</b>							
Current Assets:							
Cash and Equivalents				\$ 368			\$ 368
Equity in City Treasury Cash	176	669	459	6,903	3,335	1,033	12,575
Receivables:							
Accounts, Net	24	162		536			722
Accrued Interest				95	50	9	154
Due from Other Funds	155	1,512	66	1,004	485	357	3,579
Due from Fiduciary Funds						1	1
Due from Other Governments						50	50
Prepaid Items	28	5	29	1,227	91	394	1,746
Inventory		308					308
Advances to Other Funds							
Total Current Assets	383	2,656	554	10,133	3,961	1,715	1,715
Noncurrent Assets:							
Equity in City Treasury Cash	718	2,721	1,864	28,065	13,562	4,200	51,130
Land		283					283
Improvements, net of Accumulated Depreciation		1,733				1,753	3,486
Machinery and Equipment, net of Accumulated Depreciation	286	784	7		18		7
Property Acquired Under Capital Lease, net of Accumulated Amortization	139						5,043
Other Assets		1,852					139
Total Noncurrent Assets	1,143	7,373	1,871	28,065	13,580	9,908	1,852
Total Assets	1,526	10,029	2,425	38,198	17,541	13,467	83,186
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Cincinnati Retirement System	247			864	47		6,524
Ohio Public Employees Retirement System	38						39
Total Deferred Outflows of Resources	285	3,316	216	864	47	1,873	6,601

(Continued)

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Self Insurance Risk Management	Self Insurance Workers' Compensation	Enterprise Technology Services	Total Internal Service Funds
	\$ 143	\$ 630	\$ 3	\$ 3,408	\$ 326	\$ 634	\$ 5,144
		19		1			20
	1	21	2	5		9	38
	13	139	12	35	3	64	266
		2			177	324	503
	1	3		1		2	7
	32						32
			352				352
	34	447	22	95	5	219	822
				6,600	3,004		9,604
	5	26		9		22	62
	229	1,287	391	10,154	3,515	1,274	16,850
<b>Noncurrent Liabilities:</b>							
Estimated Liability for Compensated Absences	53	571	16	141	16	161	958
Estimated Liability for Unpaid Claims					9,150		9,150
Advances from Other Funds	50	532	177	125		3	884
Advances from Other Governments		20					23
Obligations under Capital Leases	112						112
General Obligation Bonds Payable	162	949		328		800	2,239
Net Pension Liability-Cincinnati Retirement System	2,424	27,658	1,912	7,982	117	31,952	72,045
Net Pension Liability-Ohio Public Employees Retirement System	94		12	1		165	272
Net Other Post Employment Benefit Obligation	163	1,558	122	63	13	1,760	3,679
Total Noncurrent Liabilities	3,058	31,288	2,239	8,640	9,296	34,841	89,362
Total Liabilities	3,287	32,575	2,630	18,794	12,811	36,115	106,212
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Cincinnati Retirement System	124	2,222	180	594	38	1,178	4,336
Ohio Public Employees Retirement System	7					7	14
Total Deferred Inflows of Resources	131	2,222	180	594	38	1,185	4,350
<b>NET POSITION</b>							
Net Investment in Capital Assets	114	2,800	7		18	5,708	8,647
Restricted		1,852					1,852
Unrestricted Net Position	(1,721)	(26,104)	(176)	19,674	4,721	(27,668)	(31,274)
Total Net Position	\$ (1,607)	\$ (21,452)	\$ (169)	\$ 19,674	\$ 4,739	\$ (21,960)	\$ (20,775)

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Revenue, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2016**  
**(Amounts in Thousands)**

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Self Insurance Risk Management	Self Insurance Workers' Compensation	Enterprise Technology Services	Total Internal Service Funds
<b>OPERATING REVENUES</b>							
Charges for Services	\$ 2,885	\$ 18,220	\$ 2,335	\$ 67,462	\$ 3,826	\$ 8,211	\$ 100,604
Miscellaneous							2,335
Total Operating Revenues	<u>2,885</u>	<u>18,220</u>	<u>2,335</u>	<u>67,462</u>	<u>3,826</u>	<u>8,211</u>	<u>102,939</u>
<b>OPERATING EXPENSES</b>							
Personal Services	571	6,434	214	1,625	247	4,076	13,167
Contractual Services	840	1,014	123	2,090	9	1,085	5,161
Maintenance and Repairs	28	815	1			326	1,170
Materials and Supplies	1,360	9,270	36	26		576	11,268
Utilities	2	155	2	9		1,496	1,664
Insurance		6		68,930	4,146		73,082
Rent	34	233	36	108		558	969
Depreciation and Amortization	159	297	1		17	2,892	3,366
Other Expense		10	3	3		301	317
Total Operating Expenses	<u>2,994</u>	<u>18,234</u>	<u>416</u>	<u>72,791</u>	<u>4,419</u>	<u>11,310</u>	<u>110,164</u>
Operating Income (Loss)	<u>(109)</u>	<u>(14)</u>	<u>1,919</u>	<u>(5,329)</u>	<u>(593)</u>	<u>(3,099)</u>	<u>(7,225)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Interest Expense	(13)	(19)		(7)		(15)	(54)
Interest Revenue				604	302	51	957
Judgement CSA ERIP Payment	(167)	(975)		(337)		(822)	(2,301)
Loss on Disposal of Assets	0			0	0	(165)	(165)
Total Non-Operating Revenue (Expenses)	<u>(180)</u>	<u>(994)</u>		<u>260</u>	<u>302</u>	<u>(951)</u>	<u>(1,563)</u>
Income (Loss) before Contributions and Transfers	(289)	(1,008)	1,919	(5,069)	(291)	(4,050)	(8,788)
Transfers In						1,383	1,383
Transfers (Out)		47	(1,654)				(1,654)
Capital Contribution							47
Change in Net Position	<u>(289)</u>	<u>(961)</u>	<u>265</u>	<u>(5,069)</u>	<u>(291)</u>	<u>(2,667)</u>	<u>(9,012)</u>
Beginning Net Position	<u>(1,318)</u>	<u>(20,491)</u>	<u>(434)</u>	<u>24,743</u>	<u>5,030</u>	<u>(19,293)</u>	<u>(11,763)</u>
Ending Net Position	<u>\$ (1,607)</u>	<u>\$ (21,452)</u>	<u>\$ (169)</u>	<u>\$ 19,674</u>	<u>\$ 4,739</u>	<u>\$ (21,960)</u>	<u>\$ (20,775)</u>

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2016**  
**(Amounts in Thousands)**

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Self Insurance Risk Management	Self Insurance Workers' Compensation	Enterprise Technology Services	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>							
Receipts from Customers	\$ 526	\$ 411	\$ 2,366	\$ 6,937	\$ 430	\$ 969	\$ 11,639
Receipts from Other Funds	2,417	17,710		60,492	3,396	5,653	89,668
Receipts from Retirement System				119			119
Payment to Suppliers	(2,263)	(8,395)	(205)	(70,320)	(3,446)	(1,915)	(86,544)
Payments to Other Funds	(6)	(3,178)				(567)	(3,751)
Payments to Employees	(424)	(4,873)	(126)	(1,165)	(222)	(3,298)	(10,108)
Net Cash Provided (Used) by Operating Activities	250	1,675	2,035	(3,937)	158	842	1,023
<u>Cash Flows from Noncapital Financing Activities:</u>							
Repayment of Advances Made to Other Funds		(370)					(370)
Due from Other Funds for City Note Payable	70	256	195	4,104	1,717	501	6,843
Interest paid on Bond and Notes	(3)	(16)		(6)		(13)	(38)
Advances from Other Funds		-	(1,654)			(781)	(781)
Transfers to Other Funds						1,296	(1,654)
Transfers from Other Funds							1,296
Net Cash Provided (Used) by Noncapital Financing Activities	67	(130)	(1,459)	4,098	1,717	1,003	5,296
<u>Cash Flows from Capital and Related Financing Activities:</u>							
Contributions from Other Sources		47					47
Proceeds from the Sale of Capital Assets			(8)				(8)
Acquisition of Property, Plant and Equipment		(47)				(248)	(295)
Capital Items Expensed						(427)	(427)
Additions to Construction In Progress						(515)	(515)
Interest Paid on Debt	(9)						(9)
Payment on Long Term Capital Lease Obligations	(55)						(55)
Net Cash (Used) by Capital and Related Financing Activities	(64)	-	(8)	-		(1,190)	(1,262)
<u>Cash Flows from Investing Activities:</u>							
Investment Purchases		(153)					(153)
Interest on Investments				610	301	50	961
Net Cash Provided by Investing Activities		(153)		610	301	50	808
Net Increase (Decrease) in Cash and Cash Equivalents	253	1,392	568	771	2,176	705	5,865
Cash and Cash Equivalents at July 1	641	1,998	1,755	34,565	14,721	4,528	58,208
Cash and Cash Equivalents at June 30	\$ 894	\$ 3,390	\$ 2,323	\$ 35,336	\$ 16,897	\$ 5,233	\$ 64,073

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2016**  
**(Amounts in Thousands)**

	Purchasing Reproduction and Printing	Fleet Services	Property Management	Self Insurance Risk Management	Self Insurance Workers' Compensation	Enterprise Technology Services	Total Internal Service Funds
<u>Reconciliation of Operating Income(Loss) to</u>							
<u>Net Cash Provided (Used) by Operating Activities:</u>							
Operating Income (Loss)	\$ (109)	\$ (14)	\$ 1,919	\$ (5,329)	\$ (593)	\$ (3,099)	\$ (7,225)
Depreciation and Amortization	159	297	1	-	17	2,892	3,366
Changes in Assets, Deferred Outflows/Inflows and Liabilities:							
(Increase) Decrease in:							
Receivables	9	33		(78)			(36)
Due from Other Funds	49	(132)		86		101	104
Due from Other Governments						12	12
Inventory	14	27					41
Prepaid Items				(7)		(214)	(221)
Deferred Outflows Cincinnati Retirement System				(698)	(40)	(1,495)	(5,303)
Deferred Outflows Ohio Public Employees Retirement System	(198)	(2,695)	(177)			(28)	(57)
Increase (Decrease) in:							
Accounts Payable	(19)	(108)	(2)	932	(154)	362	1,011
Deposits Payable			31				31
Due to Other Funds		11	(2)	(1)		3	11
Due to Fiduciary Funds		9	1	2		8	20
Accrued Payroll	6	42	4	8	1	11	72
Accrued Liabilities		1			(35)	7	(27)
Deferred Inflows Cincinnati Retirement System	(27)	(561)	(49)	(149)	(10)	(295)	(1,091)
Deferred Inflows Ohio Public Employees Retirement System	6					5	11
Estimated Liability for Compensated Absences	12	76	1	56	4	(45)	104
Estimated Liability for Unpaid Claims Payable					898		898
Net Pension Liability Cincinnati Retirement System	355	4,778	315	1,263	71	2,640	9,422
Net Pension Liability Ohio Public Employees Retirement System	27					26	53
Net Other Post Employment Benefit Obligation	(5)	(89)	(7)	(22)	(1)	(49)	(173)
Net Cash Provided (Used) by Operating Activities	\$ 250	\$ 1,675	\$ 2,035	\$ (3,937)	\$ 158	\$ 842	\$ 1,023
<u>Schedule of Noncash Investing, Capital and Financing Activities:</u>							
Change in Fair Value of Investments				\$ 229	\$ 119	\$ 21	\$ 369
Property Plant and Equipment							
Acquired by Capital Lease	\$ 150	\$ 47					\$ 150
Contributed by Other Funds							47
Total Noncash Investing, Capital and Financing Activities	\$ 150	\$ 47	\$	\$ 229	\$ 119	\$ 21	\$ 566

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CITY OF CINCINNATI, OHIO

**FIDUCIARY FUNDS**



**AGENCY FUNDS**

**Agency Funds**

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

**Convention Facility Authority** – Used to account for monies collected by the City of Cincinnati from Transient Occupancy Tax Revenues.

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

**Engineering Deposits** - Used to account for Transportation & Engineering monies reserved for specific purposes.

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

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**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**June 30, 2016**  
**(Amounts in Thousands)**

	Agency Funds					Total
	Towing Charges Private Operators	Convention Facility Authority	Admissions Tax Bonds	Engineering Deposits	Metropolitan Sewer District	
<b>ASSETS</b>						
Equity in City Treasury Cash	\$ 261	\$ 529	\$ 36	\$ 2,315	\$ 2	\$ 3,141
Cash With Fiscal Agent					\$ 2	2
Investments, at fair value					357,929	357,929
Receivables:						
Accounts, Net	7	15	1	84	50,847	50,954
Accrued Interest and Dividends					1,015	1,015
<b>Total Assets</b>	<u>\$ 268</u>	<u>\$ 544</u>	<u>\$ 37</u>	<u>\$ 2,399</u>	<u>\$ 409,793</u>	<u>\$ 413,041</u>
<b>LIABILITIES</b>						
Accounts Payable					\$ 10,428	\$ 10,428
Due to Other Governments		\$ 542			388,542	389,084
Accrued Payroll					1,214	1,214
Accrued Liabilities					29	29
Deposits Payable	\$ 268	2	\$ 37	\$ 2,399	95	2,801
Estimated Liability for Compensated Absences					9,485	9,485
<b>Total Liabilities</b>	<u>\$ 268</u>	<u>\$ 544</u>	<u>\$ 37</u>	<u>\$ 2,399</u>	<u>\$ 409,793</u>	<u>\$ 413,041</u>

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
For the fiscal year ended June 30, 2016  
(Amounts in Thousands)

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
<b><u>TOWING CHARGES - PRIVATE OPERATORS</u></b>				
<b>ASSETS</b>				
Equity in City Treasury Cash	\$ 313	\$ 846	\$ 898	\$ 261
Accounts Receivable	46	7	46	7
Total Assets	<u>\$ 359</u>	<u>\$ 853</u>	<u>\$ 944</u>	<u>\$ 268</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 42	\$ 489	\$ 531	
Deposits Payable	317	1,820	1,869	\$ 268
Total Liabilities	<u>\$ 359</u>	<u>\$ 2,309</u>	<u>\$ 2,400</u>	<u>\$ 268</u>
<b><u>CONVENTION FACILITY AUTHORITY</u></b>				
<b>ASSETS</b>				
Equity in City Treasury Cash	\$ 592	\$ 1,735	\$ 1,798	\$ 529
Accounts Receivable	88	15	88	15
Total Assets	<u>\$ 680</u>	<u>\$ 1,750</u>	<u>\$ 1,886</u>	<u>\$ 544</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 437	\$ 787	\$ 682	\$ 542
Accounts Payable		1,783	1,783	
Deposits Payable	243	2	243	2
Total Liabilities	<u>\$ 680</u>	<u>\$ 2,572</u>	<u>\$ 2,708</u>	<u>\$ 544</u>
<b><u>ADMISSION TAX BONDS</u></b>				
<b>ASSETS</b>				
Equity in City Treasury Cash	\$ 29	\$ 8	\$ 1	\$ 36
Accounts Receivable	4	1	4	1
Total Assets	<u>\$ 33</u>	<u>\$ 9</u>	<u>\$ 5</u>	<u>\$ 37</u>
<b>LIABILITIES</b>				
Deposits Payable	\$ 33	\$ 4	\$	\$ 37
<b><u>ENGINEERING DEPOSITS</u></b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1	\$ 239	\$ 240	
Equity in City Treasury Cash	2,057	2,662	2,404	\$ 2,315
Accounts Receivable	470	379	765	84
Total Assets	<u>\$ 2,528</u>	<u>\$ 3,280</u>	<u>\$ 3,409</u>	<u>\$ 2,399</u>
<b>LIABILITIES</b>				
Deposits Payable	\$ 2,528	\$ 2,115	\$ 2,244	\$ 2,399
	<u>\$ 2,528</u>	<u>\$ 2,115</u>	<u>\$ 2,244</u>	<u>\$ 2,399</u>

**CITY OF CINCINNATI, OHIO**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
For the fiscal year ended June 30, 2016  
(Amounts in Thousands)

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
<b><u>METROPOLITAN SEWER DISTRICT</u></b>				
<b>ASSETS</b>				
Investments	\$ 401,966	\$ 1,280,484	\$ 1,324,521	\$ 357,929
Cash with Fiscal Agent		8,942	8,940	2
Accounts Receivable	62,721	55,963	67,837	50,847
Accrued Interest Receivable	646	895	526	1,015
Total Assets	<u>\$ 465,333</u>	<u>\$ 1,346,284</u>	<u>\$ 1,401,824</u>	<u>\$ 409,793</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 14,709	\$ 308,582	\$ 312,863	\$ 10,428
Due to Other Governments	440,696	572,643	624,797	388,542
Accrued Payroll	964	2,435	2,185	1,214
Accrued Liabilities	23	29	23	29
Deposits Payable	42	93	40	95
Estimated Liability for Compensated Absences	8,899	586		9,485
Total Liabilities	<u>\$ 465,333</u>	<u>\$ 884,368</u>	<u>\$ 939,908</u>	<u>\$ 409,793</u>
<b><u>TOTAL AGENCY FUNDS</u></b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1	\$ 239	\$ 240	
Equity in City Treasury Cash	2,991	5,251	5,101	\$ 3,141
Cash with Fiscal Agent		8,942	8,940	2
Investments	401,966	1,280,484	1,324,521	357,929
Receivables:				
Accounts, Net	63,329	56,365	68,740	50,954
Accrued Interest Receivable	646	895	526	1,015
Total Assets	<u>\$ 468,933</u>	<u>\$ 1,352,176</u>	<u>\$ 1,408,068</u>	<u>\$ 413,041</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 14,751	\$ 310,854	\$ 315,177	\$ 10,428
Due to Other Governmental Agencies	441,133	573,430	625,479	389,084
Accrued Payroll	964	2,435	2,185	1,214
Accrued Liabilities	23	29	23	29
Deposits Payable	3,163	4,034	4,396	2,801
Estimated Liability for Compensated Absences	8,899	586		9,485
Total Liabilities	<u>\$ 468,933</u>	<u>\$ 891,368</u>	<u>\$ 947,260</u>	<u>\$ 413,041</u>

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**CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS**

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**CITY OF CINCINNATI, OHIO**  
**Comparative Schedule of Capital Assets Used in the Operation of Governmental Activities**  
**Schedule by Source**  
**For the fiscal year**  
**(Amounts In Thousands)**

	June 30 2016	June 30 2015
Governmental Activites Capital Assets		
Land	\$ 188,613	\$ 185,701
Buildings	274,937	280,937
Improvements	479,560	446,151
Machinery and Equipment	166,607	162,265
Infrastructure	1,145,575	1,057,965
Construction in Progress	289,887	298,366
Property acquired under capital leases	6,009	629
	<u>2,551,188</u>	<u>2,432,014</u>
Total Governmental Capital Assets	<u>\$ 2,551,188</u>	<u>\$ 2,432,014</u>
Investment in Governmental Capital Assets	<u>\$ 2,551,188</u>	<u>\$ 2,432,014</u>

Investment in Governmental Capital Assets by Source:

Permanent Improvement Fund or		
General Obligation Bonds	\$ 1,751,856	\$ 1,638,921
Federal Grants	159,692	165,137
State Grants	196,604	192,990
County Grants	14,790	13,225
Private	13,383	13,326
General Fund Revenues	103,268	114,120
Special Revenue Funds	70,997	58,943
Gifts	2,529	2,529
Other and Undifferentiated	238,069	232,823
	<u>2,551,188</u>	<u>2,432,014</u>
Total from All Sources	<u>\$ 2,551,188</u>	<u>\$ 2,432,014</u>

**CITY OF CINCINNATI, OHIO**  
**Schedule of Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
**As of June 30, 2016**  
**(Amounts in Thousands)**

	Total	Land	Buildings	Improvements	Equipment	Infrastructure	Property Acquisition under Capital Leases	Construction In Progress
Mayor and Council	\$ 58				\$ 58			\$
City Manager	4,662		48	\$ 74	2,538	1,995	\$ 7	
Economic Development	230,079	\$ 74,659	35,782	70,993	68	48,565	12	
Law	180				120		60	
Human Resources	6,807			6,673	103		31	
Finance	854			710	124		20	
Enterprise Technology Services	2,669				2,669			
Community Development	-							
City Planning	146			3	96		47	
Citizens Complaint & Internal Audit	31				25		6	
Recreation	155,045	3,847	33,823	112,756	4,364	207	48	
Parks	161,206	15,063	16,375	73,056	4,689	52,023		
Buildings and Inspections	1,790	1,376		145	269			
Public Safety	86,440	1,833	8,608	12,618	57,980		5,401	
Transportation & Engineering	1,077,454	32,541	7,731	15,712	899	1,020,571		
Enterprise Services	1,433	297		403	733			
Public Services	143,032	2,578	54,461	29,371	34,408	22,214		
Public Health	17,529	237	4,203	9,604	3,485			
Pooled, Unassigned Equipment	523				523			
Southern Railway Improvement	83,224			83,224				
General Government								
Land	55,899	55,899						
Buildings	113,634		113,634					
Improvements	51,558			51,558				
<b>Total Governmental Capital Assets Allocated by Function</b>	<b>2,194,253</b>	<b>188,330</b>	<b>274,665</b>	<b>466,900</b>	<b>113,151</b>	<b>1,145,575</b>	<b>5,632</b>	
Construction in Progress	289,887							289,887
Internal Service Funds:								
Purchasing, Printing and Stores	2,013				1,651		362	
Fleet Services	7,927	283	272	4,465	2,907			
Self Insurance Risk Management	27				12		15	
Self Insurance Worker's Compensation	82				82			
Property Management	29			6	23			
Enterprise Technology Services	56,970			8,189	48,781			
<b>Total Governmental Capital Assets</b>	<b>\$ 2,551,188</b>	<b>\$ 188,613</b>	<b>\$ 274,937</b>	<b>\$ 479,560</b>	<b>\$ 166,607</b>	<b>\$ 1,145,575</b>	<b>\$ 6,009</b>	<b>\$ 289,887</b>

**CITY OF CINCINNATI, OHIO**  
**Schedule of Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
**For the fiscal year ended June 30, 2016**  
**(Amounts in Thousands)**

	General Capital Assets July 1, 2015	Additions	Deletions	General Capital Assets June 30, 2016
Mayor and Council	\$ 58	\$		\$ 58
City Manager	3,758	904		4,662
Economic Development	74,423		74,423	-
Law	180			180
Human Resources	6,807			6,807
Enterprise Technology Services	2,642	27		2,669
Finance	854			854
Community Development	158,008	78,071	6,000	230,079
City Planning and Buildings	146			146
Citizen's Complaint & Internal Audit	6	51	26	31
Recreation	145,423	9,764	142	155,045
Parks	143,662	17,636	92	161,206
Buildings and Inspections	1,800	3	13	1,790
Public Safety	77,656	9,345	561	86,440
Transportation & Engineering	1,015,816	61,663	25	1,077,454
Enterprise Services	1,433			1,433
Public Services	113,055	31,281	1,304	143,032
Public Health	16,867	694	32	17,529
Pooled, Unassigned Equipment	523			523
Southern Railway Improvement	83,224			83,224
General Government				
Land	55,908		9	55,899
Buildings	113,634			113,634
Improvements	51,558			51,558
Construction in Progress	298,366	122,278	130,757	289,887
Internal Service Funds:				
Purchasing, Printing and Stores	2,034	150	171	2,013
Fleet Services	7,858	279	210	7,927
Self Insurance Risk Management	35		8	27
Self Insurance Workers' Compensation	82			82
Property Management	21	8		29
Enterprise Technology Services	56,177	1,483	690	56,970
Total Governmental Capital Assets	<u>\$ 2,432,014</u>	<u>\$ 333,637</u>	<u>\$ 214,463</u>	<u>\$ 2,551,188</u>

Note: The additions and deletions include department reclassifications and transfers.

