



Dave Yost • Auditor of State



**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT  
CLERMONT COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Clermont County Transportation Improvement District  
Clermont County  
2381 Clermont Center Drive  
Batavia, Ohio 45103

To the Board of Trustees:

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Clermont County Transportation Improvement District, Clermont County, Ohio (the District), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District'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 District'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 District'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, each major fund, and the aggregate remaining fund information of the Clermont County Transportation Improvement District, Clermont County, Ohio, as of December 31, 2016, and the respective changes in financial position for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**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* 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 District's basic financial statements taken as a whole.

The financial section's combining statements present additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The statements and schedule 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 schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedule 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 schedule are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2017, on our consideration of the District'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 District'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

May 24, 2017

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**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*FOR THE YEAR ENDED DECEMBER 31, 2016*  
*(Unaudited)*

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The discussion and analysis of Clermont County Transportation Improvement District's (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2016 are as follows:

- The District's net position decreased by \$5,518,301, to a year end total of negative \$13,184,352, as significant project related expenses were incurred during the year.
- During the year, the District generated \$8,984,342 of revenues and incurred expenses of \$14,502,643.
- During 2016 the District managed over active 30 projects. Significant construction activities occurred on the Aicholtz Road Connector Project, the Old State Route 74 Widening Project and the South Afton Commerce Park Project while the Eastgate South Roundabout Project, the Ivy Point Boulevard Project, the Eastgate South Project and the McMann Road Widening Project District reached substantial completion.
- During 2016, the District issued \$7,815,000 of Special Obligation Revenue Bonds to finance the fifth phase of the District's Regional Transportation Improvement Program.

**USING THIS ANNUAL REPORT**

This annual report consists of two parts – management's discussion and analysis and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the District. These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position (the difference between the District's assets and liabilities) is one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District reflect the following category for its activities:

Governmental Activities – The District's programs and services are reported as governmental activities and include general government, program implementation and public works.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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

## **DISTRICT SUMMARY**

### The District as a Whole

The following table provides a summary of the District's net position for 2016 compared to 2015:

	Governmental Activities		Increase
	2016	2015	(Decrease)
Current and other assets	\$ 14,410,733	\$ 10,963,259	\$ 3,447,474
Total assets	<u>14,410,733</u>	<u>10,963,259</u>	<u>3,447,474</u>
Long-term debt outstanding	22,996,425	16,185,343	6,811,082
Other liabilities	4,598,660	2,443,967	2,154,693
Total liabilities	<u>27,595,085</u>	<u>18,629,310</u>	<u>8,965,775</u>
Net position:			
Unrestricted	(13,184,352)	(7,666,051)	(5,518,301)
Total net position	<u>\$ (13,184,352)</u>	<u>\$ (7,666,051)</u>	<u>\$ (5,518,301)</u>

Total assets increased by \$3,447,474 and total liabilities increased by \$8,965,775. Total assets increased primarily due to receiving cash proceeds from a bond issue, offset by continuing expenditures. Total liabilities increased primarily due to issuing \$7,815,000 of Special Obligation Revenue Bonds.

Changes in Net Position – The following table provides a summary of the District’s changes in net position for 2016 compared to 2015:

	Governmental Activities		Increase
	2016	2015	(Decrease)
Revenues			
General revenues:			
Intergovernmental	\$ 3,075,000	\$ 3,075,000	\$ -
Federal Interest Subsidy	85,006	89,861	(4,855)
Interest Income	35,269	7,821	27,448
Program revenues:			
Operating Grants and Contributions	5,789,067	5,080,817	708,250
Total revenues	<u>8,984,342</u>	<u>8,253,499</u>	<u>730,843</u>
Program Expenses			
General Government	292,064	326,607	(34,543)
Program Implementation	661,732	178,785	482,947
Public Works	12,891,043	10,647,189	2,243,854
Debt Service:			
Interest and Fiscal Charges	657,804	522,725	135,079
Total expenses	<u>14,502,643</u>	<u>11,675,306</u>	<u>2,827,337</u>
Total Change in Net Position	(5,518,301)	(3,421,807)	(2,096,494)
Beginning Net Position	<u>(7,666,051)</u>	<u>(4,244,244)</u>	<u>(3,421,807)</u>
Ending Net Position	<u>\$ (13,184,352)</u>	<u>\$ (7,666,051)</u>	<u>\$ (5,518,301)</u>

### *Governmental Activities*

Net position of the District’s governmental activities decreased by \$5,518,301 during 2016 compared to a decrease of \$3,421,807 for 2015. Intergovernmental revenues remained constant under the funding agreements with the District’s funding partners. Operating grants and contributions increased as projects received additional funding of projects from outside sources to cover project costs. Program implementation expenses increased as a result of additional fees incurred as part of implementation of projects and coordination with State and local funding sources. Public Works expenditures increased due to the ongoing level of projects administered by the District. Interest and fiscal charges increased due to the issuance of additional bonds during 2016.

### The District’s Funds

The District’s governmental funds reported a combined fund balance of \$9,708,904, which is an increase of \$2,931,471 from last year’s total of \$6,777,433. A portion of the increase totaling \$1,313,273 occurred within the General Fund as a result of receiving bond proceeds and pledged revenues from funding partners in excess of transfers made to fund debt service and project related expenses. The remaining portion of the increase totaling \$1,618,198 is primarily a result of project funds being recognized as revenues in 2016 that funded project costs incurred during 2015.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### Capital Assets

As of December 31, 2016, the District reported no capital assets.

### Debt

The outstanding debt for the District was \$21,735,000 as of December 31, 2016. This balance reflects a increase of \$6,080,000 from the previous year's balance of \$15,655,000.

The 2016 increase is a result of issuing \$7,815,000 of Clermont County Transportation Improvement District Special Obligation Revenue Bonds, Series 2016 offset by scheduled retirements on four previously issued bonds totaling \$1,735,000.

Additional information concerning the District's debt can be found in Note 6 to the basic financial statements.

## **ECONOMIC FACTORS**

The year ending December 31, 2016 was the tenth full year of operations. The District continued on its mission to improve the prosperity, health, safety, and welfare of the people of Clermont County and the State of Ohio. As mentioned earlier, multiple new projects that are to be integrated into the overall transportation goals of the District were initiated during the year in addition to those initiated in prior years.

As with most infrastructure projects undertaken by local governments, a challenge facing the District is the future of both state and federal funding. With careful planning and monitoring of the District's finances and continued cooperation with local, state and federal officials, management is confident that funding challenges can be overcome and quality services will continue in order to develop, implement and construct the improvements envisioned to improve the prosperity, health, safety, and welfare of the people of Clermont County and the State of Ohio.

## **CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to Secretary-Treasurer, Clermont County Transportation Improvement District, 2381 Clermont Center Drive, Batavia, OH 45103. Additional information about the District can be found on the District's website at <http://goclermont.org/>.

**Clermont County Transportation Improvement District**

*Statement of Net Position*

*December 31, 2016*

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	<b>Governmental Activities</b>
<b>Assets</b>	
Equity in Pooled Cash	\$ 9,796,638
Contractor Retainage Accounts	97,113
Intergovernmental Receivable	4,516,982
	<hr/>
<b>Total Assets</b>	14,410,733
	<hr/>
<b>Liabilities</b>	
Accounts Payable	53,388
Contracts Payable	3,417,868
Retainage Payable	97,113
Unearned Revenue	964,287
Accrued Interest Payable on Bonds	66,004
Long Term Liabilities:	
Due Within One Year	1,512,849
Due In More Than One Year	21,483,576
	<hr/>
<b>Total Liabilities</b>	27,595,085
	<hr/>
<b>Net Position</b>	
Unrestricted	(13,184,352)
	<hr/>
<b>Total Net Position</b>	<u><u>\$ (13,184,352)</u></u>