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# **SCHEDULE**

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City of Cincinnati, Ohio  
Schedule of Outstanding Bonds and Notes  
June 30, 2016

<u>Year</u>	(a)General Obligation Bonds <u>and Notes</u>	(b)Municipal Income Tax <u>Bonds and Notes</u>	(c)Water Works <u>Bonds</u>	(d)Revenue <u>Bonds and Notes</u>	(c)Police and Fire <u>Pension Bonds</u>	(a)Judgement <u>Bonds</u>
2007	222,868,000	42,655,000	16,400,000	391,750,000	42,365,000	
2008	223,695,000	50,095,000	11,800,000	405,625,000	41,515,000	
2009	220,385,000	71,910,000	9,800,000	496,105,000	40,630,000	
2010	216,595,000	77,585,000	7,800,000	478,100,000	39,700,000	
2011	208,770,000	80,870,000	5,800,000	544,580,000	38,730,000	
2012	218,525,000	88,150,000	3,800,000	592,610,000	37,720,000	
2013	230,505,000	97,150,000	3,800,000	603,385,000	37,720,000	
2014	251,690,000	97,395,000	1,800,000	582,465,000	37,230,000	
2015	243,044,080	98,095,000	-	570,950,000	35,920,000	
2016	270,414,000	96,710,000	5,393,000	619,409,000	31,600,000	26,937,000

<u>Year</u>	(e)Urban Development Taxable <u>Bonds</u>	(c)Recreational Facility <u>Bonds and Notes</u>	(c)Off-Street Parking Facilities <u>Bonds</u>	(c)Urban Renewal Economic Development <u>Bonds and Notes</u>	(d)Sewer Admin Building <u>Bonds &amp; Notes</u>	(c) Public Transportation <u>Notes</u>
2007	5,265,000	10,435,000		26,640,000		
2008	4,960,000	9,820,000		25,835,000		
2009	5,080,000	8,955,000		31,080,000	\$ 15,000,000	
2010	4,915,000	8,090,000	5,000,000	36,995,000	14,460,000	
2011	4,740,000	7,225,000	4,850,000	51,835,000	13,900,000	
2012	4,560,000	6,435,000	4,700,000	81,345,000	13,325,000	\$ 21,000,000
2013	4,470,000	6,435,000	4,700,000	83,845,000	13,325,000	21,000,000
2014	4,270,000	5,645,000	4,450,000	96,000,000	12,735,000	21,000,000
2015	4,070,000	4,875,000	4,200,000	82,055,000	12,135,000	21,000,000
2016	6,140,000	3,897,000	10,515,000	83,485,000	9,875,000	15,000,000

<u>Year</u>	(c)Stormwater <u>Bonds and Notes</u>	(c)Urban Redevelopment <u>Bonds and Notes</u>	Public Building <u>Bonds (d)</u>	Gross Tax Supported <u>Debt</u>	Gross Revenue Supported <u>Debt</u>	Gross Total <u>Debt</u>
2007		12,230,000		222,868,000	547,740,000	770,608,000
2008		10,870,000		223,695,000	560,520,000	784,215,000
2009	1,250,000	9,485,000		220,385,000	689,295,000	909,680,000
2010	3,375,000	24,570,000	\$ 10,080,000	216,595,000	710,670,000	927,265,000
2011	2,700,000	16,620,000	9,405,000	208,770,000	781,255,000	990,025,000
2012	2,025,000	15,120,000	8,730,000	218,525,000	879,520,000	1,098,045,000
2013	2,025,000	15,120,000	8,730,000	230,505,000	901,705,000	1,132,210,000
2014	1,350,000	8,965,000	14,395,000	251,690,000	887,700,000	1,139,390,000
2015	675,000	7,860,000	15,775,000	243,044,080	857,610,000	1,100,654,080
2016	134,000	790,000	750,000	297,351,000	883,698,000	1,181,049,000

- (a) Supported by general tax levy or special assessment levy
- (b) Supported by Municipal Income Tax, but have property tax support if necessary
- (c) Supported by current revenue, but have property tax support if necessary
- (d) Supported by current revenue, no tax support pledged
- (e) Supported by current revenue, but have property tax support if necessary-taxable

Note: This schedule reflects a change in fiscal year from a calendar year to a July 1- June 30 year.

**CITY OF CINCINNATI**  
**SCHEDULE OF ANNUAL DEBT SERVICE**  
 June 30, 2016

<b>PROPERTY TAX-SUPPORTED</b>					<b>SELF-SUPPORTED</b>				
Fiscal Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Fiscal Year
2016				\$ 255,615,000				\$ 193,435,000	2016
2017	\$ 30,552,068	\$ 10,701,760	\$ 41,253,828	225,062,932	\$ 11,220,000	\$ 7,520,163	\$ 18,740,163	182,215,000	2017
2018	27,216,980	9,493,390	36,710,370	197,845,952	11,010,000	7,174,523	18,184,523	171,205,000	2018
2019	23,166,847	8,406,753	31,573,600	174,679,105	11,180,000	6,793,202	17,973,202	160,025,000	2019
2020	20,831,671	7,477,934	28,309,605	153,847,434	10,755,000	6,388,774	17,143,774	149,270,000	2020
2021	18,831,495	6,637,307	25,468,802	135,015,939	10,805,000	5,987,646	16,792,646	138,465,000	2021
2022	13,716,275	5,921,427	19,637,702	121,299,664	10,325,000	5,590,328	15,915,328	128,140,000	2022
2023	13,131,010	5,293,322	18,424,332	108,168,654	9,750,000	5,192,690	14,942,690	118,390,000	2023
2024	12,650,746	4,682,111	17,332,857	95,517,908	9,835,000	4,785,935	14,620,935	108,555,000	2024
2025	12,200,481	4,104,434	16,304,915	83,317,427	10,175,000	4,370,999	14,545,999	98,380,000	2025
2026	10,385,173	3,573,979	13,959,152	72,932,254	9,915,000	3,948,990	13,863,990	88,465,000	2026
2027	10,119,820	3,086,306	13,206,126	62,812,434	9,560,000	3,535,810	13,095,810	78,905,000	2027
2028	9,149,468	2,628,723	11,778,191	53,662,966	9,415,000	3,147,463	12,562,463	69,490,000	2028
2029	8,519,071	2,214,547	10,733,618	45,143,895	9,340,000	2,775,318	12,115,318	60,150,000	2029
2030	7,438,630	1,846,138	9,284,768	37,705,265	8,550,000	2,401,143	10,951,143	51,600,000	2030
2031	6,343,190	1,543,079	7,886,269	31,362,075	7,405,000	2,051,391	9,456,391	44,195,000	2031
2032	5,722,705	1,279,627	7,002,332	25,639,370	7,565,000	1,717,653	9,282,653	36,630,000	2032
2033	5,302,132	1,031,217	6,333,349	20,337,238	7,270,000	1,395,669	8,665,669	29,360,000	2033
2034	5,046,559	793,656	5,840,215	15,290,679	5,470,000	1,121,781	6,591,781	23,890,000	2034
2035	5,080,986	563,595	5,644,581	10,209,693	5,635,000	888,859	6,523,859	18,255,000	2035
2036	2,760,369	400,503	3,160,872	7,449,324	7,705,000	618,219	8,323,219	10,550,000	2036
2037	2,104,752	300,121	2,404,873	5,344,572	2,280,000	410,111	2,690,111	8,270,000	2037
2038	2,104,047	203,505	2,307,552	3,240,525	1,935,000	320,580	2,255,580	6,335,000	2038
2039	983,342	129,321	1,112,663	2,257,183	2,020,000	233,768	2,253,768	4,315,000	2039
2040	982,593	77,569	1,060,162	1,274,590	2,110,000	143,114	2,253,114	2,205,000	2040
2041	981,800	25,851	1,007,651	292,790.00	2,205,000	48,400	2,253,400	-	2041

<b>MUNICIPAL INCOME TAX SUPPORTED</b>					<b>TOTAL</b>				
Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year	Year
2016				\$ 111,435,000				\$ 1,157,581,620	2016
2017	\$ 8,415,000	\$ 4,136,910	\$ 12,551,910	103,020,000	\$ 81,562,068	\$ 46,677,398	\$ 128,239,466	1,076,019,552	2017
2018	8,420,000	3,871,355	12,291,355	94,600,000	78,884,235	43,854,573	122,738,808	997,135,317	2018
2019	7,950,000	3,568,315	11,518,315	86,650,000	75,890,984	41,137,073	117,028,057	921,244,333	2019
2020	7,680,000	3,253,501	10,933,501	78,970,000	73,807,747	38,516,096	112,323,843	847,436,586	2020
2021	22,220,000	2,959,877	25,179,877	56,750,000	87,184,568	35,904,386	123,088,954	760,252,018	2021
2022	6,385,000	2,418,699	8,803,699	50,365,000	67,151,405	33,008,180	100,159,585	693,100,613	2022
2023	5,685,000	2,136,991	7,821,991	44,680,000	61,428,260	30,463,894	91,892,154	631,672,353	2023
2024	5,370,000	1,882,349	7,252,349	39,310,000	62,920,180	26,854,018	89,774,198	568,752,173	2024
2025	5,365,000	1,641,406	7,006,406	33,945,000	53,942,164	25,113,015	79,055,179	514,810,009	2025
2026	5,470,000	1,397,876	6,867,876	28,475,000	53,114,174	22,645,141	75,759,315	461,695,835	2026
2027	5,600,000	1,144,853	6,744,853	22,875,000	45,146,209	20,339,462	65,485,671	416,549,626	2027
2028	5,285,000	897,138	6,182,138	17,590,000	44,808,317	18,276,703	63,085,020	371,741,309	2028
2029	4,485,000	689,281	5,174,281	13,105,000	44,285,454	16,279,675	60,565,129	327,455,855	2029
2030	3,270,000	522,588	3,792,588	9,835,000	42,252,624	14,295,515	56,548,139	285,203,231	2030
2031	1,920,000	410,188	2,330,188	7,915,000	39,124,874	12,414,790	51,539,664	246,078,357	2031
2032	1,720,000	329,638	2,049,638	6,195,000	39,602,160	10,565,136	50,167,296	206,476,197	2032
2033	1,540,000	254,150	1,794,150	4,655,000	40,439,442	8,653,995	49,093,437	166,036,755	2033
2034	1,260,000	187,775	1,447,775	3,395,000	33,576,810	6,846,608	40,423,418	132,459,945	2034
2035	1,260,000	129,250	1,389,250	2,135,000	32,304,267	5,207,370	37,511,637	100,155,678	2035
2036	635,000	90,150	725,150	1,500,000.00	23,956,772	3,888,039	27,844,811	76,198,906	2036
2037	300,000	70,875	370,875	1,200,000.00	17,754,371	2,946,501	20,700,872	58,444,535	2037
2038	300,000	55,125	355,125	900,000.00	13,556,979	2,223,069	15,780,048	44,887,556	2038
2039	300,000	39,375	339,375	600,000.00	11,059,688	1,686,180	12,745,868	33,827,868	2039
2040	300,000	23,625	323,625	300,000.00	7,322,455	1,284,399	8,606,854	26,505,413	2040
2041	300,000	7,875	307,875	-	7,595,285	939,137	8,534,422	18,910,128	2041
					3,312,217	695,686	4,007,903	15,597,911	2042
					3,451,062	557,391	4,008,453	12,146,849	2043
					3,595,024	412,914	4,007,938	8,551,825	2044
					3,674,035	262,039	3,936,074	4,877,790	2045
					4,585,000	93,050	4,678,050	292,790	2046

<b>REVENUE</b>				
Year	Maturing	Interest Cost	Debt Service Requirement	Outstanding Debt End of Year
2016				\$ 597,096,620
2017	\$ 31,375,000	\$ 24,318,565	\$ 55,693,565	565,721,620
2018	32,237,255	23,315,305	55,552,560	533,484,365
2019	33,594,137	22,368,803	55,962,940	499,890,228
2020	34,541,076	21,395,887	55,936,963	465,349,152
2021	35,328,073	20,319,556	55,647,629	430,021,079
2022	36,725,130	19,077,727	55,802,857	393,295,949
2023	32,862,250	17,840,890	50,703,140	360,433,699
2024	35,064,434	15,503,624	50,568,058	325,369,265
2025	26,201,683	14,996,175	41,197,858	299,167,582
2026	27,344,001	13,724,295	41,068,296	271,823,581
2027	19,866,389	12,572,493	32,438,882	251,957,192
2028	20,958,849	11,603,379	32,562,228	230,998,343
2029	21,941,383	10,600,528	32,541,911	209,056,960
2030	22,993,994	9,525,646	32,519,640	186,062,966
2031	23,456,684	8,410,133	31,866,817	162,606,282
2032	24,594,455	7,238,219	31,832,674	138,011,827
2033	26,327,310	5,972,958	32,300,268	111,684,517
2034	21,800,251	4,743,396	26,543,647	89,884,266
2035	20,328,281	3,625,666	23,953,947	69,555,985
2036	12,856,403	2,779,168	15,635,571	56,699,582
2037	13,069,619	2,165,395	15,235,014	43,629,963
2038	9,217,932	1,643,860	10,861,792	34,412,031
2039	7,756,346	1,283,717	9,040,063	26,655,685
2040	3,929,862	1,040,091	4,969,953	22,725,823
2041	4,108,485	857,012	4,965,497	18,617,338
2042	3,312,217	695,686	4,007,903	15,305,121
2043	3,451,062	557,391	4,008,453	11,854,059
2044	3,595,024	412,914	4,007,938	8,259,035
2045	3,674,035	262,039	3,936,074	4,585,000
2046	4,585,000	93,050	4,678,050	0



**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
<b>1 U.S. Department of Agriculture</b>									
* Passed through Ohio Department of Health Hamilton County WIC Program	391	10.557	03120011WA0815	NAM	Health	867	-	695	-
Hamilton County WIC Program	391	10.557	03120011WA0916	NAM	Health	1,878	-	2,186	-
<b>Total for CFDA No. 10.557</b>						<b>2,745</b>	<b>-</b>	<b>2,881</b>	<b>-</b>
* Passed through Ohio Department of Education Child and Adult Care Food Program	324	10.558	55x2031	NAR	Recreation	99	-	118	-
<b>Total for CFDA No. 10.558</b>						<b>99</b>	<b>-</b>	<b>118</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>						<b>2,844</b>	<b>-</b>	<b>2,999</b>	<b>-</b>
<b>2 Environmental Protection Agency</b>									
* Passed through Ohio Water Development Authority OWDA Loan Project - 11059	756	66.468	FS390255-0038	EWW	GCWW	1,008	-	-	-
OWDA Loan Project - 123362	756	66.468	FS390255-0052	EWW	GCWW	293	-	1,563	-
<b>(d.) Total for CFDA No. 66.468</b>						<b>1,301</b>	<b>-</b>	<b>1,563</b>	<b>-</b>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>						<b>1,301</b>	<b>-</b>	<b>1,563</b>	<b>-</b>
<b>3 Food &amp; Drug Administration</b>									
Retail Food Regulatory Program Standards Grant	350	93.103	5U18FD004688-03	NAM	Health	96	-	70	-
<b>Total for CFDA No. 93.103</b>						<b>96</b>	<b>-</b>	<b>70</b>	<b>-</b>
<b>TOTAL FOOD &amp; DRUG ADMINISTRATION</b>						<b>96</b>	<b>-</b>	<b>70</b>	<b>-</b>
<b>4 U.S. Department of Health and Human Services</b>									
* Passed through Council on Aging of Southwestern Ohio Special Programs for the Aging Title III, Part B	324	93.044	65X2076	NAR	Recreation	28	-	48	-
<b>(b.) Total for CFDA No. 93.044</b>						<b>28</b>	<b>-</b>	<b>48</b>	<b>-</b>
* Passed through Council on Aging of Southwestern Ohio Special Programs for the Aging Title III, Part C	324	93.045	65X2076	NAR	Recreation	151	7	140	-
<b>(b.) Total for CFDA No. 93.045</b>						<b>151</b>	<b>7</b>	<b>140</b>	<b>-</b>
* Passed through Council on Aging of Southwestern Ohio Nutrition Services Incentive Program	324	93.053	65X2076	NAR	Recreation	16	-	8	-
<b>(b.) Total for CFDA No. 93.053</b>						<b>16</b>	<b>-</b>	<b>8</b>	<b>-</b>
* Passed through Ohio Department of Health Public Health Emergency Preparedness	350	93.074	03120012PH716	NAM	Health	248	-	326	-
Public Health Emergency Preparedness	350	93.074	3120012PH0615	NAM	Health	177	-	154	-
<b>Total for CFDA No. 93.074</b>						<b>425</b>	<b>-</b>	<b>480</b>	<b>-</b>
Program for Toxic Substances & Disease Registry	436	93.161	1E11TS000227-01	NAO	Environmental Quality	122	-	92	-
<b>Total for CFDA No. 93.161</b>						<b>122</b>	<b>-</b>	<b>92</b>	<b>-</b>
* Passed through Ohio Department of Health Reproductive Health & Wellness	350	93.217	3120011RH0516	NAM	Health	119	-	154	-
Reproductive Health & Wellness	350	93.217	3120011RH0617	NAM	Health	-	-	164	-
<b>Total for CFDA No. 93.217</b>						<b>119</b>	<b>-</b>	<b>318</b>	<b>-</b>
Health Center Cluster	446	93.224	H80CS25683	NAM	Health	3,093	-	3,089	-
* Passed through Cincinnati Health Network Homeless Health Care Program	448	93.224	Contract #65x10136	NAM	Health	219	-	44	-
<b>(i.) Total for CFDA No. 93.224</b>						<b>3,312</b>	<b>-</b>	<b>3,133</b>	<b>-</b>
* Passed through Ohio Department of Health Immunization Action Plan Special Immunization Action Plan Special	415	93.268	03120012IM0815	NAM	Health	159	8	108	-
	415	93.268	03120012IM0916	NAM	Health	46	-	122	-
<b>Total for CFDA No. 93.268</b>						<b>205</b>	<b>8</b>	<b>230</b>	<b>-</b>

**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund	Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
<b>* Passed through Ohio Department of Job and Family Services</b>										
Temporary Assistance for Needy Families (TANF)	323	93.558	05x2034 & 05x2035	APR		Recreation	77	28	95	95
<b>(h.) Total for CFDA No. 93.558</b>										
<b>* Passed through Ohio Department of Job and Family Services</b>										
Refugee Health Screening Cincinnati	350	93.566	G-1415-17-0841	NAM		Health	147	-	147	147
<b>Total for CFDA No. 93.566</b>										
<b>* Passed through Ohio Department of Job and Family Services</b>										
Child Care & Development Block Grant (CCDBG)	323	93.575	05x2034 & 05x2035	APR		Recreation	39	14	47	47
<b>(a.) Total for CFDA No. 93.575</b>										
<b>* Passed through Ohio Department of Job and Family Services</b>										
Social Services Block Grant - Title XX (SSBG)	323	93.667	05x2034 & 05x2035	APR		Recreation	39	14	47	47
<b>Total for CFDA No. 93.667</b>										
<b>* Passed through Ohio Department of Health</b>										
Creating Healthy Communities	425	93.758	03120014CC0615	NAM		Health	114	-	112	112
Creating Healthy Communities	425	93.758	03120014CC0716	NAM		Health	23	-	14	14
<b>Total for CFDA No. 93.758</b>										
<b>* Passed through Ohio Department of Developmental Disabilities</b>										
Medical Assistance Program	324	93.778		NAR		Recreation	17	-	51	51
<b>(c.) Total for CFDA No. 93.778</b>										
<b>Family &amp; Community Violence Prevention(14CAMP)</b>										
	368	93.910	1.YEIMP140082-02-00	NAS		Police	489	-	454	454
<b>Total for CFDA No. 93.910</b>										
<b>* Passed through Ohio Department of Health</b>										
Reproductive Health & Wellness	350	93.994	3120011RH0516	NAM		Health	385	86	466	466
SAFETY NET DENTAL CARE	350	93.994	3120011SC0815	NAM		Health	49	1	38	38
DENTAL SEALANT GRANT	350	93.994	03120011DS0215	NAM		Health	25	-	29	29
DENTAL SEALANT GRANT	350	93.994	03120011DS0316	NAM		Health	9	-	12	12
<b>Total for CFDA No. 93.994</b>										
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>										
<b>5 U.S. Department of Homeland Security</b>										
FY12 Assistance to Firefighters Grant (AFG)	472	97.044	EMW-2012-FO-06745	NAS		Fire	1	-	-	-
FY14 Assistance to Firefighters Grant (AFG)	472	97.044	EMW-2014-FP-00835	NAS		Fire	12	-	12	12
<b>Total for CFDA No. 97.044</b>										
<b>FY13 Port Security Grant Program</b>										
FY13 Port Security Grant Program	472	97.056	EMW-2013-PU-00520	NAS		Police	3	-	-	-
FY14 Port Security Grant Program	368	97.056	EMW-2013-PU-00176	NAS		Police	41	-	40	40
FY14 Port Security Grant Program	368	97.056	EMW-2014-PU-00224	NAS		Police	34	-	30	30
FY15 Port Security Grant Program	368	97.056	EMW-2015-PU-00265	NAS		Police	3	-	3	3
<b>Total for CFDA No. 97.056</b>										
<b>FY12 Staffing for Adequate Fire &amp; Emergency Response (A-FER)</b>										
FY12 Staffing for Adequate Fire & Emergency Response (A-FER)	472	97.083	EMW-2012-FH-00918	NAS		Fire	937	-	937	937
FY13 Staffing for Adequate Fire & Emergency Response (A-FER)	472	97.083	EMW-2013-FH-00536	NAS		Fire	4,429	-	4,429	4,429
<b>Total for CFDA No. 97.083</b>										
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>										
<b>6 U.S. Department of Housing and Urban Development</b>										
<b>CDBG Grant</b>										
CDBG Grant	304	14.218	B13MC390003	NAC		Community Dev	-	-	1,060	1,060
CDBG Grant	304	14.218	B14MC390003	NAC		Community Dev	3,516	-	1,425	1,425
CDBG Grant	304	14.218	B15MC390003	NAC		Community Dev	7,063	1,399	6,013	6,013
CDBG Grant	304	14.218	B16MC390003	NAC		Community Dev	-	-	3,031	3,031
Neighborhood Stabilization Program 1	438	14.218	B-08-MN-39-0003	NAO		Community Dev	-	22	7	7
<b>Total for CFDA No. 14.218</b>										
<b>2014 Emergency Solutions Grant (ESG)</b>										
2014 Emergency Solutions Grant (ESG)	445	14.231	E 14 MC 39 0003	NAO		Community Dev	433	-	165	165
2015 Emergency Solutions Grant (ESG)	445	14.231	E 15 MC 39 0003	NAO		Community Dev	970	-	721	721
<b>Total for CFDA No. 14.231</b>										