See accompanying notes to the basic financial statements

**Clermont County Transportation Improvement District**

*Statement of Activities*

*For the Year Ended December 31, 2016*

		Program Revenues			Net (Expense) Revenues and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b><i>Governmental Activities</i></b>					
General Government	\$ 292,064	\$ -	\$ -	\$ -	\$ (292,064)
Program Implementation	661,732	-	-	-	(661,732)
Public Works	12,891,043	-	5,789,067	-	(7,101,976)
Interest and Fiscal Charges	657,804	-	-	-	(657,804)
Total Governmental Activities	<u>\$ 14,502,643</u>	<u>\$ -</u>	<u>\$ 5,789,067</u>	<u>\$ -</u>	<u>(8,713,576)</u>
		<b>General Revenues</b>			
		Intergovernmental Grants Not Restricted to			
		Specific Programs			3,075,000
		Federal Interest Subsidy			85,006
		Interest Income			<u>35,269</u>
		Total General Revenues			<u>3,195,275</u>
		Change in Net Position			(5,518,301)
		Net Position Beginning of Year			<u>(7,666,051)</u>
		Net Position End of Year			<u>\$ (13,184,352)</u>

See accompanying notes to the basic financial statements

**Clermont County Transportation Improvement District**

*Balance Sheet*

*Governmental Funds*

*December 31, 2016*

	General Fund	Debt Service Fund	Aicholtz Road Connector Project Fund	Old State Route 74 Widening Project Fund	Clermont County Airport Improvements Project Fund	South Afton Commerce Park Project Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>								
Equity in Pooled Cash	\$ 7,090,672	\$ -	\$ 339,704	\$ 330,146	\$ 991,682	\$ 636,824	\$ 407,610	\$ 9,796,638
Intergovernmental Receivable	1,000,000	-	1,235,753	561,178	-	812,750	907,301	4,516,982
Due from Other Funds	1,818,306	-	-	-	-	-	-	1,818,306
Contractor Retainage Accounts	-	-	-	-	-	-	97,113	97,113
<b>Total Assets</b>	<u>\$ 9,908,978</u>	<u>\$ -</u>	<u>\$ 1,575,457</u>	<u>\$ 891,324</u>	<u>\$ 991,682</u>	<u>\$ 1,449,574</u>	<u>\$ 1,412,024</u>	<u>\$ 16,229,039</u>
<b>Liabilities</b>								
Accounts Payable	\$ 20,784	\$ -	\$ 32,604	\$ -	\$ -	\$ -	\$ -	\$ 53,388
Contracts Payable	10,117	-	1,444,598	891,324	27,395	636,824	407,610	3,417,868
Due to Other Funds	-	-	98,255	-	-	812,750	907,301	1,818,306
Unearned Revenue	-	-	-	-	964,287	-	-	964,287
Retainage Accounts Payable	-	-	-	-	-	-	97,113	97,113
<b>Total Liabilities</b>	<u>30,901</u>	<u>-</u>	<u>1,575,457</u>	<u>891,324</u>	<u>991,682</u>	<u>1,449,574</u>	<u>1,412,024</u>	<u>6,350,962</u>
<b>Deferred Inflows of Resources</b>								
Unavailable Amounts	-	-	98,255	-	-	-	70,918	169,173
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>98,255</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,918</u>	<u>169,173</u>
<b>Fund Balances</b>								
Assigned	25,846	-	-	-	-	-	-	25,846
Unassigned	9,852,231	-	(98,255)	-	-	-	(70,918)	9,683,058
<b>Total Fund Balances</b>	<u>9,878,077</u>	<u>-</u>	<u>(98,255)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(70,918)</u>	<u>9,708,904</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 9,908,978</u>	<u>\$ -</u>	<u>\$ 1,575,457</u>	<u>\$ 891,324</u>	<u>\$ 991,682</u>	<u>\$ 1,449,574</u>	<u>\$ 1,412,024</u>	<u>\$ 16,229,039</u>

See accompanying notes to the basic financial statements

**Clermont County Transportation Improvement District**  
*Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2016*

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***Total Governmental Fund Balances*** \$ 9,708,904

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

Intergovernmental receivables are not available to pay for current-period expenditures and therefore are deferred in the funds 169,173

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds

Bonds Payable	(21,735,000)
Premium on Bonds	(1,261,425)
Accrued Interest Payable	<u>(66,004)</u>

***Net Position of Governmental Activities*** \$ (13,184,352)

See accompanying notes to the basic financial statements



**Clermont County Transportation Improvement District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
 Governmental Funds  
 For the Year Ended December 31, 2016

	General Fund	Debt Service Fund	Aicholtz Road Connector Project Fund	Old State Route 74 Widening Project Fund	Clermont County Airport Improvements Project Fund	South Afton Commerce Park Project Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>								
Intergovernmental Revenue	\$ 3,075,000	\$ -	\$ 2,573,456	\$ 561,178	\$ 35,713	\$ 812,750	\$ 3,424,168	\$ 10,482,265
Federal Interest Subsidy	-	85,006	-	-	-	-	-	85,006
Interest Income	35,269	-	-	-	-	-	-	35,269
<b>Total Revenues</b>	<b>3,110,269</b>	<b>85,006</b>	<b>2,573,456</b>	<b>561,178</b>	<b>35,713</b>	<b>812,750</b>	<b>3,424,168</b>	<b>10,602,540</b>
<b>Expenditures</b>								
Current:								
General Government	138,044	-	-	-	-	-	-	138,044
Program Implementation	661,732	-	-	-	-	-	-	661,732
Public Works	-	-	3,886,265	1,167,819	35,713	812,750	6,988,496	12,891,043
Debt Service:								
Redemption of Principal	-	1,735,000	-	-	-	-	-	1,735,000
Interest Expense	-	748,976	-	-	-	-	-	748,976
<b>Total Expenditures</b>	<b>799,776</b>	<b>2,483,976</b>	<b>3,886,265</b>	<b>1,167,819</b>	<b>35,713</b>	<b>812,750</b>	<b>6,988,496</b>	<b>16,174,795</b>
Excess (Deficiency) of Revenues Over	2,310,493	(2,398,970)	(1,312,809)	(606,641)	-	-	(3,564,328)	(5,572,255)
<b>Other Financing Sources (Uses):</b>								
Bond Proceeds	7,815,000	-	-	-	-	-	-	7,815,000
Premium on Bond Issue	-	842,746	-	-	-	-	-	842,746
Cost of Bond Issuance	-	(154,020)	-	-	-	-	-	(154,020)
Transfers-In	44,010	1,710,244	1,313,879	606,641	-	-	5,225,466	8,900,240
Transfers-Out	(8,856,230)	-	-	-	-	-	(44,010)	(8,900,240)
<b>Total Other Financing Sources (Uses)</b>	<b>(997,220)</b>	<b>2,398,970</b>	<b>1,313,879</b>	<b>606,641</b>	<b>-</b>	<b>-</b>	<b>5,181,456</b>	<b>8,503,726</b>
Net Change in Fund Balances	1,313,273	-	1,070	-	-	-	1,617,128	2,931,471
Fund Balance at Beginning of Year	8,564,804	-	(99,325)	-	-	-	(1,688,046)	6,777,433
Fund Balance at End of Year	<u>\$ 9,878,077</u>	<u>\$ -</u>	<u>\$ (98,255)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (70,918)</u>	<u>\$ 9,708,904</u>

See accompanying notes to the basic financial statements

**Clermont County Transportation Improvement District**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2016*

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***Net Change in Fund Balances - Total Governmental Funds*** \$ 2,931,471

*Amounts reported for governmental activities in the Statement of Activities  
are different because:*

Grant revenues that were previously deferred in the funds  
are not reported as revenues in the statement of activities

Intergovernmental revenues in the statement of activities that do not provide  
current financial resources are not reported as revenues in the funds (1,618,198)

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of principal of long-term debt  
consumes current financial resources of governmental funds. Neither  
transaction, however, has any effect on net position

Bonds Issued	(7,815,000)
Premium on Bonds	(842,746)
Redemption of Principal on Bonds	1,735,000
Amortization of Premium on Bonds	111,664

In the statement of activities, interest is accrued on outstanding bonds,  
whereas in governmental funds, an interest expenditure is reported when due (20,492)