**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
2016 Emergency Solutions Grant (ESG)	445	14.231	E 16 MC 39 0003	NAO	Community Dev	1,403	-	181	1,067
<b>Total for CFDA No. 14.231</b>									
HOME Investment Partnerships Program 2010	411	14.239	M10MC390213	NAC	Community Dev	-	-	19	-
HOME Investment Partnerships Program 2011	411	14.239	M11MC390213	NAC	Community Dev	392	-	-	-
HOME Investment Partnerships Program 2012	411	14.239	M12MC390213	NAC	Community Dev	935	-	-	-
HOME Investment Partnerships Program 2013	411	14.239	M13MC390213	NAC	Community Dev	4	-	232	-
HOME Investment Partnerships Program 2014	411	14.239	M14MC390213	NAC	Community Dev	83	-	1,350	-
HOME Investment Partnerships Program 2015	411	14.239	M15MC390213	NAC	Community Dev	456	267	320	-
HOME Investment Partnerships Program 2015	411	14.239	M16MC390213	NAC	Community Dev	-	-	73	-
HOME Investment Partnerships Program	411	14.239	Outstanding CFDA Loans	NAC	Community Dev	-	-	39,285	-
<b>Total for CFDA No. 14.239</b>						1,870	267	41,279	-
Housing Opportunities for Persons with AIDS 2014	465	14.241	OHH 14001	NAO	Community Dev	82	-	2	2
Housing Opportunities for Persons with AIDS 2015	465	14.241	OHH 15001	NAO	Community Dev	594	-	337	337
Housing Opportunities for Persons with AIDS 2016	465	14.241	OHH 16001	NAO	Community Dev	-	-	192	192
<b>Total for CFDA No. 14.241</b>						676	-	531	531
<b>Total for CFDA No. 14.248</b>						35	253	15,203	-
CDBG Section 108 Loan Fund	305	14.248	CDBG Section 108 Loan	NAC	Community Dev	35	253	15,203	-
<b>Total for CFDA No. 14.248</b>						35	253	15,203	-
MetroWest HUD - 03668	980	14.251	B-09-SP-OH-0100	CP	Community Dev	303	-	-	-
MetroWest HUD EDI - 10221	980	14.251	B-10-SP-OH-0080	CP	Community Dev	46	-	35	-
<b>Total for CFDA No. 14.251</b>						349	-	35	-
ARRA- Neighborhood Stabilization Program 3	438	14.256	B-11-MN-39-0003	NAO	Community Dev	-	42	213	-
<b>Total for CFDA No. 14.256</b>						107	89	67	-
<b>Total for CFDA No. 14.256</b>						107	131	280	-
Continuum of Care Program	410	14.267	OH0003C5E000800	NAO	Community Dev	12	-	-	-
Continuum of Care Program	410	14.267	OH0307C5E000900	NAO	Community Dev	24	-	24	-
Continuum of Care Program	410	14.267	OH0302C5E000900	NAO	Community Dev	24	-	24	-
Continuum of Care Program	410	14.267	OH0308C5E000900	NAO	Community Dev	55	-	55	-
Continuum of Care Program	410	14.267	OH0363C5E001000	NAO	Community Dev	436	-	436	436
Continuum of Care Program	410	14.267	OH0364C5E001000	NAO	Community Dev	21	-	21	-
Continuum of Care Program	410	14.267	OH0002L5E001301	NAO	Community Dev	13	-	13	-
Continuum of Care Program	410	14.267	OH0015L5E001306	NAO	Community Dev	6	-	6	-
Continuum of Care Program	410	14.267	OH0009L5E001407	NAO	Community Dev	4,927	-	4,933	4,929
Continuum of Care Program	410	14.267	OH0002L5E001402	NAO	Community Dev	27	-	27	-
Continuum of Care Program	410	14.267	OH0006L5E001402	NAO	Community Dev	28	-	28	-
Continuum of Care Program	410	14.267	OH0015L5E001407	NAO	Community Dev	70	-	70	-
Continuum of Care Program	410	14.267	OH0424L5E001403	NAO	Community Dev	170	-	170	-
Continuum of Care Program	410	14.267	OH0003L5E001401	NAO	Community Dev	146	-	146	-
Continuum of Care Program	410	14.267	OH0302L5E001401	NAO	Community Dev	39	-	39	-
Continuum of Care Program	410	14.267	OH0307L5E001401	NAO	Community Dev	16	-	16	-
Continuum of Care Program	410	14.267	OH0308L5E001401	NAO	Community Dev	108	-	108	-
<b>Total for CFDA No. 14.267</b>						6,122	-	6,116	5,365
Lead Hazard Reduction Program	387	14.905	OHLHD 0245-12	NAO	Community Dev	1,103	-	945	-
Lead Hazard Control Grant	381	14.905	OHLHD0217-10	NAM	Health	76	-	-	-
Lead Hazard Control Grant	381	14.905	OHLHD0582-14	NAM	Health	694	-	875	-
<b>Total for CFDA No. 14.905</b>						1,873	-	1,820	-
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>						23,014	2,072	77,867	6,963
<b>7 U.S. Department of Justice</b>						6			6
<i>* Passed through Ohio Department of Youth Services</i>									
<i>Juvenile Accountability - 13 JABG</i>									

**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA#	Grant #	Fund Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
<b>Total for CFDA No. 16.523</b>						<b>6</b>	<b>-</b>	<b>6</b>	<b>-</b>
* <i>Passed through Ohio Attorney General</i>									
Crime Victim Assistance (15VALU)	368	16.575	2015-VOCA-10203686	NAS	Police	21	-	16	-
Crime Victim Assistance (16VALU)	368	16.575	2016-VOCA-19812206	NAS	Police	41	-	49	-
<b>Total for CFDA No. 16.575</b>						<b>62</b>	<b>-</b>	<b>65</b>	<b>-</b>
* <i>Passed through Ohio Office of Criminal Justice Services</i>									
Domestic Violence Advocacy (14VAWA)	368	16.588	2014-WF-VA5-8583	NAS	Police	43	-	43	43
Domestic Violence Advocacy (15VAWA)	368	16.588	2015-WF-VA5-8583	NAS	Police	14	-	14	-
<b>Total for CFDA No. 16.588</b>						<b>57</b>	<b>-</b>	<b>57</b>	<b>43</b>
Public Safety Partnership & Community Policing 2014	368	16.710	2014-UL-WX-0029	NAS	Police	612	-	611	-
Public Safety Partnership & Community Policing 2015	368	16.710	2015-UL-WX-0030	NAS	Police	137	-	137	-
<b>Total for CFDA No. 16.710</b>						<b>749</b>	<b>-</b>	<b>748</b>	<b>-</b>
Edward Byrne Memorial JAG (11JAG)	478	16.738	2011-DJ-BX-3278	NAS	Police	-	-	-	230
Edward Byrne Memorial JAG (12JAG)	478	16.738	2012-DJ-BX-0145	NAS	Police	-	-	-	192
Edward Byrne Memorial JAG (13JAG)	478	16.738	2013-DJ-BX-0194	NAS	Police	-	2	156	172
Edward Byrne Memorial JAG (14JAG)	478	16.738	2014-DJ-BX-0398	NAS	Police	-	2	18	167
Edward Byrne Memorial JAG (15JAG)	478	16.738	2015-DJ-BX-0238	NAS	Police	304	-	137	137
* <i>Passed through Ohio Office of Criminal Justice Services</i>									
Edward Byrne Memorial JAG (14TRAFFICKING)	368	16.738	2014-JG-A02-6256	NAS	Police	27	-	27	-
Edward Byrne Memorial JAG (15TRAFFICKING)	368	16.738	2015-JG-A02-6256	NAS	Police	9	-	9	-
Edward Byrne Memorial JAG (14HOME)	368	16.738	2014-JG-A02-6810	NAS	Police	23	-	25	-
<b>Total for CFDA No. 16.738</b>						<b>363</b>	<b>4</b>	<b>376</b>	<b>898</b>
Equitable Sharing Program-Asset Forfeiture	367	16.922		NAS	Police	492	-	368	-
<b>Total for CFDA No. 16.922</b>						<b>492</b>	<b>-</b>	<b>368</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF JUSTICE</b>						<b>1,729</b>	<b>4</b>	<b>1,620</b>	<b>941</b>
<b>8 U.S. Department of the Interior</b>									
* <i>Passed through Ohio Department of Natural Resources, Division of Wildlife</i>									
Sport Fishing Restoration	324	15.605	55X2038	NAR	Recreation	-	-	-	5
Sport Fishing Restoration	324	15.605	55X2070	NAR	Recreation	5	-	-	5
Sport Fishing Restoration	324	15.605	65X2012	NAR	Recreation	5	-	-	1
Sport Fishing Restoration	324	15.605	N/A	NAR	Recreation	-	-	-	-
<b>(e.) Total for CFDA No. 15.605</b>						<b>10</b>	<b>-</b>	<b>11</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF INTERIOR</b>						<b>10</b>	<b>-</b>	<b>11</b>	<b>-</b>
<b>9 U.S. Department of Transportation</b>									
FAA Local Match 11346	980	20.106	3-39-0018-2112	CP	DOT	25	-	210	-
FAA Local Match 142329	980	20.106	3-39-0018-022-2014	CP	DOT	707	-	371	-
<b>Total for CFDA No. 20.106</b>						<b>732</b>	<b>-</b>	<b>581</b>	<b>-</b>
* <i>Passed through Ohio Department of Transportation</i>									
Uptown Access Improvements W MLK Drive 11330	980	20.205	PID 99441	CP	DOT	331	-	412	-
Harrison Avenue Improvements 11338	980	20.205	PID 81853	CP	DOT	327	-	250	-
Central Parkway Bikeway 122337	980	20.205	PID 96335	CP	DOT	84	-	87	-
Bicycle Transportation Program - 152337	980	20.205	PID 98756	CP	DOT	750	-	804	-
Kennedy Connector 03354	980	20.205	PID 88706	CP	DOT	287	-	287	-
Safe Routes to School 152387	980	20.205	PID 94308	CP	DOT	265	-	312	-
Colerain Corridor TSM Improvements 03343	980	20.205	PID 87451	CP	DOT	1,175	-	904	-
<b>(f.) Total for CFDA No. 20.205</b>						<b>3,219</b>	<b>-</b>	<b>3,056</b>	<b>-</b>
* <i>Passed through Southwest Ohio Regional Transit Authority</i>									
FTA - Urban Circulator Grant - 03678	980	20.500	OH-03-0303-00	CP	DOT	7,874	-	7,874	-
<b>(j.) Total for CFDA No. 20.500</b>						<b>7,874</b>	<b>-</b>	<b>7,874</b>	<b>-</b>
* <i>Passed through Ohio State Highway Patrol</i>									

**CITY OF CINCINNATI, OHIO**  
**Schedule of Receipts and Expenditures of Federal Awards**  
**(Non-GAAP Budgetary Basis)**  
**For Fiscal Year ended June 30, 2016**

(Amount in Thousands)

Grantor/ Program Title	Fund	CFDA #	Fund	Class	Agency	Federal Revenue Received	Contributions & other Revenue (Non-Federal)	Federal Expenditures	Amount provided to Subrecipients
State and Community Highway Safety (14BLUEASH)	368	20.600	MOA - Subgrantee (2014)	NAS	Police	11	-	16	-
State and Community Highway Safety (15BLUEASH)	368	20.600	MOA - Subgrantee (2015)	NAS	Police	18	-	13	-
State and Community Highway Safety (15WORK)	368	20.600	CZ-2015-31-00-00-00733-00	NAS	Police	71	-	71	-
State and Community Highway Safety (14NONBLITZ)	368	20.600	STEP-2015-31-00-00-00500-00	NAS	Police	21	-	18	-
State and Community Highway Safety (15STEP)	368	20.600	STEP-2016-31-00-00-00455-00	NAS	Police	8	-	8	-
<b>(g.) Total for CFDA No. 20.600</b>						<b>129</b>	<b>-</b>	<b>126</b>	<b>-</b>
* Passed through Ohio State Highway Patrol									
National Priority Safety Programs (14BLITZ)	368	20.616	IDEP-2015-31-00-00-00352-00	NAS	Police	24	-	27	-
National Priority Safety Programs (15IDEP)	368	20.616	IDEP-2016-31-00-00-00322-00	NAS	Police	24	-	13	-
<b>(g.) Total for CFDA No. 20.616</b>						<b>48</b>	<b>-</b>	<b>40</b>	<b>-</b>
* Passed through Southwest Ohio Regional Transit Authority									
Tiger Grant - 03678	980	20.933	OH-79-002-00	CP	DOT	3,076	-	3,076	-
<b>Total for CFDA No. 20.933</b>						<b>3,076</b>	<b>-</b>	<b>3,076</b>	<b>-</b>
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>						<b>15,078</b>	<b>-</b>	<b>14,753</b>	<b>-</b>
<b>TOTAL FEDERAL GRANTS &amp; SUBSIDIES (Non-GAAP Basis)</b>						<b>55,323</b>	<b>2,234</b>	<b>110,295</b>	<b>7,904</b>

**Reconciliation of Schedule of Expenditures of Federal Awards to Budgetary Schedules**

Budgetary Schedules	SEFA
Special Parks and Recreation Fund	155
Community Development	12,484
Health	8,424
Other Grants	0
Recreation Grants	321
Safety	7,855
Capital Projects	15,250
Greater Cincinnati Water Works	54,022
EWV	1,301
	<b>#</b>
	<b>55,323</b>

**Notes to the Schedule of Expenditures of Federal Awards:**

The City has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance

\* Indicates Federal monies passed through another agency to the City of Cincinnati

# Represents OWDA loans received during Fiscal Year 16 reported on a cash basis

i Total Community Development loans outstanding at June 30, 2016 totaled \$28,374,807 under CFDA 14.218, \$39,284,707 under CFDA 14.239, \$15,202,545.75 under CFDA 14.248, \$7,531,779.59 under CFDA 14.256 and \$132,700 under CFDA 14.905.

ii In 2012 the City entered into an intergovernmental cooperative agreement with SORTA to administer the following grants awarded to the City as a sub-recipient. The City is responsible to assure that invoices paid are in compliance with the grants. The two grants covered under this agreement are:

The Urban Circulator Grant	CFDA 20.500	\$	24,990,000.00
TIGER 3 Grant	CFDA 20.933	\$	15,920,000.00

**CLUSTERS**

- a. CCDF Cluster
- b. Aging Cluster
- c. Medicaid Cluster
- d. Drinking Water State Revolving Fund Cluster
- e. Fish and Wildlife Cluster
- f. Highway Planning and Construction Cluster
- g. Highway Safety Cluster
- h. TANF Cluster
- i. Health Centers Cluster
- j. Federal Transit Cluster

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

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

The following data summarizes the results of the City's compliance with the infrastructure income tax requirements for Fiscal Years 2016 and 2015.

**(AMOUNTS IN THOUSANDS)**

	<b><u>FY2016</u></b>	<b><u>FY2015</u></b>
Required Base Amount	\$61,096	\$59,980
Actual Appropriated Amount	\$81,424	\$78,507
Infrastructure Expenditures - As of June 30, 2016	\$34,261	\$67,019
Percentage of Expenditures to Base Amount	56.0773%	111.7356%

I hereby certify that the City of Cincinnati appropriated for FY2016 an amount sufficient to meet the requirements for continuation of the Infrastructure Income Tax.

  
Reginald Zeno  
Director of Finance

# STATISTICAL SECTION





CITY OF CINCINNATI, OHIO

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**STATISTICAL SECTION**

This section of the City of Cincinnati's comprehensive annual financial report provides detailed historical and economic information for users of the financial statements, notes to the financial statements, and required supplementary information for the purpose of assessing and evaluating the City's economic condition.

*Financial Trends* – This section provides information on the City's net position, changes to net position and fund balance for assessing the changes in financial position over time.

*Revenue Capacity* – This section provides information on the City's ability to generate revenue, specifically income tax (the major source of revenue for governmental activities) and property tax revenue.

*Debt Capacity Information* – This section provides information on the City's outstanding debt, debt limitations and the ability to leverage and pay future debt.

*Demographic and Economic Information* – This section provides information about the environment in which the City operates.

*Operating Information* – This section provides operating information related to the City's infrastructure, assets and services provided by function.

**Sources:** Unless otherwise noted, the information in these statistical schedules is from the comprehensive annual financial reports for the relevant years.

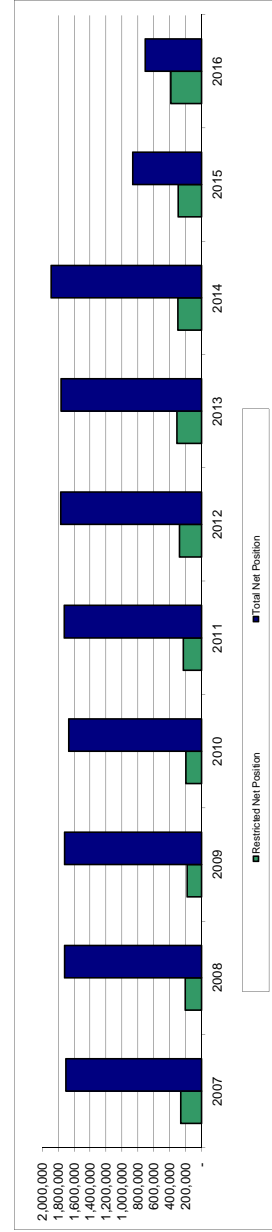
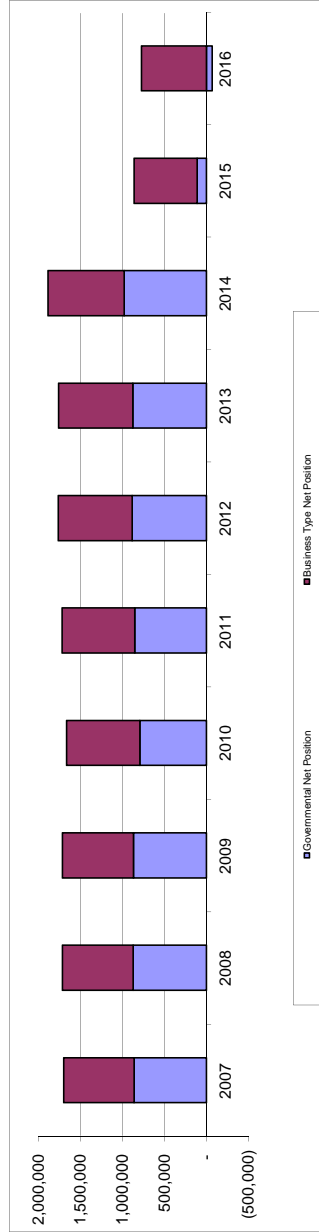
**Note:** The City changed its fiscal year in 2013 from a January 1 through December 31 to July 1 through June 30. The 2013 Fiscal year represents the six month conversion period from January 1 to June 30.

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**City of Cincinnati**  
**Financial Trends Information**  
**Schedule 1**  
**Net Position by Category**  
**Last Ten Fiscal Periods**  
**(Amounts in Thousands)**

	Fiscal Period									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 648,708	\$ 645,883	\$ 674,690	\$ 714,580	\$ 741,286	\$ 777,236	\$ 797,444	\$ 866,831	\$ 928,893	\$ 868,010
Restricted	176,785	162,774	133,750	160,955	203,698	223,826	233,054	205,812	212,989	316,881
Unrestricted	37,165	64,412	60,588	(80,222)	(89,024)	(114,492)	(153,490)	(90,482)	(1,029,535)	(1,252,133)
<b>Subtotal governmental activities net position</b>	<b>862,658</b>	<b>873,069</b>	<b>869,028</b>	<b>795,313</b>	<b>855,940</b>	<b>886,570</b>	<b>877,008</b>	<b>982,161</b>	<b>112,347</b>	<b>(67,242)</b>
<b>Business-Type activities</b>										
Net Investment in Capital Assets	739,650	707,549	705,909	750,184	745,722	748,487	743,892	741,619	779,790	792,466
Restricted	84,453	42,929	47,438	36,587	23,010	52,330	77,273	90,651	79,623	67,988
Unrestricted	17,250	95,424	97,175	85,433	98,341	79,518	65,200	75,073	(106,980)	(86,602)
<b>Subtotal business-type activities net position</b>	<b>841,353</b>	<b>845,902</b>	<b>850,522</b>	<b>872,204</b>	<b>867,073</b>	<b>880,335</b>	<b>886,365</b>	<b>907,343</b>	<b>752,433</b>	<b>773,852</b>
<b>Primary Government</b>										
Net Investment in Capital Assets	1,388,358	1,353,432	1,380,599	1,464,764	1,486,988	1,525,723	1,541,336	1,608,450	1,708,683	1,660,476
Restricted	261,238	205,703	181,188	197,542	226,708	276,156	310,327	296,463	292,612	384,869
Unrestricted	54,415	159,836	157,763	5,211	9,317	(34,974)	(88,290)	(15,409)	(1,136,515)	(1,338,735)
<b>Total primary government net position</b>	<b>\$ 1,704,011</b>	<b>\$ 1,718,971</b>	<b>\$ 1,719,550</b>	<b>\$ 1,667,517</b>	<b>\$ 1,723,013</b>	<b>\$ 1,766,905</b>	<b>\$ 1,763,373</b>	<b>\$ 1,889,504</b>	<b>\$ 864,780</b>	<b>\$ 706,610</b>

Note: The City of Cincinnati Changed Fiscal Year in 2013. The information for the 2013 Fiscal Year represents six months of information for the period ending June 30, 2013.