***Change in Net Position of Governmental Activities*** \$ (5,518,301)

See accompanying notes to the basic financial statements

**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT**  
*CLERMONT COUNTY, OHIO*

*NOTES TO THE BASIC FINANCIAL STATEMENTS*  
*FOR THE YEAR ENDED DECEMBER 31, 2016*

**1. REPORTING ENTITY**

The Clermont County Transportation Improvement District (the District) is a body politic and corporate, created for the purpose of financing, constructing, maintaining, repairing, and operating select transportation projects. The District was specifically created pursuant to Chapter 5540 of the Ohio Revised Code, as amended. The District was created by action of the Board of Clermont County Commissioners on June 21, 2006.

The District is governed by a Board of Trustees that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members of whom five are voting and two are ex-officio (non-voting). Each Board member serves a term of two years and there are no term limits for reappointment. The five voting Board members are appointed by the Board of Clermont County Commissioners. The Speaker of the Ohio House of Representatives and the President of the Ohio Senate each appoint one ex-officio member. None of the Board members receive compensation for serving on the Board.

District Officers consist of a Chairman, Vice-Chairman and Secretary-Treasurer, who are elected annually from among the voting members of the Board. The Chairman, Vice-Chairman and Secretary-Treasurer serve at the pleasure of the Board and are subject to removal by an affirmative vote of the majority of the Board at any time. The Chairman's responsibilities are to preside at all meetings of the Board and be the chief officer of the District. The Secretary-Treasurer serves as the fiscal officer of the District.

The District is reported as a component unit to Clermont County, Ohio, as defined by the provisions of GASB statement numbers 14 and 39. As such, its activities are reported within the County's Comprehensive Annual Financial Report.

The District's management believes these financial statements represent all activities for which the District is financially accountable.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**A. Basis of Presentation**

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-wide Financial Statements** - The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limitations. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

**Fund Financial Statements** - During the year the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

## **B. Fund Accounting**

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There is one category of funds: Governmental.

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

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

*Debt Service Fund* - Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

*Aicholtz Road Connector Project Fund* - Provides for reestablishing a vital link in the Eastgate area's roadway network, help congestion on State Route 32 and improve access and mobility for local residents and businesses. This project is currently under construction with expected completion in 2017.

*Old State Route 74 Widening Project Fund* - Provides for roadway improvements to Old State Route 74 between Olive Branch-Stonelick Road and Armstrong Boulevard. The project includes the widening of Old State Route 74 as well as signal upgrades and improvements at the Olive Branch-Stonelick and Amelia-Olive Branch intersections. The project will support the recently completed Old State Route 74 extension to College Drive, and it will better accommodate expected traffic conditions. This project is currently under construction with expected completion in 2017.

*Clermont County Airport Improvement Project Fund* - Provides for a 1,400 feet runway extension at the Clermont County Airport to extend the runway to 5,000 feet. The extension will allow the airport to accommodate jet aircraft and increase the airport's corporate travel appeal and enhance the aviation program at the University of Cincinnati Clermont College. This project is currently undergoing Federal Aviation Administration reviews with construction expected to begin during 2017.

*South Afton Commerce Park Project Fund* - The Clermont County Community Improvement Corporation purchased 242 acres of land at Half Acre Road and SR 32 to develop the South Afton Commerce Park, a "business ready" site for manufacturers. The CCTID is working to coordinate and manage road access to and from the site. The project includes water and sewer extensions, as well as natural gas, telecom/fiber conduit and construction of stormwater facilities.

### C. Measurement Focus

**Governmental-wide Financial Statements** - The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Position. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

**Fund Financial Statements** - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

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

### D. Basis of Accounting

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

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

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

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. 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/expenditure) until then. For the District, there are no items reported in the government-wide statement of net position for deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, there are no items reported in the government-wide statement of net position for deferred inflows of resources. The governmental funds balance sheet reports deferred inflows which arise from receivables which will not be collected within the available period under a modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

#### **E. Cash and Cash Equivalents**

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash" on the balance sheet and statement of net position.

#### **F. Capital Assets**

The District reports no capital assets. Title to assets maintained by the District as part of project related expenditures will transfer to the County or State upon project completion.