**City of Cincinnati, Ohio**  
**Financial Trends Information**  
**Schedule 2**  
**Changes in Net Position**  
**Last Ten Fiscal Periods**  
**(Amounts in Thousands)**

	Fiscal Period									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services	\$ 98,413	\$ 100,874	\$ 107,959	\$ 106,395	\$ 78,682	\$ 52,737	\$ 18,198	\$ 59,231	\$ 62,795	\$ 59,129
General Government	1,274	2,488	408	5,147	37	13,346	6,779	31,726	32,147	10,799
Community Development	7,103	6,833	7,314	7,451	7,059	7,404	8,809	10,775	8,833	9,215
Parks and Recreation	12,083	16,404	14,230	14,789	18,059	18,059	8,752	22,032	25,205	22,172
Public Safety	1,185	1,583	85	1,956	1,360	1,360	937	3,233	3,865	550
Transportation and Engineering	2,256	3,078	5,735	2,588	36	2,301	1,056	2,789	2,971	4,578
Public Health	9,060	8,216	9,607	10,152	10,314	12,340	6,941	14,188	18,666	22,626
Operating Grants and Contributions	38,051	43,632	54,101	64,475	66,024	78,897	21,967	58,425	66,808	48,537
Capital Grants and Contributions	12,559	21,502	22,951	23,436	27,012	31,232	21,416	36,456	35,054	20,563
<b>Total governmental activities program revenue</b>	<b>181,984</b>	<b>204,610</b>	<b>222,390</b>	<b>236,389</b>	<b>209,855</b>	<b>217,897</b>	<b>90,855</b>	<b>238,855</b>	<b>256,344</b>	<b>198,169</b>
<b>Business-type activities</b>										
Charges for Services	117,494	119,228	115,377	123,443	119,434	132,486	64,840	139,635	140,124	146,395
Water Works	8,567	8,814	8,860	9,520	10,385	10,402	5,709	13,468	12,119	13,095
Parking Facilities	6,209	6,414	5,236	6,764	7,513	6,788	4,221	6,693	6,978	8,211
Convention Center	1,887	2,029	1,932	2,039	2,044	2,083	1,444	1,848	1,985	2,086
General Aviation	6,457	6,414	6,458	6,069	5,270	5,990	2,760	5,392	5,509	5,759
Municipal Golf	8,713	8,682	8,756	8,919	8,412	9,686	5,691	11,305	11,455	11,200
Stormwater Management	5,140	5,293	9,971	32,217	3,543	3,414	359	2,197	4,684	9,964
Capital Grants and Contributions	154,467	156,910	156,590	188,971	156,601	170,849	85,024	180,538	182,854	196,710
<b>Total business-type activities program revenues</b>	<b>\$ 336,451</b>	<b>\$ 361,520</b>	<b>\$ 378,980</b>	<b>\$ 425,360</b>	<b>\$ 366,456</b>	<b>\$ 388,746</b>	<b>\$ 175,879</b>	<b>\$ 419,393</b>	<b>\$ 439,198</b>	<b>\$ 394,879</b>
<b>Total primary government program revenues</b>										
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 141,045	\$ 139,727	\$ 140,573	\$ 178,047	\$ 117,064	\$ 111,713	\$ 33,404	\$ 122,523	\$ 93,793	\$ 145,758
Community Development	45,910	46,668	44,194	54,316	45,274	49,744	25,076	10,122	55,155	67,760
Parks and Recreation	42,069	44,616	42,345	51,298	42,419	44,615	25,399	50,777	46,310	59,286
Public Safety	235,945	247,924	253,413	254,720	242,159	248,347	128,138	231,266	255,412	276,858
Transportation and Engineering	37,734	37,965	42,361	46,805	34,121	58,483	11,671	59,104	44,366	52,063
Transit Systems	43,814	45,389	46,537	40,398	41,746	45,047	23,976	48,877	49,800	50,811
Public Services	53,166	60,227	48,987	60,920	57,415	46,287	28,611	60,855	50,878	58,286
Public Health	43,367	45,703	48,017	58,940	47,862	43,197	26,279	50,063	44,362	65,361
Interest on long-term debt	19,034	21,276	22,180	22,865	23,004	23,806	11,957	20,623	22,045	23,621
<b>Total governmental activities expenses</b>	<b>662,084</b>	<b>691,485</b>	<b>688,607</b>	<b>788,309</b>	<b>651,064</b>	<b>671,239</b>	<b>314,511</b>	<b>654,210</b>	<b>662,121</b>	<b>799,804</b>
<b>Business-type activities</b>										
Water Works	108,314	113,804	117,007	132,531	119,423	116,652	64,130	123,598	109,676	131,121
Parking Facilities	10,397	8,969	8,831	9,605	8,807	11,765	4,296	12,174	9,587	12,444
Convention Center	14,588	18,372	14,605	15,424	15,484	14,617	6,964	12,625	11,998	14,670
General Aviation	2,319	2,753	2,529	2,864	2,729	2,110	1,120	2,503	2,289	2,431
Municipal Golf	6,428	6,369	6,141	6,258	7,313	6,291	3,318	6,179	5,597	6,103
Stormwater Management	8,258	8,452	9,998	8,927	11,157	11,458	4,621	10,481	11,623	12,318
<b>Total business-type activities expenses</b>	<b>150,304</b>	<b>158,719</b>	<b>159,111</b>	<b>175,609</b>	<b>164,913</b>	<b>162,893</b>	<b>84,449</b>	<b>167,560</b>	<b>150,770</b>	<b>179,087</b>
<b>Total primary government expenses</b>	<b>\$ 812,388</b>	<b>\$ 850,204</b>	<b>\$ 847,718</b>	<b>\$ 943,918</b>	<b>\$ 815,977</b>	<b>\$ 834,132</b>	<b>\$ 398,960</b>	<b>\$ 821,770</b>	<b>\$ 812,891</b>	<b>\$ 978,891</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (480,100)	\$ (486,875)	\$ (466,217)	\$ (531,920)	\$ (441,209)	\$ (453,342)	\$ (223,656)	\$ (415,355)	\$ (405,777)	\$ (601,635)
Business-type activities	4,163	(1,809)	(2,521)	13,362	(8,312)	7,956	575	12,978	32,084	17,623
<b>Total Primary Government Net Expense</b>	<b>(475,937)</b>	<b>(488,684)</b>	<b>(468,738)</b>	<b>(518,558)</b>	<b>(449,521)</b>	<b>(445,386)</b>	<b>(223,081)</b>	<b>(402,377)</b>	<b>(373,693)</b>	<b>(584,012)</b>

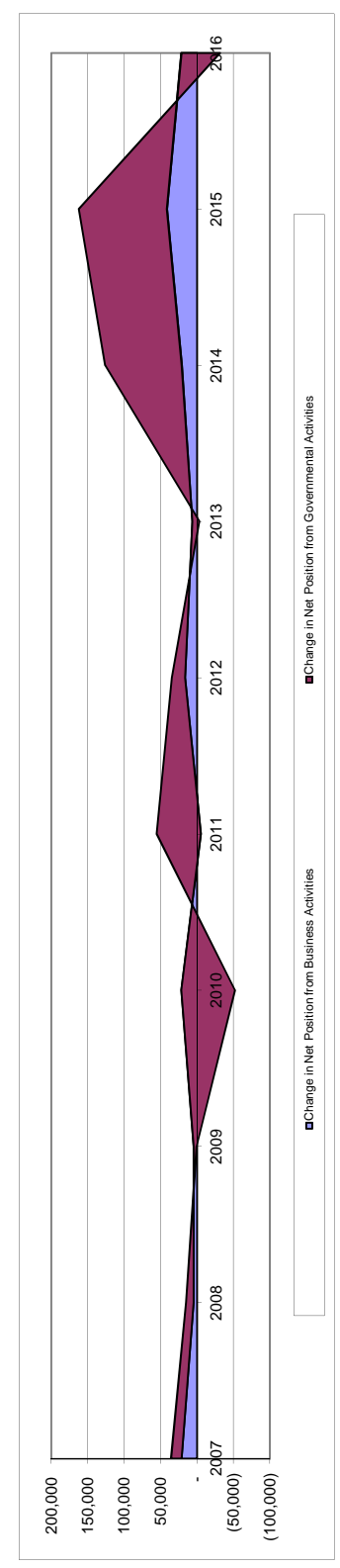
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**City of Cincinnati, Ohio**  
**Financial Trends Information**  
**Schedule 2**  
**Changes in Net Position**  
**Last Ten Fiscal Period**  
**(Amounts in Thousands)**

	Fiscal Period									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Revenues and Other Changes in Net Assets(Position)</b>										
Governmental activities:										
Tax	\$ 75,393	\$ 80,153	\$ 80,153	\$ 51,509	\$ 53,335	\$ 50,310	\$ 23,730	\$ 58,714	\$ 58,668	\$ 59,426
Property taxes	304,466	319,565	299,778	297,636	325,089	319,317	159,275	351,262	362,184	371,650
Income taxes	4,309	4,570	4,028	4,174	4,450	4,616	1,720	5,278	5,422	6,586
Admission taxes	2,131	2,222	1,884	2,007	2,270	2,330	1,092	2,705	2,854	3,369
Occupancy Tax	67,927	73,079	60,320	64,714	62,012	57,438	14,817	50,004	46,839	48,767
Shared Revenues	20,311	19,363	14,461	10,861	9,407	5,931	(2,963)	10,357	7,108	8,972
Unrestricted investment earnings	127	699	1,350	27,380	31,844	31,370	17,474	41,048	42,585	45,067
Miscellaneous	16,543				14,000					
Special Item - Gain on Sale of Property	3,500	2,726	202	(76)	(571)	100	(1,051)	1,140	1,119	4,788
Transfers between governmental and business-type activities										
Total governmental activities	494,707	497,286	462,176	458,205	501,836	471,412	214,094	520,508	526,779	548,625
Business-type activities:										
Tax	1,274	1,287	1,187	1,234	1,394	1,419	836	1,640	1,662	2,179
Occupancy taxes	8,380	6,320	3,662	4,969	4,515	3,976	(449)	4,443	3,524	4,625
Unrestricted investment earnings	3,819	2,455	2,494	2,041	1,486	3,294	4,301	3,057	5,243	1,780
Miscellaneous		(978)	(202)	76	571	(100)	1,051	(1,140)	(1,119)	(4,788)
Special Item										
Transfers between governmental and business-type activities										
Total business-type activities	16,973	6,358	7,141	8,320	3,181	8,589	5,739	8,000	9,310	3,796
Total Primary Governmental Activities	511,680	503,644	469,317	466,525	505,017	480,001	219,833	528,508	536,089	552,421
<b>Change in Net Position</b>	\$ 14,607	\$ 10,411	\$ (4,041)	\$ (73,715)	\$ 60,627	\$ 18,070	\$ (9,562)	\$ 105,153	\$ 121,002	\$ (53,010)
Governmental activities	21,136	4,549	4,620	21,682	(5,131)	16,545	6,314	20,978	41,394	21,419
Business-type activities	\$ 35,743	\$ 14,960	\$ 579	\$ (52,033)	\$ 55,496	\$ 34,615	\$ (3,248)	\$ 126,131	\$ 162,396	\$ (31,591)
Total Primary Governmental Activities										

Note: In 2011, Retirement began paying the prescription drug benefits for retirees directly instead of through the Self-Insured Medical Fund, resulting in a decrease in General Government Charges for Services, offset by a decrease in General Government Expenditures.

Note: The City of Cincinnati Changed Fiscal Year in 2013. The information for the 2013 Fiscal Year represents six months of information for the period ending June 30, 2013.



City of Cincinnati  
Financial Trends Information  
Schedule 3  
Fund Balances, Governmental Funds  
Last Ten Fiscal Periods  
(Amounts in Thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Fund</b>										
Nonspendable	\$ 17,406	\$ 13,226	\$ 5,790	\$ 3,726	\$ 4,063	\$ 6,415	\$ 4,025	\$ 2,304	\$ 3,612	\$ 3,730
Reserved	56,058	53,471								
Unreserved										
Unrestricted:										
Committed			12,885	8,295	5,287	6,828	7,177	7,793	5,264	6,366
Assigned			36,106	27,316	24,975	24,548	22,561	6,620	5,734	8,810
Unassigned			35,214	46,017	65,481	61,915	52,545	64,778	72,232	73,932
<b>Total General Fund</b>	<b>73,464</b>	<b>66,697</b>	<b>89,995</b>	<b>85,354</b>	<b>99,806</b>	<b>99,706</b>	<b>86,308</b>	<b>81,495</b>	<b>86,842</b>	<b>92,838</b>
<b>Capital Projects Fund</b>										
Nonspendable			17,213	15,962	898	903	837	797	754	774
Reserved	67,052	103,682								
Restricted			118,630	109,561	125,603	160,798	134,339	134,412	59,435	151,402
Unreserved	109,614	105,996								
Unrestricted:										
Committed			15,764							
Assigned			31,550							
Unassigned										
<b>Total Capital Projects Fund</b>	<b>176,666</b>	<b>209,678</b>	<b>183,157</b>	<b>125,523</b>	<b>126,501</b>	<b>161,701</b>	<b>135,176</b>	<b>135,209</b>	<b>60,189</b>	<b>152,176</b>
<b>Debt Service Fund</b>										
Nonspendable				10,000						
Reserved	55,545	65,660								
Restricted			73,137	50,548	81,090	76,846	90,078	108,575	99,091	116,003
Unreserved	1,425									
Unrestricted:										
Committed										
Assigned										
Unassigned										
<b>Total Debt Service Fund</b>	<b>55,545</b>	<b>67,085</b>	<b>73,137</b>	<b>60,548</b>	<b>81,090</b>	<b>76,846</b>	<b>90,078</b>	<b>108,575</b>	<b>99,091</b>	<b>116,003</b>
<b>All Other Governmental Funds</b>										
Nonspendable			3,447	3,274	2,645	2,655	2,658	2,713	2,628	2,428
Reserved	40,850	45,987								
Restricted			52,111	98,085	117,086	93,966	83,277	86,126	100,183	117,201
Unreserved	36,644	35,684								
Unrestricted:										
Committed				503	18,021	13,171	13,642	17,218	19,443	19,129
Assigned			24,587	18,447						
Unassigned			(1,581)		(1,048)	(1,024)	(2,841)	(1,025)	(2,139)	(1,502)
<b>Total Other Governmental Funds</b>	<b>77,494</b>	<b>81,671</b>	<b>78,564</b>	<b>120,309</b>	<b>136,004</b>	<b>108,768</b>	<b>96,736</b>	<b>105,032</b>	<b>120,115</b>	<b>137,256</b>
<b>Total Fund Balance, Governmental Funds</b>	<b>\$ 383,169</b>	<b>\$ 425,131</b>	<b>\$ 424,853</b>	<b>\$ 391,734</b>	<b>\$ 443,401</b>	<b>\$ 447,021</b>	<b>\$ 408,288</b>	<b>\$ 430,311</b>	<b>\$ 366,237</b>	<b>\$ 498,273</b>
<b>Estimated Liability for Compensated Absences</b>	<b>\$ 8,340</b>	<b>\$ 8,683</b>	<b>\$ 10,623</b>	<b>\$ 1,065</b>	<b>\$ 1,048</b>	<b>\$ (3,448)</b>	<b>\$ 5,707</b>	<b>\$ (1,317)</b>	<b>\$ 2,395</b>	<b>\$ 3,334</b>

Notes: In 2004 a reserve of fund balance was created for the Estimated Liability for Compensated Absences. In prior years this amount has been included in the liability section of the financial statements. Prior years have been restated.

In 2009 GASB 54 was implemented which eliminated the reserved and unreserved classifications and replaced them with Nonspendable, Restricted and Unrestricted. Within the Unrestricted category three classifications of fund balance were created. They are Committed, Assigned and Unassigned.

The City of Cincinnati changed Fiscal Years in 2013. The information for the 2013 fiscal year represents six months of information for the period ending June 30, 2013.

**City of Cincinnati**  
**Financial Trends Information**  
**Schedule 4**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Periods**  
**(Amounts in Thousands)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Taxes	\$ 392,302	\$ 398,520	\$ 386,846	\$ 359,559	\$ 377,508	\$ 379,467	\$ 190,262	\$ 409,624	\$ 421,178	\$ 440,768
Licenses and Permits	11,516	11,302	12,045	11,218	11,313	10,624	6,071	14,041	15,078	14,781
Use of Money and Property	52,347	45,223	41,409	43,935	38,047	37,099	13,488	44,781	39,960	50,051
Special Assessments	4,257	4,327	4,383	5,416	4,993	5,058	3,128	6,061	6,376	5,398
Intergovernmental Revenue	69,001	77,737	71,514	75,139	71,506	90,255	29,442	55,863	54,187	57,413
Federal Grants	41,806	32,613	48,155	60,328	62,508	65,729	30,728	69,829	80,131	53,240
State Grants and Subsidies	4,429	22,584	10,461	14,738	17,824	10,550	7,233	10,528	10,528	4,590
Charges for Current Services	31,448	32,326	34,066	35,015	35,007	37,738	18,461	40,675	48,551	53,926
Miscellaneous	6,584	5,744	13,216	35,753	35,419	34,839	18,791	47,628	47,151	48,911
<b>Total Revenue</b>	<b>613,690</b>	<b>630,376</b>	<b>622,095</b>	<b>641,101</b>	<b>654,125</b>	<b>671,359</b>	<b>317,604</b>	<b>697,986</b>	<b>723,140</b>	<b>729,078</b>
<b>Expenditures</b>										
<b>Current</b>										
General Government	51,621	51,828	65,161	62,296	64,982	65,969	42,632	92,091	98,413	100,781
Community Development	8,934	13,087	11,418	10,553	8,386	8,351	3,854	12,928	12,272	46,146
Parks and Recreation	30,746	30,037	28,864	28,324	26,048	28,133	13,959	35,930	38,214	38,518
Public Safety	171,533	180,415	180,917	177,738	177,432	176,453	84,797	229,607	240,235	241,815
Transportation and Engineering	8,422	7,194	8,222	7,488	6,241	7,671	3,851	9,216	8,798	8,395
Transit System	43,820	45,389	46,537	40,398	41,746	45,047	23,976	48,877	49,800	50,811
Public Services	38,371	39,754	33,549	35,514	28,887	27,834	15,573	40,661	39,646	37,417
Public Health	33,461	32,235	34,275	33,898	30,203	31,397	15,742	44,464	46,371	49,504
Employee Benefits	84,415	81,588	84,487	92,418	94,932	102,874	53,084	86,988	180,904	135,669
Capital Outlay	114,358	130,585	142,571	171,810	144,866	205,251	186,742	186,742	180,904	135,669
Debt Services:										
Principal Retirement	53,079	34,398	41,852	38,338	40,869	44,888	708	59,635	49,039	51,346
Interest	19,298	21,006	21,878	22,878	22,670	23,885	12,020	20,812	25,882	26,688
Bond Issuance Cost	1,059	1,403	1,070	556	850	1,193	-	900	-	4,202
<b>Total Expenditures</b>	<b>659,117</b>	<b>668,919</b>	<b>700,801</b>	<b>722,209</b>	<b>688,112</b>	<b>768,946</b>	<b>357,184</b>	<b>781,863</b>	<b>789,574</b>	<b>791,292</b>
<b>Excess(Deficiency) of Revenues over(under) Expenditures</b>	<b>(45,427)</b>	<b>(38,543)</b>	<b>(78,706)</b>	<b>(81,108)</b>	<b>(33,987)</b>	<b>(97,587)</b>	<b>(39,580)</b>	<b>(83,877)</b>	<b>(66,434)</b>	<b>(62,214)</b>
<b>Other Financing Sources (Uses)</b>										
General Obligation Bonds and Notes Issued	50,500	41,600	64,250	47,027	49,000	89,155		94,721		140,481
Revenue Bonds Issued	9,995	35,280	12,770		21,000					35,530
Capital Lease Financing										20,079
Refunding Bonds Issued	52,005	5,080	5,080	10,305	19,000	49,025		42,045		173,100
Payment to Refunded Bonds Escrow Agent	(54,308)	(554)	(4,800)	(10,810)	(20,683)	(54,571)		(46,959)		(191,486)
Discount on Bonds			(31)		(180)					(120)
Premium on Bonds Issued	3,524	1,133	1,279	1,661	3,869	17,670		16,309		32,049
State Loans Received	2,300									
Capital Lease Agreements										
Revenue Loan Proceeds										
Judgement Payment with Bonds Issued										
Transfers In	85,980	130,747	80,441	81,621	74,290	115,744	19,985	101,424	46,663	3,773
Transfers(Out)	(82,030)	(127,701)	(80,561)	(81,815)	(74,642)	(114,796)	(19,128)	(101,650)	(44,303)	(24,215)
<b>Total Other Financing Sources(Uses)</b>	<b>67,966</b>	<b>80,505</b>	<b>78,428</b>	<b>47,989</b>	<b>71,654</b>	<b>102,227</b>	<b>857</b>	<b>105,990</b>	<b>2,360</b>	<b>194,250</b>
<b>Special Item</b>					<b>14,000</b>					
<b>Net change in fund balances</b>	<b>\$ 22,539</b>	<b>\$ 41,962</b>	<b>\$ (278)</b>	<b>\$ (33,119)</b>	<b>\$ 51,667</b>	<b>\$ 4,640</b>	<b>\$ (38,723)</b>	<b>\$ 22,013</b>	<b>\$ (64,074)</b>	<b>\$ 132,036</b>
<b>Capitalized Assets</b>	<b>\$ 81,589</b>	<b>\$ 89,910</b>	<b>\$ 124,870</b>	<b>\$ 108,294</b>	<b>\$ 112,357</b>	<b>\$ 141,071</b>	<b>\$ 79,205</b>	<b>\$ 88,689</b>	<b>\$ 123,072</b>	<b>\$ 64,152</b>
<b>Debt services as a Percentage of Noncapital Expenditures</b>	<b>14.33%</b>	<b>10.58%</b>	<b>12.44%</b>	<b>11.08%</b>	<b>12.40%</b>	<b>12.30%</b>	<b>4.80%</b>	<b>13.13%</b>	<b>12.66%</b>	<b>12.02%</b>

Note: Capitalized Asset amount is from the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance

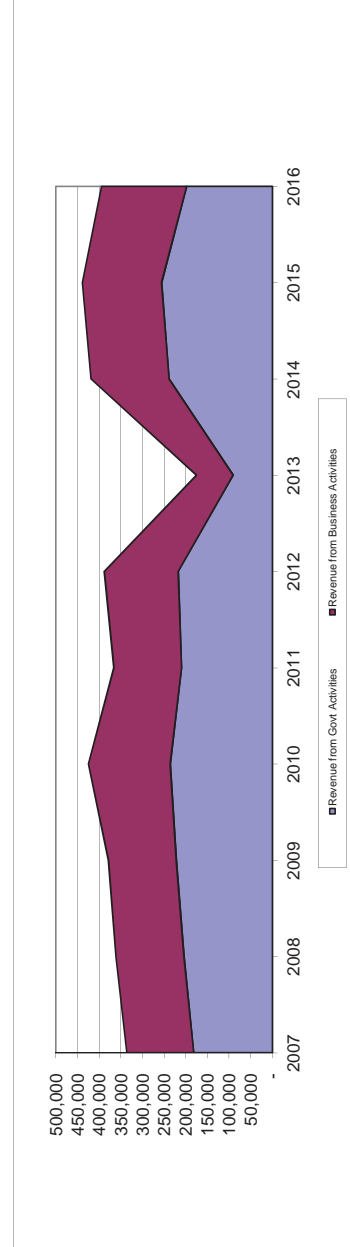
Note: The City of Cincinnati Changed Fiscal Year in 2013. The information for the 2013 Fiscal Year represents six months of information for the period ending June 30, 2013.

Note: Beginning in fiscal year 2014 Employee Benefits are expensed at the program level.

**City of Cincinnati**  
**Financial Trends Information**  
**Schedule 5**  
**Program Revenues by Function**  
**Last Ten Fiscal Periods**  
**(Amounts in Thousands)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Function/Program</b>										
<b>Governmental Activities:</b>										
General Government	\$ 110,447	\$ 103,886	\$ 110,673	\$ 111,773	\$ 90,913	\$ 69,143	\$ 23,079	\$ 65,245	\$ 68,380	\$ 59,270
Community Development	25,617	25,404	31,580	43,336	36,005	45,061	18,610	64,039	74,185	32,935
Parks and Recreation	9,832	13,898	9,358	12,601	9,447	9,295	5,361	12,171	10,535	12,547
Public Safety	17,649	21,909	26,464	27,654	35,241	30,243	13,150	34,914	36,894	36,155
Transportation and Engineering	253	18,842	19,382	15,828	17,007	41,236	17,986	35,199	33,049	17,987
Public Services	2,296	4,968	5,781	4,812	1,409	3,304	1,388	3,161	3,801	5,618
Public Health	15,890	15,713	19,152	20,385	19,833	19,615	11,501	24,126	29,500	33,657
<b>Subtotal governmental activities program revenue</b>	<b>181,984</b>	<b>204,610</b>	<b>222,390</b>	<b>236,389</b>	<b>209,855</b>	<b>217,897</b>	<b>90,855</b>	<b>238,855</b>	<b>256,344</b>	<b>198,169</b>
<b>Business-type activities</b>										
Water Works	122,429	122,327	125,081	126,482	122,738	135,871	65,142	141,637	144,323	154,357
Parking Facilities	8,610	8,822	8,868	9,520	10,535	10,402	5,766	13,468	12,119	13,095
Convention Center	6,209	7,505	5,236	6,764	7,513	6,788	4,221	6,693	7,381	9,428
General Aviation	1,983	2,103	2,191	2,042	2,133	2,112	1,444	2,043	2,067	2,871
Municipal Golf	6,511	6,776	6,458	6,367	5,270	5,990	2,760	5,392	5,509	5,759
Stormwater Management	8,725	9,377	8,756	37,796	8,412	9,686	5,691	11,305	11,455	11,200
<b>Subtotal business-type activities program revenues</b>	<b>154,467</b>	<b>156,910</b>	<b>156,590</b>	<b>188,971</b>	<b>156,601</b>	<b>170,849</b>	<b>85,024</b>	<b>180,538</b>	<b>182,854</b>	<b>196,710</b>
<b>Total primary government program revenues</b>	<b>\$ 336,451</b>	<b>\$ 361,520</b>	<b>\$ 378,980</b>	<b>\$ 425,360</b>	<b>\$ 366,456</b>	<b>\$ 388,746</b>	<b>\$ 175,879</b>	<b>\$ 419,393</b>	<b>\$ 439,198</b>	<b>\$ 394,879</b>

Note: The City of Cincinnati Changed fiscal years in 2013. The information for the 2013 fiscal year represents six months of information for the period ending June 30, 2013.





**City of Cincinnati**  
**Financial Trends Information**  
**Schedule 6**

**Total Revenue by Source, Governmental Funds**  
**Last Ten Fiscal Periods**  
**(Amounts in Thousands)**

Fiscal Year	Taxes	Licenses and Permits	Use of Money and Property	Special Assessments	Inter-Governmental Revenues	Grants and Subsidies	Charges for Current Services	Misc	Total
2007	\$ 392,302	\$ 11,516	\$ 52,347	\$ 4,257	\$ 69,001	\$ 46,235	\$ 31,448	\$ 6,584	\$ 613,690
2008	398,520	11,302	45,223	4,327	77,737	55,197	32,326	5,744	630,376
2009	386,846	12,045	41,409	4,383	71,514	58,616	34,066	13,216	622,095
2010	359,559	11,218	43,935	5,416	75,139	75,066	35,015	35,753	641,101
2011	377,508	11,313	38,047	4,993	71,506	80,332	35,007	35,419	654,125
2012	379,467	10,624	37,099	5,058	90,255	76,279	37,738	34,839	671,359
2013	190,262	6,071	13,488	3,128	29,442	37,961	18,461	18,791	317,604
2014	409,624	14,041	44,654	6,061	55,963	79,213	40,675	47,628	697,859
2015	421,178	15,078	39,960	6,376	54,187	90,659	48,551	47,151	723,140
2016	440,768	14,781	50,051	5,398	57,413	57,830	53,926	48,911	729,078

Change 2007-2016	12.4%	28.4%	-4.4%	26.8%	-16.8%	25.1%	71.5%	642.9%	18.8%
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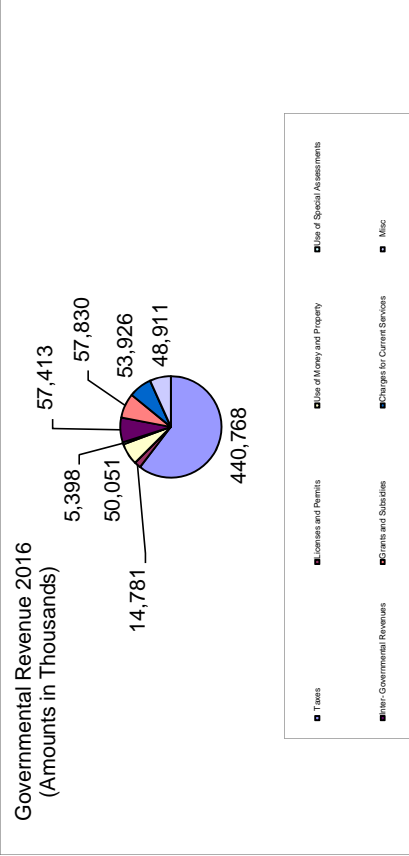
**City of Cincinnati**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Periods**  
**(Amounts in Thousands)**

Fiscal Year	Income Tax	Property Tax	Admissions Tax	Occupancy Tax	Tax Revenue
2007	\$ 311,327	\$ 74,534	\$ 4,310	\$ 2,131	\$ 392,302
2008	317,532	74,196	4,570	2,222	398,520
2009	303,685	77,250	4,027	1,884	386,846
2010	302,307	51,070	4,175	2,007	359,559
2011	317,453	53,335	4,450	2,270	377,508
2012	322,526	49,995	4,616	2,330	379,467
2013	166,137	21,314	1,719	1,092	190,262
2014	344,688	56,953	5,278	2,705	409,624
2015	355,276	57,604	5,444	2,854	421,178
2016	371,435	57,604	5,444	2,854	437,337

Change 2007-2016	19.3%	-22.7%	26.3%	33.9%	11.5%
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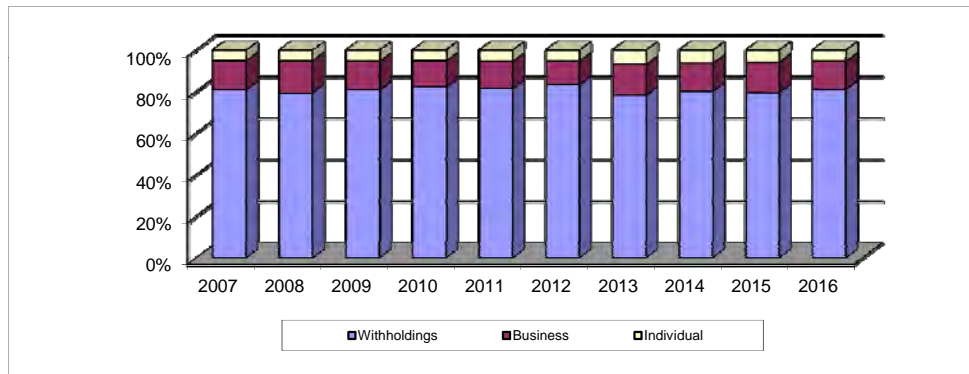
(1) Property Taxes include TIF service payments until 2010. TIF service payments are now in Miscellaneous Revenue

(2) The City of Cincinnati changed fiscal years in 2013. The information for the 2013 fiscal year represents six months of information for the period ending June 30, 2013.



**City of Cincinnati  
Revenue Capacity  
Schedule 1  
Income Tax Revenue Base and Collections  
Cash Basis  
Last Ten Fiscal Periods  
(Amounts in Thousands)**

<b>Tax Year</b>	<b>Individual</b>	<b>% Total</b>	<b>Business</b>	<b>% Total</b>	<b>Withholding</b>	<b>% Total</b>	<b>Gross Receipts</b>	<b>Refunds</b>	<b>Net Receipts</b>
2007	\$ 16,206	5.1%	\$ 44,812	14.0%	\$ 258,136	80.9%	\$ 319,154	13,155	\$ 305,999
2008	17,414	5.2%	51,676	15.5%	264,806	79.3%	333,896	12,660	321,236
2009	16,789	5.3%	43,743	13.8%	257,088	80.9%	317,620	14,608	303,012
2010	15,981	5.1%	40,236	12.7%	259,652	82.2%	315,869	12,955	302,914
2011	17,855	5.4%	42,898	13.0%	268,318	81.5%	329,071	12,721	316,350
2012	17,705	5.3%	38,315	11.4%	278,910	83.3%	334,930	12,194	322,736
2013	12,819	6.9%	27,582	14.9%	144,553	78.2%	184,954	11,707	173,247
2014	22,225	6.3%	48,234	13.6%	284,804	80.2%	355,263	14,273	340,990
2015	21,429	5.8%	54,334	14.7%	294,043	79.5%	369,806	12,826	356,980
2016	20,818	5.3%	52,746	13.6%	315,677	81.1%	389,241	12,589	376,652



- Note:
1. The income tax rate is 2.1%.
  2. Minor differences between net receipts and Non-GAAP receipts are due to processing of City employee withholdings.
  3. The City of Cincinnati changed Fiscal Years in 2013. The information for the 2013 Fiscal Year represents six months of information for the period ending June 30, 2013.

Source: Cincinnati Income Tax Division

**City of Cincinnati  
Revenue Capacity  
Schedule 2  
Income Tax Revenues  
GAAP and NonGAAP  
Last Ten Fiscal Periods  
(Amounts in Thousands)**

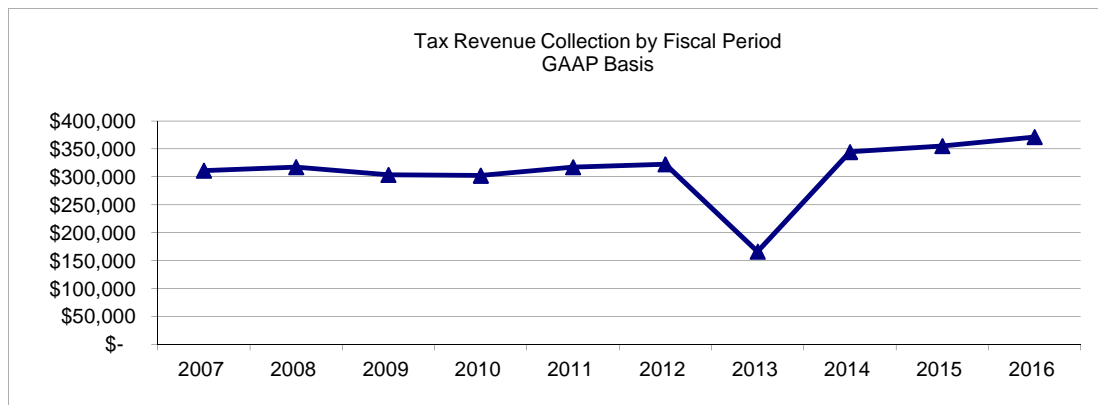
**Non GAAP Budgetary Basis**

Year	General Fund	Transit Fund	Infrastructure Fund	Permanent Improvement Fund	Total	% Inc(Dec) PriorYr
2007	\$ 225,008	\$ 43,840	\$ 14,614	\$ 23,421	\$ 306,883	7.59%
2008	231,758	45,821	15,274	27,898	320,751	4.52%
2009	223,800	43,316	14,439	21,658	303,213	-5.47%
2010	222,497	43,064	14,355	21,532	301,448	-0.58%
2011	233,752	45,242	15,081	22,621	316,696	5.06%
2012	238,210	46,105	15,368	23,053	322,736	1.91%
2013	127,873	24,749	8,250	12,375	173,247	-46.32%
2014	251,683	48,713	16,238	24,356	340,990	96.82%
2015	261,848	50,680	16,893	25,340	354,761	4.04%
2016	277,673	53,743	17,914	26,872	376,202	6.04%

**GAAP Basis**

Year	General Fund	Transit Fund	Infrastructure Fund	Permanent Improvement Fund	Total	% Inc(Dec) PriorYr
2007	\$ 226,704	\$ 44,168	\$ 14,723	\$ 25,732	\$ 311,327	9.21%
2008	229,381	45,362	15,121	27,668	317,532	1.99%
2009	222,942	43,150	14,383	23,210	303,685	-4.36%
2010	223,130	43,187	14,396	21,594	302,307	-0.45%
2011	234,311	45,350	15,117	22,675	317,453	5.01%
2012	238,054	46,075	15,359	23,038	322,526	1.60%
2013	122,624	23,734	7,912	11,867	166,137	-48.49%
2014	254,413	49,241	16,414	24,620	344,688	107.47%
2015	262,180	50,744	16,914	25,438	355,276	3.07%
2016	274,154	53,062	17,687	26,532	371,435	4.55%

Note: The City of Cincinnati changed Fiscal Years in 2013. The information for the 2013 Fiscal Year represents six months of information for the period ending June 30, 2013.



**City of Cincinnati  
Revenue Capacity  
Schedule 3  
Assessed Valuations and Estimated True Values  
Last Ten Fiscal Periods**

**Assessed Valuations**

<b>Collection Year</b>	<b>Real Property</b>	<b>Public Utility Property</b>	<b>Tangible Personal Property</b>	<b>Total</b>	<b>Direct Tax Rate</b>
2007	\$ 5,522,872,120	\$ 312,711,570	\$ 337,541,870	\$6,173,125,560	9.93
2008	5,523,140,570	259,754,620	182,812,120	5,965,707,310	9.89
2009	5,647,647,630	258,279,260	28,684,610	5,934,611,500	9.89
2010	5,653,703,070	270,947,630	15,462,590	5,940,113,290	9.82
2011	5,548,127,850	279,408,310	15,462,590	5,842,998,750	10.07
2012	5,047,722,430	295,612,690	-	5,343,335,120	10.50
2013	4,960,616,820	313,437,020	-	5,274,053,840	10.85
2014	4,896,185,150	351,462,760	-	5,247,647,910	12.20
2015	4,946,475,290	385,238,120	-	5,331,713,410	12.10
2016	4,987,699,590	397,886,050	-	5,385,585,640	12.10

The current assessed valuation for collection year 2016 is computed at approximately the following percentages of estimated true value:

real property - 35%; public utilities, tangible personal property machinery and equipment, and inventory - various.

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

<b>Collection Year</b>	<b>Estimated True Values</b>	<b>Year</b>	<b>Estimated True Values</b>
2007	\$ 15,779,634,629	2012	\$ 15,266,671,771
2008	15,780,401,629	2013	15,068,725,257
2009	16,509,153,786	2014	14,993,279,743
2010	16,486,235,333	2015	15,233,466,886
2011	16,131,202,167	2016	15,387,387,543

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

**City of Cincinnati  
Revenue Capacity  
Schedule 4  
Real Property Assessed Valuation By Type of Property  
Last Six Collection Years**

<b>Collection Year</b>	<b><u>Agricultural</u></b>	<b><u>Commercial</u></b>	<b><u>Industrial</u></b>	<b><u>Residential</u></b>	<b><u>Utilities</u></b>
2011	\$ 1,775,390	\$ 1,795,046,310	\$ 268,871,190	\$ 3,476,195,560	\$ 6,239,400
2012	1,246,130	1,704,687,600	259,975,110	3,075,226,390	6,587,200
2013	1,056,000	1,635,350,450	261,206,740	3,055,938,780	7,064,850
2014	1,056,000	1,590,304,540	254,396,760	3,042,910,120	7,517,730
2015	1,135,000	1,594,763,700	242,587,690	3,100,151,250	7,837,650
2016	1,066,920	1,627,705,720	240,396,160	3,111,013,670	7,517,120

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

Source: Hamilton County Auditor's Office

**City of Cincinnati  
Revenue Capacity  
Schedule 5  
Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Periods**

Assessed Year	Collection Year	City Levy				Total Levy	Residential	Commercial
		General Fund	Debt Service	School Levy	County Levy		Effective Millage	Effective Millage
2006 for 2007		4.57	5.36	59.37	20.18	89.48	56.94	67.99
2007 for 2008		4.53	5.36	59.67	20.56	90.12	57.57	68.69
2008 for 2009		4.53	5.36	67.95	20.63	98.47	65.70	76.08
2009 for 2010		4.46	5.36	67.87	21.48	99.17	66.67	77.44
2010 for 2011		4.60	5.47	68.54	21.48	100.09	67.82	79.88
2011 for 2012		4.60	5.90	70.76	21.06	102.32	73.67	84.72
2012 for 2013		4.60	6.25	71.34	21.06	103.25	74.81	86.34
2013 for 2014		5.70	6.50	71.49	21.06	104.75	76.51	88.19
2014 for 2015		5.60	6.50	70.65	20.88	103.63	75.20	87.94
2015 for 2016		5.60	6.50	70.15	20.88	103.13	74.80	87.64

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

Source: Hamilton County Auditor's Office

**City of Cincinnati  
Revenue Capacity  
Schedule 6  
Principal Property Taxpayers  
Prior Calendar Year and Nine Years Ago**

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Duke Energy (aka Cinergy)	\$ 358,775,520	1	7.24%	\$ 249,852,760	1	4.09%
The Procter and Gamble Co	52,728,290	2	0.99%	75,988,560	2	1.24%
Fifth Third Bank	36,716,470	3	0.69%	26,250,000	5	0.43%
Carew Realty Inc	26,113,270	4	0.49%			
CVG Partners LLC	24,177,120	5	0.45%			
Columbia Development	20,039,070	6	0.38%	59,190,080	3	0.97%
OTR	17,850,000	7	0.33%			
Regency Centers LP	17,233,150	8	0.32%	22,802,920	7	0.37%
PNC Center Associates LLC	14,406,000	9	0.27%			
Hertz Center	13,370,000	10	0.25%			
Emery Realty						
Prudential Insurance						
Kroger Company				22,089,820	8	0.36%
Fifth Third Central Ohio				20,723,260	10	0.34%
Western Southern Life						
City of Cincinnati						
Emery Realty				29,053,860	4	0.48%
Cincinnati Bell						
Childrens Hospital				23,330,230	6	0.38%
HK New Plan Exchange Property				21,570,150	9	0.35%
Jewish Health Systems, Inc						
Total	<u>\$ 581,408,890</u>		<u>11.41%</u>	<u>\$ 550,851,640</u>		<u>9.01%</u>
Total Assessed Value	<u>\$ 5,331,713,410</u>					

Source: Hamilton County Auditors' Office

Note:

1. Assessed Valuation is based on both the personal and real property valuation of the largest property holder in the city.
2. The total assessed valuation figure is the 2015 valuation for 2016 real property tax collections.

**City of Cincinnati  
Revenue Capacity  
Schedule 7  
Property Tax Levy and Collections  
Last Ten Fiscal Periods  
(Amounts in thousands)**

<b>Collection Year</b>	<b>Net Tax Levy</b>	<b>Current Collections</b>	<b>Percentage of Current Collections to Net Levy</b>	<b>Prior Year Collections</b>	<b>Total Collections</b>	<b>Percentage of Total Collections to Net Levy</b>
2006	\$ 64,591	\$ 59,744	92.50%	\$ 3,279	\$ 63,023	97.57%
2007	62,614	57,087	91.17%	3,148	60,235	96.20%
2008	60,231	55,389	91.96%	2,978	58,367	96.91%
2009	59,803	54,390	90.95%	2,956	57,346	95.89%
2010	58,408	52,764	90.34%	2,769	55,533	95.08%
2011	59,552	54,285	91.16%	3,389	57,674	96.85%
2012	55,746	51,524	92.43%	3,128	54,652	98.04%
2013	57,407	53,678	93.50%	2,499	56,176	97.86%
2014	59,073	55,525	94.00%	2,548	58,074	98.31%
2015	58,911	56,245	95.47%	2,476	58,721	99.68%

Note 1: Collections (2006 - 2015) have been reduced for State reimbursements of personal property tax that had been included in prior year amounts. These amounts are included in intergovernmental revenues.

Note 2: The information presented in this chart is based on collection years from January 1 through December 31.

City of Cincinnati  
Revenue Capacity  
Schedule 8  
Water Works  
Top Ten Retail Customer Data  
For The Year Ended June 30, 2016

RANK	NAME OF CUSTOMER	TOTAL			TOTAL			
		CONSUMPTION, HUNDREDS OF CUBIC FEET	CONSUMPTION, THOUSANDS OF GALLONS	PERCENT OF TOTAL CONSUMPTION	CONSUMPTION, THOUSANDS OF GALLONS	PERCENT OF TOTAL CONSUMPTION	CHARGES	PERCENT OF TOTAL CHARGES
1	Cognis Corporation	704,521	526,982	1.49%	526,982	1.49%	\$1,324,876	0.98%
2	University of Cincinnati	552,515	413,281	1.17%	413,281	1.17%	\$880,145	0.65%
3	Children's Hospital	330,912	247,522	0.70%	247,522	0.70%	\$605,196	0.45%
4	Procter and Gamble	222,071	166,109	0.47%	166,109	0.47%	\$403,724	0.30%
5	Samuel Adams Brewing	214,695	160,592	0.46%	160,592	0.46%	\$390,071	0.29%
6	Coca Cola	199,289	149,068	0.42%	149,068	0.42%	\$363,756	0.27%
7	Rhodia Inc	183,290	137,101	0.39%	137,101	0.39%	\$337,890	0.25%
8	John Morrell Co	163,115	122,010	0.35%	122,010	0.35%	\$375,554	0.28%
9	Cinergy Solutions	156,306	116,917	0.33%	116,917	0.33%	\$357,085	0.27%
10	Christ Hospital	125,731	94,047	0.27%	94,047	0.27%	\$228,605	0.17%
	Total - Top Ten Retail Users	2,852,445	2,133,629	6.05%	2,133,629	6.05%	\$5,266,902	3.91%
	TOTAL - Top 75 Users	18,128,948	13,560,453	38.43%	13,560,453	38.43%	\$34,006,192	25.24%
	TOTAL - System	47,168,267	35,281,864	100.00%	35,281,864	100.00%	\$134,727,896	100.00%

Note: The City of Cincinnati changed fiscal years in 2013. The information for the 2013 fiscal year represents six months of information for the period ending June 30, 2013.

**City of Cincinnati  
Revenue Capacity  
Schedule 9  
Water Works  
Historical and Projected Water System Pumpage**

Year	Total Pumpage (MG's)	Average Day MGD	Maximum Day MGD	System's Rated Pumpage Capacity MGD	Maximum Daily Pumpage as % of Capacity
2007	53,410.400	146.3	229.5	260	88.27%
2008	49,566.720	135.4	220.6	260	84.85%
2009	45,554.620	124.8	169.3	260	65.12%
2010	47,328.971	129.7	188.6	260	72.54%
2011	44,396.749	121.6	206.3	260	79.36%
2012	45,233.283	123.6	230.3	260	88.56%
2013	20,559.715	113.6	168.6	260	64.85%
2014	43,838.631	120.1	157.4	260	60.54%
2015	43,024.976	117.9	164.0	260	63.08%
2016	42,794.941	117.2	159.0	260	61.15%

MG - Million Gallons

MGD - Million Gallons per Day

**City of Cincinnati  
Revenue Capacity  
Schedule 10  
Water Works  
Accounts Receivable**

Year	Net Water Sales	Cash Collected During Year for Current & Prior Year's Sales	Percentage of Sales Collected
2007	108,648,659	107,857,042	99.27%
2008	110,122,765	109,451,016	99.39%
2009	108,648,959	107,855,822	99.27%
2010	113,698,642	112,744,685	99.16%
2011	107,523,801	107,944,056	100.39%
2012	120,698,632	119,918,322	99.35%
2013	54,935,164	53,572,641	97.52%
2014	121,681,377	120,831,281	99.30%
2015	122,528,705	123,427,760	100.73%
2016	123,267,753	126,500,526	102.62%
	<u>\$ 1,091,754,457</u>	<u>\$ 1,090,103,151</u>	<u>99.85%</u>

Note: The City of Cincinnati Changed fiscal years in 2013. The information for the 2013 fiscal year represents six months of information for the period ending June 30, 2013.



**City of Cincinnati**  
**Debt Capacity Information**  
**Schedule 1**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Periods**  
**(Amount in Thousands)**

Fiscal Year	General Obligation Bonds	General Obligation Notes	Revenue Bonds	Revenue Notes	Notes Payable	Loans	Capital Leases	Total Outstanding Debt	Outstanding Debt per Capita (Actual)	% of Per Capita Personal Income	Debt to Net Asset Ratio
<b>Governmental Activities</b>											
2007	\$ 352,955	\$ 8,268	\$ 38,115	7,380	\$	3,374	\$ 471	\$ 410,563	1,235.70	3.2%	2.10
2008	363,120	12,800	70,825	2,550		3,220	247	452,762	1,361.86	3.5%	1.93
2009	389,680	4,490	80,140			3,029	501	477,840	1,437.29	3.8%	1.82
2010	401,597	22,500	77,000			2,847	460	504,404	1,698.66	4.3%	1.58
2011	411,574	17,000	95,715			2,636	353	527,278	1,775.69	4.6%	1.62
2012	481,313	34,595	93,946	7,500	\$ 12,887	2,425	284	632,950	2,136.73	5.3%	1.40
2013	480,958	69,275	93,418	7,500	12,817	2,320	200	666,488	2,247.47	N/A	1.32
2014	533,482	51,050	90,023		11,952	2,109	121	688,737	2,314.95	N/A	1.35
2015	486,949	73,144	84,044		11,643	4,444	135	660,359	2,214.74	N/A	0.17
2016	579,156	34,225	126,534	14,725	11,643	4,003	25,133	795,419	2,664.27	N/A	(0.08)
<b>Business-Type Activities</b>											
2007	\$ 17,635		\$ 346,255		\$	12,868	\$ 181	\$ 376,939	\$ 1,134.50	3.0%	2.23
2008	15,470		332,635			12,622	268	360,995	1,085.84	2.8%	2.34
2009	13,155	6,250	415,965			12,190	284	447,844	1,347.07	3.5%	1.90
2010	20,068		401,100			8,271	190	429,629	1,446.84	3.6%	2.03
2011	16,871		448,865			10,321	120	476,177	1,603.60	4.1%	1.82
2012	13,707		519,060			17,790	1,835	552,392	1,864.78	4.7%	1.60
2013	13,705		518,092			30,445	1,685	563,927	1,901.63	N/A	1.57
2014	10,322		496,570			39,920	1,501	548,313	1,842.96	N/A	1.65
2015	7,229		474,009			45,882	1,252	528,372	1,772.08	N/A	1.42
2016	21,318		504,232			44,851	989	571,390	1,913.88	N/A	1.35
<b>Total Primary Governmental Activities</b>											
2007	\$ 370,590	\$ 8,268	\$ 384,370	7,380	\$	16,242	\$ 652	\$ 787,502	\$ 2,481.41	6.6%	2.16
2008	378,590	12,800	403,460	2,550		15,842	515	813,757	2,564.14	6.7%	1.11
2009	402,835	10,740	496,105			15,219	785	925,684	2,786.09	7.1%	1.86
2010	421,665	22,500	478,100			11,118	650	934,033	2,809.48	7.4%	1.79
2011	428,445	17,000	544,580			12,957	473	1,003,455	3,018.29	7.6%	1.72
2012	495,020	34,595	613,006	7,500	\$ 12,887	20,215	2,119	1,185,342	3,923.16	10.1%	1.52
2013	494,663	69,275	611,510	7,500	12,817	32,765	1,885	1,230,415	4,143.61	10.3%	1.43
2014	543,804	51,050	586,593		11,952	42,029	1,622	1,237,050	4,171.47	N/A	1.45
2015	494,178	73,144	558,053		11,643	50,326	1,387	1,188,731	3,986.82	N/A	1.59
2016	600,474	34,225	630,766	14,725	11,643	48,854	26,122	1,366,809	4,578.16	N/A	1.38

Note: The City of Cincinnati changed fiscal years in 2013. The information for the 2013 fiscal year represents six months of information for the period ending June 30, 2013.

**City of Cincinnati**  
**Debt Capacity Information**  
**Schedule 2**  
**Ratio of Net General Bonded Debt**  
**To Assessed Value and Net Bonded Debt Per Capital**  
**Last Ten Years**

Year	General Obligation Bonds (Note 1)	Less: Amounts Available for Debt Service (Note 2)	Net Bonded Debt	Assessed Value	Population (Note 3)	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt per Capita
2007	\$ 370,590,000	\$ 55,545,000	\$ 315,045,000	\$ 6,173,125,560	332,252	3.22%	598
2008	378,590,000	65,655,000	312,935,000	5,937,230,230	332,458	120.98%	1,139
2009	402,835,000	73,137,000	329,698,000	5,934,611,500	332,458	122.18%	1,212
2010	421,665,000	50,548,000	371,117,000	5,940,113,290	332,252	113.62%	1,269
2011	428,445,000	81,090,000	347,355,000	5,827,536,160	296,943	123.34%	1,443
2012	495,020,000	76,846,000	418,174,000	5,343,335,120	296,223	118.38%	1,671
2013	494,663,000	90,078,000	404,585,000	5,274,053,840	296,550	122.26%	1,668
2014	543,804,000	108,575,000	435,229,000	5,247,647,910	296,550	124.95%	1,834
2015	494,178,000	99,091,000	395,087,000	5,331,713,410	297,517	125.08%	1,661
2016	600,474,000	116,003,000	484,471,000	5,385,585,640	298,550	123.94%	2,011

Note 1 - This is general bonded debt of both governmental activities and business-type activities, net of premiums and discounts.

Note 2 - This is the amount restricted for debt service principal payments.

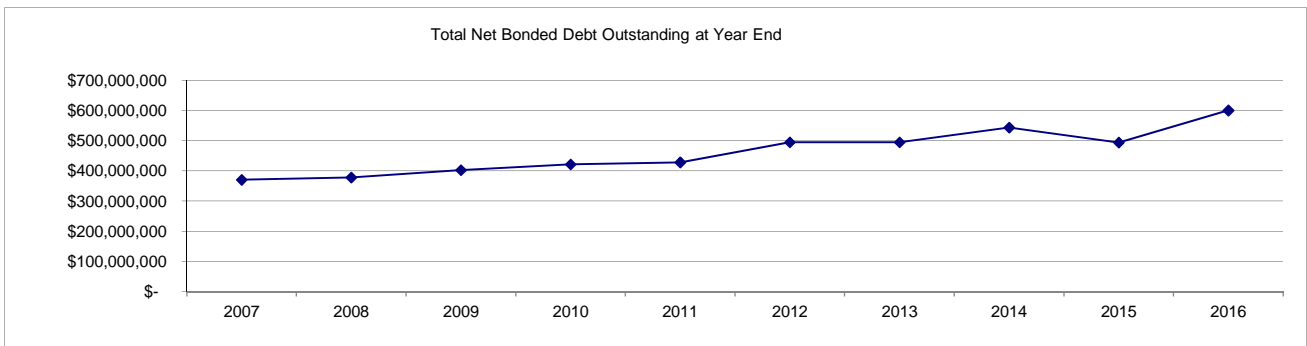
Note 3 - 2008 figures are based on Bureau of the Census data.

**City of Cincinnati**  
**Debt Capacity Information**  
**Schedule 3**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2016**

	Assessed Valuation (a)	Total Direct Debt	Percent Overlapping	Net Tax Supported Overall Debt
<b>Direct:</b>				
City of Cincinnati	\$ 5,385,585,640	\$ 795,419,000	100 %	\$ 795,419,000
<b>Overlapping:</b>				
Board of Education -				
Cincinnati City School District	6,054,466,250	338,859,255 (b)	89.00%	301,584,737
Hamilton County	18,348,375,650	32,803,138 (a)	29.35%	9,628,324
Subtotal		371,662,393		311,213,061
<b>Total</b>		<b>\$ 1,167,081,393</b>		<b>\$ 1,106,632,061</b>

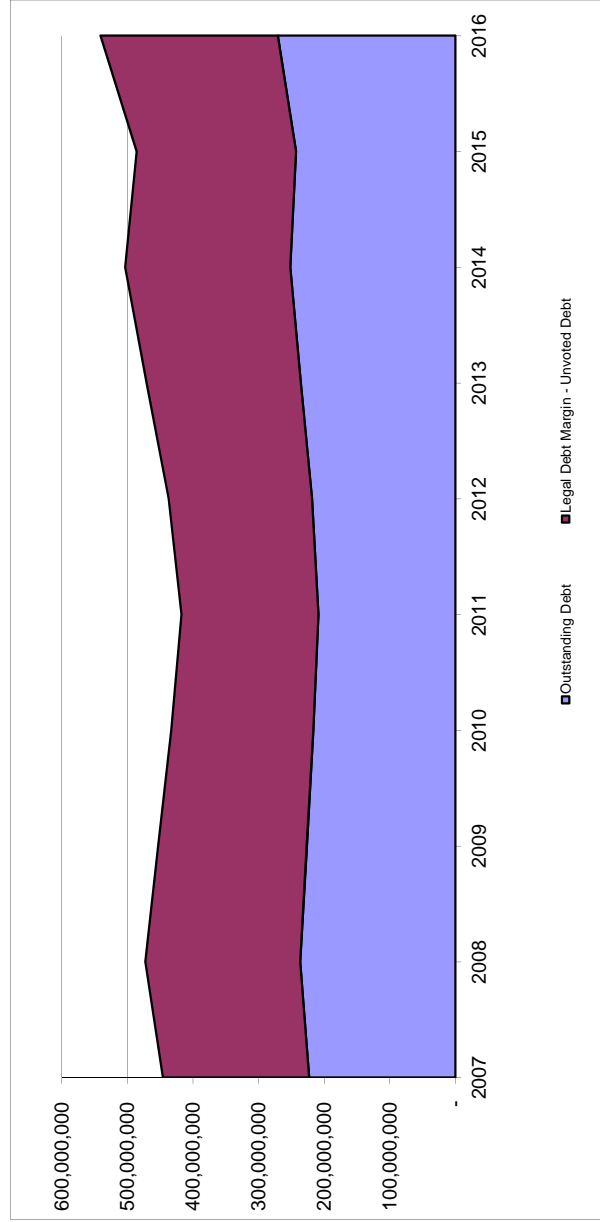
(a) Source: Hamilton County Auditor's Office

(b) Source: Cincinnati City School District



**City of Cincinnati**  
**Debt Capacity Information**  
**Schedule 4**  
**Legal Debt Margin**  
**For the Fiscal Periods**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Overall Debt Limitation - 10-1/2 % of Assessed Valuation	\$ 648,178,184	\$ 626,399,268	623,134,208	623,711,895	611,891,297	561,050,188	553,797,707	551,003,031	559,829,908	565,486,492
Net Debt Within 10-1/2% Limitation	222,868,000	236,495,000	226,635,000	216,595,000	208,770,000	218,525,000	235,505,000	251,690,000	243,044,080	270,615,000
Legal Debt Margin Within 10-1/2% Limitation	\$ 425,310,184	\$ 389,904,268	\$ 396,499,208	\$ 407,116,895	\$ 403,121,297	\$ 342,525,188	\$ 318,292,707	\$ 299,313,031	\$ 316,785,828	\$ 294,871,492
Net Debt Percentage of 10 1/2 % Limitation	34.38%	37.75%	36.37%	34.73%	34.12%	38.95%	42.53%	45.68%	43.41%	47.86%
Unvoted Debt Limitation - 5-1/2% of Assessed Valuation	\$ 339,521,906	\$ 328,113,902	326,403,633	326,706,231	320,514,488	293,883,432	290,084,513	288,620,635	293,244,238	296,207,210
Net Debt Within 5-1/2% Limitation	222,868,000	236,495,000	226,635,000	216,595,000	208,770,000	218,525,000	235,505,000	251,690,000	243,044,080	270,615,000
Legal Debt Margin Within 5-1/2% Limitation	\$ 116,653,906	\$ 91,618,902	\$ 99,768,633	\$ 110,111,231	\$ 111,744,488	\$ 75,358,432	\$ 54,579,513	\$ 36,930,635	\$ 50,200,158	\$ 25,592,210
Net Debt Percentage of 5 1/2 % Limitation	65.64%	72.08%	69.43%	66.30%	65.14%	74.36%	81.18%	87.20%	82.88%	91.36%



**City of Cincinnati**  
**Debt Service Capacity**  
**Schedule 5**  
**Revenue Bonds Debt Service Coverage**  
**Last Ten Fiscal Years**

Fiscal Year	Economic Development Financing Bonds				Water Works Bonds					
	Payment in Lieu of Taxes/Repay Loan	Debt Service Principal	Interest	Total	Coverage	Water Works Revenue	Debt Service Principal	Interest	Total	Coverage
2007	4,796,765	2,475,000	1,782,231	4,257,231	1.13	127,995,000	11,475,000	13,082,000	24,557,000	2.24
2008	6,486,865	2,955,000	2,209,510	5,164,510	1.26	126,839,000	13,620,000	14,840,000	28,460,000	1.79
2009	9,953,193	3,070,000	2,050,209	5,120,209	1.94	120,504,000	14,000,000	15,797,000	29,797,000	1.46
2010	9,754,692	3,140,000	2,652,176	5,792,176	1.68	131,000,000	14,865,000	19,210,000	34,075,000	1.20
2011	11,402,482	2,285,000	3,886,719	6,171,719	1.85	120,682,000	11,840,000	20,624,000	32,464,000	1.51
2012	10,749,956	3,000,000	4,185,332	7,185,332	1.50	135,609,000	17,700,000	21,845,000	39,545,000	1.57
2013	5,545,377	3,000,000	4,185,332	7,185,332	0.77	68,947,000	-	12,005,000	12,005,000	2.49
2014	11,059,444	3,390,000	3,821,284	7,211,284	1.53	142,316,000	19,850,000	23,420,000	43,270,000	1.57
2015	11,417,173	4,334,995	3,675,732	8,010,727	1.43	142,108,000	20,620,000	22,507,000	43,127,000	2.31
2016	10,475,482	4,765,000	3,336,993	8,101,993	1.29	147,762,000	24,685,000	19,895,000	44,580,000	2.06

Includes:

- Urban Renewal Revenue Bonds, Series 1990A - One Gateway Project
- Economic Development Revenue Bonds, Series 1996 - Cincinnati Development Group LLC - Fountain Square West Project
- Economic Development Revenue Bonds, Series 1998 - Convention Place Mall Project - RSJJ Investments Limited
- Economic Development Revenue Bonds, Series 2002 - Saks Fifth Avenue Inc. & Race Street Development LTD
- Economic Development Revenue Bonds, Series 2003 - Convergys Corporation Project
- Economic Development Revenue Bonds, Series 2007 - Convergys Corporation Project
- Economic Development Revenue Bonds, Series 2008A - The Keystone Project
- Economic Development Revenue Bonds, Series 2008B - Baldwin 300 Project
- Economic Development Revenue Bonds, Series 2009B - Columbia Square
- Economic Development Revenue Bonds, Series 2007 - Madison Circle
- Economic Development Revenue Bonds, Series 2009 - Graeters
- Economic Development Revenue Bonds, Series 2011 - Usquare
- Economic Development Revenue Bonds, Series 2012A - Convergys Corporation Project
- Economic Development Revenue Bonds, Series 2016A - Vernon Manor II Projec
- Economic Development Revenue Bonds, Series 2016B - Keystone Park Phase III Projec
- Economic Development Revenue Bonds Refunding, Series 2016C - The Keystone Projec
- Economic Development Revenue Bonds Refunding, Series 2016D - Baldwin 300 Projec
- Economic Development Revenue Bonds Refunding, Series 2016E - Madison Circle Projec

\*-excludes Non-Cash Expenses for Depreciation, Net Pension Liability, and NOPEB Obligation

**City of Cincinnati**  
**Bond Retirement Fund Balance, Southern Railway Revenue and Capital Improvement Plan**  
**Debt Capacity Schedule 6**

**Last 5 Fiscal Years**

Year	Bond Retirement Fund Balance	Southern Railway Revenue
2012	38,203,547	20,189,606
2013*	51,179,093	10,094,803
2014	66,531,901	20,734,726
2015	63,225,579	21,017,620
2016	79,737,239	21,360,330

\* The City of Cincinnati changed fiscal years in 2013. The information for 2013 fiscal year represents six months of information for the period ending June 30, 2013.

**Projected 5 year plan**  
**(Amounts in Thousands)**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
CIP Budget	\$90,606	\$72,994	\$73,513	\$72,725	\$71,239	\$381,077
Property Tax Supported Debt	\$25,000	\$24,000	\$15,000	\$15,000	\$15,000	\$94,000
%Debt	27.59%	32.88%	20.40%	20.63%	21.06%	24.67%

**City of Cincinnati  
Debt Capacity  
Schedule 7  
Water Works**

**Historical Financial Operations  
(Amounts in Thousands)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>Operating Revenue</u>										
Total Operating Revenue	\$121,244	\$121,508	\$117,441	\$123,443	\$120,682	\$135,382	\$68,947	\$142,316	\$142,085	\$147,748
<u>Operating Expense:</u>										
Personal Services	39,575	41,041	42,827	58,805	47,129	43,050	23,440	47,074	35,392	49,452
Contractual Services	8,530	9,660	9,249	8,628	8,329	7,766	3,999	8,330	9,077	8,242
Maintenance and Repair	4,550	4,115	3,704	3,980	4,536	3,813	1,863	4,825	4,877	5,150
Materials and Supplies	7,451	7,869	8,475	8,007	8,976	8,756	4,715	9,250	8,713	9,255
Utilities	11,639	11,287	10,821	11,427	7,530	7,732	4,037	8,882	8,614	7,244
Insurance	169	114	117	121	121	142	69	157	3	155
Taxes	2		1	6	3	5	2	11	3	2
Rent	823	1,057	1,256	1,302	1,252	2,211	662	1,428	1,500	26,420
Other	354	823	620	630	328	2,355	3,153	1,812	218	1,649
Depreciation and Amortization Expense	21,934	22,705	24,161	24,206	24,832	23,432	11,086	22,521	23,472	343
Amortization Mason Agreement	72	76		84	88	92	48	99	104	110
<b>Total Operating Expense</b>	<b>95,099</b>	<b>98,747</b>	<b>101,231</b>	<b>117,196</b>	<b>103,124</b>	<b>99,354</b>	<b>53,074</b>	<b>104,389</b>	<b>91,973</b>	<b>108,022</b>
<b>Operating Income</b>	<b>\$ 26,145</b>	<b>\$ 22,761</b>	<b>\$ 16,210</b>	<b>\$ 8,091</b>	<b>\$ 17,558</b>	<b>\$ 36,030</b>	<b>\$ 15,873</b>	<b>\$ 37,927</b>	<b>\$ 50,112</b>	<b>\$ 39,726</b>
<u>Non-Operating Revenue (Expenses):</u>										
Capital Contribution	\$4,935	\$3,099	\$9,704	\$3,039	\$3,304	\$3,385	\$302	\$2,002	\$4,199	
Gain (Loss) on Disposal of Fixed Assets	(52)	(1,338)	(1,621)	(1,320)	(829)	(838)	(4)	(1,910)	(293)	(\$22)
Transfers In					131	(47)		(500)		
Interest Revenue	6,751	5,272	2,403	2,560	2,309	1,981	(1,020)	2,417	1,555	2,482
Build America Bond Subsidy			553	1,701	1,701	1,701	777	1,579	1,577	1,586
Judgement Payments										(5,393)
Interest Expense	(12,359)	(13,997)	(13,525)	(12,695)	(14,909)	(16,358)	(9,823)	(18,339)	(17,889)	(17,472)
<b>Total Non-Operating Revenue (Expense):</b>	<b>(725)</b>	<b>(6,964)</b>	<b>(2,486)</b>	<b>(6,715)</b>	<b>(8,293)</b>	<b>(10,176)</b>	<b>(9,768)</b>	<b>(14,751)</b>	<b>(10,851)</b>	<b>(18,819)</b>
<b>Net Income</b>	<b>\$25,420</b>	<b>\$15,797</b>	<b>\$13,724</b>	<b>\$1,376</b>	<b>\$9,265</b>	<b>\$25,854</b>	<b>\$6,105</b>	<b>\$23,176</b>	<b>\$39,261</b>	<b>\$20,907</b>

Note: The City of Cincinnati changed fiscal year in 2013. The information for 2013 fiscal year represents six months of information for the period ending June 30, 2013.

**Greater Cincinnati Water Works  
Projected Operating Results**

Debt Capacity Schedule 8

<u>Description</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	
Metered Water Sales						
Revenue Under Existing Rates	\$ 142,325,000	\$ 141,557,000	\$ 140,800,000	\$ 140,708,000	\$ 139,098,000	
Indicated Revenue Increases (a)(b)						
Month - Year	Revenue Increase					
January 2017	3.75%	2,250,000	5,108,000	5,075,000	5,067,000	5,002,000
January 2018	3.75%		2,429,000	5,266,000	5,257,000	5,190,000
January 2019	3.75%			2,504,000	5,454,000	5,384,000
January 2020	3.75%				2,594,000	5,586,000
January 2021	3.75%					2,656,000
Total Increased Revenue		2,250,000	7,537,000	12,845,000	18,372,000	23,818,000
Total Metered Water Sales Revenue	144,575,000	149,094,000	153,645,000	159,080,000	162,916,000	
Interest From Treasury Investments	2,120,000	1,731,000	1,620,000	1,600,000	1,532,000	
Other Revenue (c)	7,315,000	7,015,000	7,015,000	7,015,000	7,015,000	
Direct Federal Cash Payment for Direct Payment Build America Bonds(d)	1,584,000	1,584,000	1,584,000	792,000	0	
Total Revenue	155,594,000	159,424,000	163,864,000	168,487,000	171,463,000	
Operating & Maintenance Expense (e)	80,727,000	83,177,000	85,730,000	88,390,000	91,163,000	
Net Revenue Available for Debt Service	74,867,000	76,247,000	78,134,000	80,097,000	80,300,000	
Total Senior Lien Revenue Bond Debt Service	46,316,000	46,351,000	46,210,000	46,354,000	46,083,000	
Proposed Series 2016 Debt Service (f) (g)	3,360,000	6,400,000	6,400,000	8,022,000	9,645,000	
LESS: Proposed Refunded Senior Lien Debt Service (h)	2,932,000	14,005,000	13,866,000	16,384,000	18,487,000	
Future Senior Lien Revenue Bond Debt Service (i)	0	0	0	3,847,000	3,847,000	
Total Senior Lien Revenue Bond Debt Service	46,744,000	38,746,000	38,744,000	41,839,000	41,088,000	
State of Ohio Issue 2 Money (\$1M/20Yrs/0%)-2003	50,000	50,000	50,000	50,000	50,000	
State of Ohio Issue 2 Money (\$980K/20Yrs/0%)-2004	49,000	49,000	49,000	49,000	49,000	
State of Ohio Issue 2 Money (\$1.15M/20Yrs/0%)-2005	57,500	57,500	57,500	57,500	57,500	
State of Ohio Issue 2 Money (1.25M/20Yrs/0%)-2011	62,494	62,494	62,494	62,494	62,494	
Ohio EPA Water Supply Revolving Loan (\$1.7M/20Yrs/3.25%)-2006	116,096	116,096	116,096	116,096	116,096	
Ohio EPA Water Supply Revolving Loan (\$4M/20Yrs/3.25%)-2006	268,251	268,251	268,251	268,251	268,251	
Ohio EPA Water Supply Revolving Loan (\$6.78M/20Yrs/2%)-2011	462,414	462,414	462,414	462,414	462,414	
Ohio EPA Water Supply Revolving Loan (\$5.9M/20Yrs/2.0%)-2012	298,556	298,556	298,556	298,556	298,556	
Ohio EPA Water Supply Revolving Loan (\$2.7M/20Yrs/1.71%)-2012	162,729	162,729	162,729	162,729	162,729	
Ohio EPA Water Supply Revolving Loan (\$4.9M/20Yrs/1.75%)-2012	294,451	294,451	294,451	294,451	294,451	
Ohio EPA Water Supply Revolving Loan (\$2.0M/20Yrs/1.88%)-2012	125,957	125,957	125,957	125,957	125,957	
Ohio EPA Water Supply Revolving Loan (\$3.2M/20Yrs/1.98%)-2012	212,311	212,311	212,311	212,311	212,311	
Ohio EPA Water Supply Revolving Loan (\$7.6M/20Yrs/2.0%)-2012	468,904	468,904	468,904	468,904	468,904	
Ohio EPA Water Supply Revolving Loan (\$5.2M/20Yrs/1.94%)-2012	313,209	313,209	313,209	313,209	313,209	
Ohio EPA Water Supply Revolving Loan (\$7.7M/20Yrs/2.00%)-2015	466,128	466,128	466,128	466,128	466,128	
Other Financing Requirements	3,408,000	3,408,000	3,408,000	3,408,000	3,408,000	
Total Debt Payments	50,152,000	42,154,000	42,152,000	45,247,000	44,496,000	
Total Bond Proceeds	25,000,000	0	70,000,000	0	120,000,000	
LESS: Capital Expenditures (j)	54,276,000	83,790,000	85,865,000	89,063,000	92,067,000	
LESS: Planned Redemption(k)	13,194,000	0	0	0	0	
Revenues Available for Transfer to Water System Reserve Fund	154,246,000	104,549,000	124,666,000	70,453,000	134,190,000	
<b>Debt Service Coverage</b>						
Total Bond Debt Service Coverage	149%	181%	185%	177%	180%	

(a) Reflects the effect of timing of mid-year rate increases on the level of revenues received in the first year of each revenue adjustment.

(b) Five consecutive rate increases of 3.75% were approved on October 10, 2016.

(c) Other Revenues includes revenues other than water sales revenue such as meter application fees, meter repair and testing fees, expansion fees and sales of construction material.

(d) The amount of federal subsidy with respect to the Series 2009B Bonds, which were issued as Direct Payment Build America bonds, is 35% of the interest cost with respect to such Series 2009B Bonds, less a 6.9% reduction as a result of federal sequestration through December 1, 2019.

(e) Operating and Maintenance Expenses exclude Accrued Pension and OPEB Liabilities.

(f) Estimated. An average coupon of 5.00% is assumed with respect to the Series 2016 Bonds.

(g) Interest with respect to the Series 2016C Bonds to the Crossover Date is excluded.

(h) The estimated principal amounts of the Bonds to be refunded (with an average coupon of 5.44%) are as follows:

Advance Refunded Bonds	116,415,000
Crossover Refunded Series 2009B Bonds	77,935,000
Cash Defeased Bonds	11,550,000

(i) The assumptions for the proposed debt service with respect to future issues of Senior Bonds (30-year maturity) are as follows:

Fiscal Year	Proceeds	Reserv & Issuance Costs	Total Issue	Interest
2019	70,000	6,945	76,945	5.00%
2021	120,000	11,290	131,290	5.00%

(j) The amounts listed for capital expenditures from Fiscal Year 2017 to Fiscal Year 2021 include an estimated total amount of \$16,000,000 with respect to anticipated costs related to the implementation of the City's Enhanced Lead Strategy program.

(k) "Planned Redemption" refers to the cash defeasance of the Cash Defeased Bonds with amounts available for such purpose in the Water System Reserve Fund.

City of Cincinnati  
Debt Capacity  
Schedule 9  
Water Works

Senior Bonds and Senior Subordinated Debt Service Requirements

Year	Debt Service Series 2015C	Debt Service Series 2015B	Debt Service Series 2015A	Debt Service Series 2012A	Debt Service Series 2011A	Debt Service Series 2009B*	Debt Service Series 2009A	Debt Service Series 2007B	Debt Service Series 2007A	Total Senior Bonds and Subordinated Bonds Debt Service
2016	1,436,595.68	2,872,860.69	1,671,493.72	3,966,193.74	5,122,100.00	4,860,613.70	10,366,350.00	2,440,918.75	11,572,900.00	44,310,026.28
2017	2,452,037.21	3,578,650.00	2,082,137.50	3,972,768.74	5,112,300.00	4,860,613.70	10,724,450.00	2,436,500.00	11,096,700.00	46,316,157.15
2018	14,233,088.81	3,578,650.00	2,082,137.50	3,956,693.76	5,128,575.00	4,860,613.70	10,073,625.00	2,437,800.00		46,351,183.77
2019	16,643,573.23	3,578,650.00	2,082,137.50	3,977,081.26	5,103,450.00	4,860,613.70	9,964,875.00			46,210,380.69
2020	16,655,172.80	3,578,650.00	2,082,137.50	3,971,718.76	5,120,912.50	4,860,613.70	10,085,125.00			46,354,330.26
2021	16,640,282.05	3,578,650.00	2,082,137.50	3,964,818.76	11,287,437.50	4,860,613.70	3,669,500.00			46,083,439.51
2022	16,624,584.60	3,578,650.00	2,082,137.50	3,966,034.38	11,369,625.00	8,485,224.95				46,106,256.43
2023	13,311,719.20	7,390,900.00	3,218,481.25	7,390,900.00	4,648,750.00	8,479,057.45				41,011,707.90
2024		21,742,400.00	3,216,125.00	3,946,500.00	4,436,875.00	8,471,840.45				41,813,740.45
2025		13,776,025.00	3,217,725.00	3,947,000.00	4,435,250.00	8,467,900.20				33,843,900.20
2026		13,682,275.00	3,217,325.00	3,944,100.00	4,427,875.00	8,437,025.65				33,708,600.65
2027		5,071,275.00	3,218,000.00	3,942,700.00	4,429,375.00	8,425,755.00				25,087,105.00
2028		5,067,000.00	3,219,787.50	3,942,600.00	4,424,375.00	8,414,787.45				25,068,549.95
2029		5,061,000.00	3,216,100.00	3,938,700.00	4,417,750.00	8,402,831.40				25,036,381.40
2030		5,058,400.00	3,216,700.00	3,935,900.00	4,414,125.00	8,388,595.25				25,013,720.25
2031		5,049,000.00	3,214,900.00	3,934,000.00	4,413,000.00	8,375,625.95				24,986,525.95
2032		5,047,500.00	3,215,600.00	3,918,625.00	4,412,750.00	8,357,470.45				24,951,945.45
2033		5,033,700.00	3,218,600.00	3,918,250.00	4,404,500.00	8,342,514.25				24,917,564.25
2034			3,219,650.00	3,910,625.00	4,399,125.00	8,323,981.40				19,853,381.40
2035			3,217,900.00	3,910,375.00	4,394,750.00	8,309,934.50				19,832,959.50
2036			3,216,525.00	3,902,125.00	4,387,000.00					11,509,525.00
2037			3,218,775.00	3,900,500.00						11,502,775.00
2038			3,216,775.00	3,895,000.00						7,113,775.00
2039			3,219,025.00							3,216,775.00
2040			3,215,275.00							3,219,025.00
2041			3,215,275.00							3,215,275.00
2042			3,215,350.00							3,215,350.00
2043			3,214,800.00							3,214,800.00
2044			3,219,150.00							3,219,150.00
2045			3,218,200.00							3,218,200.00
2046			3,211,950.00							3,211,950.00
	<u>\$ 96,560,457.90</u>	<u>\$ 113,451,375.00</u>	<u>\$ 89,700,818.75</u>	<u>\$ 86,658,915.66</u>	<u>\$ 109,558,675.00</u>	<u>\$ 141,985,612.85</u>	<u>\$ 44,517,575.00</u>	<u>\$ 4,874,300.00</u>	<u>\$ 11,096,700.00</u>	<u>\$ 698,404,430.16</u>



**City of Cincinnati, Ohio**  
**Demographic and Economic Information**  
**Schedule 1**  
**Population Statistics**  
**Last Ten Fiscal Periods**

Year	Population				Per Capita Personal Income				Civilian Labor Force Estimates				% Unemployed Average	
	United States	Ohio	Cincinnati MSA	Hamilton County	United States	Ohio	Cincinnati MSA	Hamilton County	United States	Ohio	Cincinnati MSA	Hamilton County		Cincinnati
2007	301,579,895	11,520,815	2,148,315	855,928	39,392	35,174	38,434	43,035	153,124,000	5,976,700	1,121,300	436,400	164,300	5.0
2008	304,374,846	11,528,072	2,158,643	853,508	40,166	35,889	39,066	43,918	154,287,000	5,971,900	1,127,500	438,200	164,800	5.8
2009	307,006,550	11,542,645	2,171,896	855,062	39,635	35,408	37,967	42,393	154,205,800	5,970,000	1,133,000	438,800	163,600	9.3
2010	309,330,219	11,537,968	2,132,415	801,948	39,937	36,162	39,673	45,852	153,893,000	5,935,250	1,130,200	438,500	163,800	9.0
2011	311,591,917	11,544,951	2,138,038	800,362	41,560	37,836	46,881	46,881	153,617,000	5,806,000	1,099,600	406,900	143,800	8.8
2012	313,914,040	11,544,225	2,128,603	802,038	42,693	39,289	43,454	49,413	154,975,000	5,748,000	1,089,300	400,000	141,100	8.1
2013	316,128,839	11,570,808	2,134,109	804,520	44,543	40,865	43,923	50,235	155,389,000	5,766,000	1,098,100	403,300	142,300	7.4
2014	318,857,056	11,594,163	2,149,971	806,631	40,652	42,571	45,926	51,211	156,997,000	5,758,000	1,087,900	407,400	144,500	6.1
2015	321,418,821	11,613,423	2,159,329	807,598	41,902	43,566	47,254	52,081	158,283,000	5,783,000	1,093,400	411,500	145,700	5.3
2016	323,808,000	NA	NA	NA	43,075	NA	NA	NA	158,880,000	5,810,000	1,103,000	NA	NA	4.9

Personal Income (in millions)

Year	Personal Income (in millions)			
	United States	Ohio	Cincinnati MSA	Hamilton County
2007	11,879,836	405,236	82,567	36,835
2008	12,225,589	413,732	84,329	37,484
2009	12,168,161	408,707	82,460	32,068
2010	12,353,577	417,234	84,600	36,770
2011	12,949,905	436,818	87,485	37,522
2012	13,401,869	453,556	92,497	39,631
2013	14,081,282	472,845	93,882	40,415
2014	14,708,582	493,578	96,671	41,293
2015	15,401,900	503,699	101,960	42,060
2016	15,893,200	518,073	NA	NA

Source: Ohio Department of Job and Family Services (lmi.state.oh.us)  
US Dept of Commerce, Bureau of Economic Commerce (www.bea.gov).  
N/A = Not Available

**City of Cincinnati**  
**Demographic and Economic Information**  
**Schedule 2**  
**Ten Largest Employers**  
**In Cincinnati Primary Metropolitan Statistical Area**  
**Current Fiscal Year and Nine Years Ago**

Employer	2016		2007	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
The Kroger Co	21,646	1 1.00%	15,600	2 1.47%
University of Cincinnati	16,016	2 0.74%	15,864	1 1.49%
Children's Hospital Medical Center	14,944	3 0.69%	12,315	4 1.16%
TriHealth Inc.	11,800	4 0.55%		
Proctor and Gamble	11,000	5 0.51%	14,785	3 1.39%
UC Health	10,000	6 0.46%		
GE Aviation	7,800	7 0.36%	9,400	6 0.88%
Mercy Health	7,500	8 0.35%	7,500	9 0.71%
St. Elizabeth Healthcare	7,479	9 0.35%		
Fifth Third Bancorp	6,882	10 0.32%	7,645	7 0.72%
ABX Air Inc.			7,500	8 0.71%
General Electric Aircraft			7,400	10 0.70%
City of Cincinnati			9,464	5 0.89%
<b>Total</b>	<b>108,185</b>	<b>5.33%</b>	<b>107,473</b>	<b>10.12%</b>
Total Metropolitan Statistical Area	2,159,329		1,063,300	

Sources: Cincinnatiusa.org  
Business Courier 2015-2016 Winter Book of Business Lists-supplied by Treasury  
Data ranked by local employees as of July 2015 - per Book of Lists  
Data: city population USA metro cincinnati in ky

**City of Cincinnati, Ohio**  
**Demographic and Economic Information**  
**Schedule 3**  
**Construction and Property Values**

Fiscal Year	New Residential Construction (1)		New Non-Residential Construction (1)		All Total Construction (1)	
	Number of Permits	Estimated Cost (in thousands)	Number of Permits	Estimated Cost (in thousands)	Number of Permits	Estimated Cost (in thousands)
2006	231	75,536	53	93,812	8,545	547,934
2007	150	36,540	55	124,961	8,780	487,176
2008	72	13,252	66	243,388	8,196	431,373
2009	44	10,642	60	264,896	8,139	603,416
2010	85	14,304	76	217,069	8,958	594,199
2011	90	28,403	43	126,318	9,290	536,041
2012	83	34,675	43	66,630	9,050	401,558
2013	59	12,374	21	53,526	4,691	220,351
2014	90	21,427	38	197,818	9,433	672,855
2015	123	31,292	73	273,559	9,464	732,557
2016	136	39,519	55	183,075	10,457	664,628

Fiscal Year	Property Value (2)	
	Residential (in thousands)	Non-Residential (in thousands)
2006	9,890,166	6,773,615
2007	9,880,248	5,899,386
2008	9,944,823	5,835,579
2009	10,091,512	6,044,623
2010	10,019,140	6,134,297
2011	9,937,060	5,914,734
2012	8,789,921	4,118,106
2013	8,734,271	5,441,937
2014	8,696,913	5,292,777
2015	8,860,818	5,275,211
2016	8,888,610	5,361,960

Note: The City of Cincinnati changed fiscal year in 2013. The information for 2013 fiscal year represents six months of information for the period ending June 30, 2013.

Source: (1) The City's Department of Buildings and Inspections' records  
(2) Values obtained from the Hamilton County Auditor's Office

**City of Cincinnati, Ohio  
Demographic and Economic Information  
Schedule 4  
Salaries of Principal Officials**

<u>Position</u>	<u>Salary</u>
Mayor	\$121,291
Councilmember	\$60,646
City Manager	\$256,135
Commissioner of Health	\$120,913 - \$163,233
Deputy City Manager	\$120,913 - \$163,233
City Solicitor	\$120,913 - \$186,962
Various Department Directors	\$103,485 - \$197,605

**MAYOR and CITY COUNCIL**

The mayor is elected for a four-year term by the voters of Cincinnati. The legislature of the City is a nine-member council elected at large on a partisan basis for two-year terms. The vice-mayor is chosen by the mayor from the council members. A list of the council incumbents and the term each is presently serving appears on page (xiii). The mayor selects the city manager, but the mayor's nominee must be approved by a majority of the council. The city manager appoints the deputy city manager and the department directors.

**City of Cincinnati, Ohio  
Demographic and Economic Information  
Schedule 5  
Employee Crime Insurance**

The City maintains a government crime insurance policy of \$5,000,000 per occurrence which covers theft, forgery, alteration, transfer fraud, and computer fraud by an employee.

**Cincinnati-Middletown MSA**  
**Demographic and Economic Information**  
**Schedule 6**  
**Annual Employment Average by Industry**  
**(Amounts in thousands)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Goods-Producing Industries</b>	<b>172.1</b>	<b>160.8</b>	<b>146.1</b>	<b>146.4</b>	<b>149.7</b>	<b>152.0</b>	<b>143.8</b>	<b>150.8</b>	<b>158.1</b>	<b>158.9</b>
<b>Mining, Logging, and Construction</b>	<b>50.6</b>	<b>45.0</b>	<b>40.6</b>	<b>36.1</b>	<b>36.9</b>	<b>36.8</b>	<b>37.0</b>	<b>41.5</b>	<b>43.7</b>	<b>44.6</b>
Construction of Buildings	12.1	9.7	8.4	7.7	7.6	7.6	8.6	9.2	9.5	9.4
Specialty Trade Contractors	32.6	29.6	24.9	22.5	22.6	24.0	23.3	27.5	28.8	28.7
<b>Manufacturing</b>	<b>121.5</b>	<b>115.8</b>	<b>105.5</b>	<b>110.3</b>	<b>112.8</b>	<b>115.0</b>	<b>106.8</b>	<b>109.3</b>	<b>114.4</b>	<b>114.3</b>
Durable Goods	72.1	69.2	60.1	65.3	69.6	70.5	64.0	65.6	64.7	68.1
Primary Metals	6.8	6.2	5.6	5.9	7.0	7.0	6.0	5.8	5.8	5.3
Transportation Equipment	19.8	19.1	17.6	18.2	17.5	18.0	19.2	19.8	20.1	21.2
Motor Vehicle Parts	8.7	7.8	6.5	6.6	6.7	6.8	8.0	8.5	8.8	9.5
Aerospace Products and Parts	9.5	9.8	9.2	9.2	9.5	9.7	10.0	N/A	N/A	N/A
Nondurable Goods	49.4	46.6	45.4	45.0	43.2	44.5	42.8	43.7	49.7	46.2
Chemical Manufacturing	11.1	11.2	11.4	11.5	11.0	10.9	10.7	10.7	10.8	11.2
<b>Service-Providing Industries</b>	<b>873.0</b>	<b>877.4</b>	<b>850.7</b>	<b>841.3</b>	<b>853.0</b>	<b>871.8</b>	<b>754.5</b>	<b>777.0</b>	<b>796.2</b>	<b>803.8</b>
<b>Trade, Transportation, and Utilities</b>	<b>212.8</b>	<b>215.4</b>	<b>201.0</b>	<b>196.4</b>	<b>202.4</b>	<b>207.9</b>	<b>201.8</b>	<b>205.6</b>	<b>214.8</b>	<b>213.3</b>
Wholesale Trade	61.0	60.4	54.9	52.3	57.6	58.2	59.2	61.3	60.1	60.5
Merchant Wholesalers, Durable Goods	28.8	28.3	24.7	22.9	26.0	27.7	27.4	28.2	29.4	30.6
Merchant Wholesalers, Non-Durable Goods	23.8	23.6	22.8	22.8	22.0	21.0	19.7	20.9	19.4	18.7
<b>Retail Trade</b>	<b>109.7</b>	<b>111.5</b>	<b>105.7</b>	<b>104.5</b>	<b>103.8</b>	<b>107.6</b>	<b>101.7</b>	<b>103.9</b>	<b>109.7</b>	<b>110.3</b>
Food and Beverage Stores	21.4	21.8	20.8	19.8	20.3	20.8	20.5	19.1	20.4	20.6
Grocery Stores	18.6	18.9	16.8	17.1	17.8	18.5	18.4	16.9	17.7	18.1
Health and Personal Care Stores	7.4	7.3	7.1	6.8	6.6	7.1	6.5	6.6	6.1	6.6
Clothing and Clothing Accessories Stores	8.8	9.7	9.8	10.2	9.4	11.5	7.8	7.6	7.8	7.6
General Merchandise Stores	22.7	25.0	22.6	22.6	21.6	22.1	19.9	19.7	20.0	20.5
<b>Transportation, Warehousing and Utilities</b>	<b>42.0</b>	<b>43.5</b>	<b>40.4</b>	<b>39.6</b>	<b>41.0</b>	<b>42.1</b>	<b>40.9</b>	<b>40.4</b>	<b>45.0</b>	<b>42.5</b>
Transportation and Warehousing	38.9	39.8	36.4	34.9	37.9	39.0	38.3	37.8	42.3	40.1
Air Transportation	8.0	7.0	5.8	5.4	4.5	3.9	3.9	2.8	2.7	2.8
<b>Information</b>	<b>15.6</b>	<b>15.3</b>	<b>14.4</b>	<b>14.0</b>	<b>13.9</b>	<b>13.8</b>	<b>13.6</b>	<b>13.9</b>	<b>13.5</b>	<b>13.9</b>
Telecommunications	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Financial Activities</b>	<b>65.6</b>	<b>64.4</b>	<b>61.7</b>	<b>58.4</b>	<b>58.5</b>	<b>62.0</b>	<b>64.1</b>	<b>66.6</b>	<b>68.2</b>	<b>73.3</b>
Finance and Insurance	52.3	52.2	50.9	49.9	50.0	52.4	52.6	54.0	56.2	59.3
Credit Intermediation and Related Activities	20.5	21.3	20.7	20.6	20.4	21.8	22.2	21.8	21.6	21.9
Insurance Carriers and Related Activities	23.8	24.2	24.2	23.5	23.7	25.2	24.5	25.6	27.4	28.0
<b>Professional and Business Services</b>	<b>154.8</b>	<b>155.6</b>	<b>150.6</b>	<b>149.7</b>	<b>153.5</b>	<b>163.6</b>	<b>165.6</b>	<b>166.9</b>	<b>174.7</b>	<b>166.3</b>
Professional and Technical Services	54.7	56.0	53.2	54.0	57.3	61.2	57.4	58.2	61.9	60.6
Management of Companies and Enterprises	33.5	36.6	37.9	38.0	40.0	42.9	42.1	42.3	42.4	40.4
Administrative, Support, and Waste Services	66.7	63.0	58.7	57.7	56.2	59.5	66.1	66.4	70.4	65.3
Employment Services	34.1	30.2	24.3	24.3	24.9	27.3	29.0	31.8	30.4	28.1
Services to Buildings and Dwellings	13.6	12.5	11.8	12.2	12.5	13.9	15.5	15.7	16.1	17.7
<b>Educational and Health Services</b>	<b>141.3</b>	<b>147.3</b>	<b>148.4</b>	<b>151.9</b>	<b>153.2</b>	<b>152.2</b>	<b>153.6</b>	<b>158.8</b>	<b>156.9</b>	<b>161.8</b>
Educational Services	14.6	15.8	16.3	16.6	16.7	18.5	17.2	18.1	17.9	18.1
Health Care and Social Assistance	126.7	131.5	132.1	135.3	136.5	133.7	136.4	140.7	139.0	143.7
Hospitals	41.3	44.1	45.1	46.2	46.0	46.4	47.6	48.5	47.6	50.3
<b>Leisure and Hospitality</b>	<b>106.9</b>	<b>101.9</b>	<b>99.1</b>	<b>97.0</b>	<b>98.8</b>	<b>104.6</b>	<b>116.8</b>	<b>123.4</b>	<b>127.2</b>	<b>135.0</b>
Arts, Entertainment and Recreation	18.8	16.4	16.6	15.6	14.4	14.4	27.1	29.9	29.7	33.0
Accommodation and Food Services	88.0	85.5	82.5	81.4	84.4	90.2	89.7	93.5	97.5	102.0
<b>Other Services</b>	<b>43.2</b>	<b>43.1</b>	<b>41.6</b>	<b>40.9</b>	<b>42.2</b>	<b>40.3</b>	<b>39.0</b>	<b>41.8</b>	<b>40.9</b>	<b>40.2</b>
<b>Government</b>	<b>132.9</b>	<b>134.4</b>	<b>133.9</b>	<b>133.0</b>	<b>130.5</b>	<b>127.4</b>	<b>121.7</b>	<b>123.2</b>	<b>121.5</b>	<b>123.3</b>
Federal Government	17.4	16.9	16.7	16.6	16.5	15.6	15.9	15.7	15.2	15.4
State Government	27.5	29.0	29.1	28.6	28.4	28.0	23.3	23.7	23.8	24.2
State Government Education	22.3	24.0	23.8	23.2	24.7	23.7	17.4	18.9	18.7	18.4
Local Government	88.1	88.5	88.1	87.8	85.6	83.8	82.5	83.8	82.5	83.7
Local Government Education	49.0	50.8	51.4	51.1	50.0	49.4	43.9	44.8	44.2	43.7
<b>Total</b>	<b>1045.1</b>	<b>1038.2</b>	<b>996.8</b>	<b>987.7</b>	<b>1002.7</b>	<b>1023.8</b>	<b>898.3</b>	<b>927.8</b>	<b>954.3</b>	<b>962.7</b>
<b>Unemployment Rate</b>	<b>5.0</b>	<b>5.0</b>	<b>10.1</b>	<b>9.0</b>	<b>7.8</b>	<b>7.8</b>	<b>7.4</b>	<b>5.6</b>	<b>4.6</b>	<b>4.4</b>

Note: The Cincinnati-Middletown are included Brown, Butler, Clermont, Hamilton and Warren Counties in Ohio; Dearborn, Franklin and Ohio Counties in Indiana; Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in Kentucky.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information  
 Ohiolmi.com - LMR2016

**City of Cincinnati**  
**Demographic and Economic Information**  
**Schedule 7**  
**Higher Education**

The table below provides a listing of the area's largest colleges and universities by enrollment as of fall term 2015.

<b>Higher Education Institutions</b>	<b>Total Enrollment</b>
University of Cincinnati	44,251
Miami University	23,777
Northern Kentucky University	15,114
Cincinnati State Technical & Community College	9,630
Xavier University	6,285
Gateway Community and Technical College	4,128
College of Mount St. Joseph	2,007
Thomas More College	1,497
Beckfield College	1,260
Ivy Tech Community College Southeast	1,131

The region's largest college or university, the University of Cincinnati, has significant research and contract activity. During the 2013, 2014, and 2015 fiscal years, the University of Cincinnati and its affiliates received \$361 million, \$390 million, and \$397 million respectively, in federal, state, city/county, and non-government agency grants, contracts, and awards. According to the National Science Foundation ranking for federal funding of major research the University of Cincinnati stands among the top 50 research universities in the nation.

Source: Business Courier 2015-16 Book of Lists

City of Cincinnati  
Operating Information  
Schedule 1  
Full Time Equivalent Positions by Function/Program  
Last Ten Fiscal Years

<u>Function/Program</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	497	400	446	447	425	447	518	518	538	600
Community Development	61	140	73	70	66	54	71	67	70	44
General Services	66	61	63	62	57	59	57	63	64	71
Parks and Recreation	311	302	290	298	282	288	285	286	296	290
Public Safety										
Police	1342	1356	1,335	1,324	1,253	1,221	1,093	1,088	1,150	1,180
Fire	885	905	890	844	806	829	818	888	867	841
Transportation and Engineering	151	152	154	144	143	156	143	135	135	144
Public Services	425	416	402	367	334	326	321	291	326	321
Public Health	414	426	421	404	369	377	372	376	400	420
MSD	526	532	587	599	608	594	589	552	548	545
Enterprise										
Water Works	542	541	561	552	533	522	523	500	504	525
Parking Facility	44	41	40	35	28	31	30	29	29	32
Convention Center	1									
General Aviation	13	13	13	13	11	11	9	10	10	10
Municipal Golf	2	2	2	2	2	2	2	2	2	1
Stormwater Management	12	31	16	15	13	16	15	17	18	17
	5,292	5,318	5,293	5,176	4,930	4,933	4,846	4,822	4,957	5,041

Source: Cincinnati Human Resource Information System (CHRIS)

City of Cincinnati  
Operating Information  
Schedule 2  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Government</b>										
Litigations										
Total Cases (open)	383	117	106	123	128	119	124	148	158	128
Open Cases (current year)	295	79	98	103	155	90	52	80	95	111
<b>Community and Economic Development</b>										
Housing Units	2,052	1,581	1,834	2,560	1,735	1,880	1,030	1,741	1,921	1,615
Job Created/Retained thru Income Tax Credits	319	65	149	1			387	3,105	664	196
Enterprise Zone Agreement	5									
<b>Police</b>										
Service Calls	273,652	287,268	275,424	263,196	276,407	272,212	129,086	261,955	258,433	224,494
Arrests	41,510	41,542	36,768	37,529	37,207	35,141	16,109	32,155	29,121	29,107
Reports Filed	24,678	24,743	38,700	36,179	38,573	36,901	17,040	31,363	31,315	30,847
<b>Fire</b>										
Incidences (Fires, EMS, other)	67,435	66,973	72,128	70,889	73,531	75,412	31,960	81,955	73,248	71,451
<b>Parks</b>										
Annual Visitors	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	3,000,000	6,000,000	6,000,000	6,000,000
Nature Education Programs	1,000	1,000	1,168	1,375	1,382	1,298	698	1,403	1,871	1,068
Volunteer Hours	87,737	87,737	93,439	59,046	56,340	65,576	31,582	63,685	43,215	53,971
Park Reservations	1,350	1,350	732	958	976	961	411	812	860	1,011
Visitor Center Phone Calls	26,350	26,350	16,848	15,000	15,211	16,244	8,100	17,800	17,800	17,800
<b>Health</b>										
Patients	34,688	41,674	37,375	37,319	32,176	43,299	21,700	35,000	33,704	45,000
Visits	123,445	119,846	153,548	151,505	137,966	155,684	76,218	151,505	95,645	140,000
Inspections	31,244	17,635	19,751	20,798	22,812	22,664	11,379	20,146	25,040	22,000
Birth and Death Certificates	78,187	68,568	66,990	63,349	55,483	45,330	22,205	44,583	58,369	60,313
<b>Sanitation</b>										
Total solid waste collected and disposed	103,504	100,045	99,946	99,203	95,571	90,570	90,570	71,895	68,345	69,905
<b>Water Works</b>										
Water Delivered to Water Mains (Gallons)	53,410,396,000	49,586,715,000	45,554,623,000	47,328,871,000	44,396,749,000	45,233,282,700	20,559,715,500	43,838,631,300	43,024,975,500	42,784,941,100
Total Water Consumption (Gallons)	44,161,654,000	41,510,868,000	37,844,460,000	39,300,198,000	37,331,342,000	38,142,397,000	16,488,683,000	36,691,200,000	38,304,800,000	35,275,500,000
Percent of Unmetered Water	17%	16%	17%	17%	16%	16%	20%	16%	11%	18%
Average Daily Delivery (Gallons)	146,330,000	135,428,000	124,807,000	129,668,000	121,635,000	123,588,200	113,589,588	120,105,839	117,876,600	116,898,700
Maximum Daily Pumpage (Gallons)	229,517,000	220,566,000	169,260,000	200,712,000	206,325,000	230,258,100	168,569,000	157,429,000	164,010,500	158,984,000
Minimum Daily Pumpage (Gallons)	106,102,000	99,924,000	95,420,000	95,904,000	95,848,000	88,648,900	100,889,000	94,843,300	90,718,600	93,613,800

N/A = Not Available  
Note: The City of Cincinnati changed fiscal years in 2013. The information for 2013 fiscal year represents six months of information for the period ending June 30, 2013.



**City of Cincinnati**  
**Operating Information**  
**Schedule 3**  
**Capital Asset and Infrastructure Statistics by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Public Safety</b>										
Police										
Stations	5	5	5	5	5	5	5	5	5	5
Fire										
Fire Stations	26	26	26	26	26	26	26	26	26	26
Paramedic Units	4	4	6	4	12	12	12	12	12	42
Life Support Ambulances	6	6	8	8	0	0	0	0	0	12
Aircraft Rescue	1	1	1	1	1	1	1	1	1	1
<b>Transportation and Engineering</b>										
Streets (lane miles)	2,840	2,840	3,050	3,050	3,000	3,050	3,050	3,065	3,060	2,891
Sidewalks (miles)	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Street Signs	300,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Bridges	63	62	62	62	65	64	64	65	64	65
Retaining Walls (miles)	52	52	52	50	50	50	50	50	50	50
<b>Public Recreation</b>										
Parks										
Acreage	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Regional Parks	5	5	5	5	5	5	5	5	5	5
Neighborhood parks	70	70	70	70	70	71	71	71	71	71
Preserves and Nature areas	34	34	34	34	34	34	34	34	34	34
Nature Education Centers	5	5	5	5	5	5	5	5	5	5
Playgrounds	52	52	52	52	52	52	52	52	52	54
Hiking Trails (miles)	65	65	65	65	65	65	65	65	65	65
Plant Species - Krohn Conservatory	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Park Facilities & Structures	121	121	121	121	121	121	121	121	121	121
Street Trees	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	85,000
Recreation										
Acreage	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	1,978	1,978
Recreation and Senior Centers	38	38	38	38	32	30	27	27	24	23
Play Areas	108	108	108	108	108	96	100	100	98	98
Swimming Pools/Aquatics Facilities	38	38	38	28	33	32	34	34	31	30
Tennis Courts	122	122	122	122	103	103	97	97	97	90
<b>Public Services</b>										
Traffic Engineering										
Traffic Signs	758	749	757	757	765	758	758	758	770	780
Street Lights	32,000	28,706	12,000	12,000	12,200	8,515	8,515	10,000	10,000	10,000
<b>Public Health</b>										
Health Centers	6	6	6	6	6	6	6	6	6	7
<b>Water Works</b>										
Total Assets (in thousands)	\$970,706	979,428	1,080,499	1,081,596	1,144,127	1,229,795	1,248,476	1,265,321	1,354,789	1,349,362
Water Customer Accounts	241,040	241,416	241,500	241,704	241,714	241,707	241,809	241,987	242,227	242,335
Miles of Water Main in the System	3,109	3,121	3,128	3,133	3,316	3,145	3,146	3,148	3,149	3,161
<b>Municipal Golf</b>										
Golf Courses	7	7	7	7	7	6	6	6	6	6
<b>General Aviation</b>										
Acreage	870	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353
<b>Convention Center</b>										
Meeting Rooms	37	37	37	37	36	36	36	36	36	36
Exhibit Space (Square Feet)	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000
Meeting/Ballroom Space (Square Feet)	102,000	102,000	102,000	102,000	102,000	102,000	102,000	102,000	102,000	102,000
<b>Parking Facilities</b>										
Parking Lots/Garages	14	14	14	14	14*	14*	14*	13**	15	14***
Parking Meters	5,400	5,400	5,400	5,400	5,400	4,979	4,979	4,979	4,994	4,506
<b>Stormwater Management</b>										
Miles of Storm Sewers	350	350	350	350	350	350	350	350	350	350

\*The Gateway Garage was sold on 10/1/11 leaving Parking Facilities with 13 Parking Lots and Garages

\*\*The 5th & Race Lot ceased operations at the end of FY13 and was transferred to 3CDC

\*\*\*The Pogue's Garage ceased operations on 7/25/16 and ownership was transferred to 4th & Race Redevelopment, LLC.

Note: The City of Cincinnati changed fiscal years in 2013. The information for 2013 fiscal year represents six months of information for the period ending June 30, 2013.

**City of Cincinnati  
Operating Information  
Schedule 4  
Unions and Labor Contracts**

There are six (6) unions representing its employees: The American Federation of State, County, and Municipal Employees, the Cincinnati Organized and Dedicated Employees (CODE); the Fraternal Order of Police; the International Association of Fire Fighters; the Building Trades, and the Teamsters.

A summary of the six (6) bargaining units' representation of City employees and the status of the City contracts with each are summarized in the table below.

**Summary of City Labor Contracts**

<b><u>Bargaining Unit</u></b>	<b><u>Approximate No. of Employees Represented</u></b>	<b><u>Contract Effective Date</u></b>	<b><u>Contract Termination Date</u></b>	<b><u>Contract Wage Increase</u></b>
AFSCME	1,775	08/14/2016	08/10/2019	1.5% <sup>1</sup>
CODE	860	03/27/2016	03/23/2019	1.5% <sup>2</sup>
FOP (Non-Supervisors)	812	05/22/2016	05/11/2019	1.5% <sup>3</sup>
FOP(Supervisors)	226	05/22/2016	05/11/2019	1.5% <sup>4</sup>
IAFF*	846	05/22/2016	01/01/2019	3.0% <sup>5</sup>
IAFF Asst. Chiefs	4	05/22/2016	01/01/2019	3.0% <sup>6</sup>
Building Trades	39	08/01/2015	07/31/2018	2.0% <sup>7</sup>
Teamsters	22	10/27/2013	10/22/2016	0.5% <sup>8</sup>
AFSCME – MW's	95	03/15/2015	08/13/2016	TBD <sup>9</sup>
<b>TOTAL</b>	<b>4,679</b>			

1 AFSCME will receive a 1.5% increase effective 08/14/16; a 2.5% increase effective 08/13/17; and a 2.5% increase effective 08/12/18. Per City Ordinance #201601190, the AFSCME bargaining unit will receive an additional 2.5% increase effective 12/4/16; an additional 1.5% effective July 2017; and an additional 1.5% effective July 2018.

2 CODE will receive a 1.5% increase effective 03/27/16; a 2.5% increase effective 03/26/17; and a 2.5% increase effective 03/25/18. Per City Ordinance #201601190, the CODE bargaining unit will receive an additional 2.5% increase effective 12/4/16; an additional 1.5% effective July 2017; and an additional 1.5% effective July 2018.

3 FOP (Non-Supervisors) will receive a 1.5% increase effective 05/22/16; a 2.5% increase effective 08/14/16; a 4% increase effective 05/21/18; and a 4.0% increase effective 05/20/18.

4 FOP (Supervisors) will receive a 1.5% increase effective 05/22/16; a 2.5% increase effective 08/14/16; a 4% increase effective 05/21/18; and a 4.0% increase effective 05/20/18.

5 The IAFF will receive a 3.0% increase effective 09/11/16; a 3.0% increase effective 07/02/17; and a 3.0% increase effective 07/01/18. Per City Ordinance #201601190, the IAFF bargaining unit will receive an additional 1.0% increase effective 12/4/16; an additional 1.0% effective July 2017; and an additional 1.0% effective July 2018.

6 The IAFF will receive a 3.0% increase effective 09/11/16; a 3.0% increase effective 07/02/17; and a 3.0% increase effective 07/01/18. Per City Ordinance #201601190, the IAFF bargaining unit will receive an additional 1.0% increase effective 12/4/16; an additional 1.0% effective July 2017; and an additional 1.0% effective July 2018.

7 2.0% increase effective 11/01/16; and a 1.5% increase effective 08/01/17. Per City Ordinance #201601190, the Building Trades bargaining unit will receive an additional 1.0% increase effective 12/4/16; an additional 2.5% effective July 2017; and an additional 4.0% effective July 2018.

8 Current contract language provides a 1.5% increase in 2014, a 1% for 2015 and a .5% increase in April 2016; the parties are getting ready to enter into negotiations for a successor agreement.

9 Negotiations for a successor agreement are ongoing.

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended June 30, 2016

## PREPARED BY:

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city of  
CINCINNATI

2016

CINCINNATI, OHIO



# Dave Yost • Auditor of State

**CITY OF CINCINNATI**

**HAMILTON COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 16, 2017**