#### **G. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, government fund payables and accrued liabilities that are incurred and are paid in a timely manner with current financial resources are reported as obligations of the funds. Long-term loans are recognized as a liability on the government fund financial statements when due.

## H. Interfund Transactions

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and eliminated in the Statement of Activities. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

## I. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provision, enabling legislation, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

As of December 31, 2016, net position of the District totals a negative \$13,184,352. The negative net position balance is a result of applying generally accepted accounting principles (GAAP). GAAP requires the reporting of total long term debt obligations while amounts reported for receivables under the intergovernmental agreements that are used as collateral for the debt are limited to amounts formally appropriated by the District's funding partners. In lieu of appropriating the intergovernmental agreement in its entirety, the funding partners formally appropriate the current year's portion of the agreement, on an annual basis, effective at the inception of each calendar year.

## J. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

***Restricted*** - The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

***Committed*** - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Trustees.

**Unassigned** - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

#### **K. Estimates**

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

### **3. DEFICIT FUND BALANCES**

The fund balance deficits at December 31, 2016 of \$98,255 in the Aicholtz Road Connector Project and \$70,918 in the Other Governmental Funds (all of which are capital project funds) arise from the recognition of revenues on the modified accrual basis. The deficits do not exist under the cash basis of accounting. The General Fund provides funding for the payment of expenditures in advance of the funds recognizing revenues from outside sources.

### **4. EQUITY IN POOLED CASH**

Monies held by the District are classified by State statute into three categories.

Active deposits are public deposits necessary to meet current demands upon the District. Active deposits must be maintained either as cash by the District, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the District has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.



The District has an Investment Policy that authorizes the Secretary-Treasurer to make investments of available monies from the funds of the District in securities as authorized by State law. These include:

1. bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for payment of principal and interest thereon but does not include stripped principal or interest obligations of such obligations;
2. bonds, notes, debentures, or any other obligations or securities directly issued by a Federal government agency or instrumentality;
3. interim deposits in Board-approved depositories;
4. bonds and other obligations of the State;
5. no-load money market mutual funds consisting exclusively of obligations described in A. and B. above or repurchase agreements secured by such obligations, provided such investments are made only through banks and savings and loan institutions authorized by R.C. 135.03;
6. The State Treasury Asset Reserve (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

#### Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Protection of District cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105 percent of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year-end, the carrying amount of the District's deposits was \$9,893,751 and the bank balance was \$10,931,397. Outstanding checks represent the difference between the carrying and bank balances. Federal depository insurance covered \$658,247 of the bank balance. The remaining \$10,273,150 was collateralized in the manner described above.

## 5. INTERGOVERNMENTAL AGREEMENTS

The District has entered into intergovernmental agreements with the Clermont County Commissioners, Clermont County Engineers Office, Miami Township, and Union Township to provide funding to the District to facilitate the development and implementation of the District's projects.

The initial intergovernmental agreements executed with the Clermont County Commissioners and Clermont County Engineers Office each provided for \$10,000,000 of funding commitments from available revenue sources in the amount of \$1,000,000 per year for a period of 10 years beginning in 2007. The initial intergovernmental agreements with Miami Township and Union Township each provided for \$1,000,000 of funding commitments from available revenue sources in the amount of \$100,000 per year for a period of 10 years beginning in 2007.

Amendments to those agreements have increased the pledged revenue commitments over an extended period ending 2036. The remaining balances covering pledged revenues under the amended agreements as of December 31, 2016 are as follows:

	<u>Remaining Agreement</u>
Clermont County Commissioners	\$27,500,000
Clermont County Engineers Office	20,000,000
Miami Township	6,800,000
Union Township	<u>2,000,000</u>
Total	<u>\$56,300,000</u>

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## 6. LONG-TERM DEBT

Changes in the long-term debt of the District during 2016 were as follows:

	Maturity/ Interest Rate	Balance January 1, <u>2016</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2016</u>	Amount Due Within <u>One Year</u>
Series 2007 Roadway Improvement Bonds – \$5,000,000	2016 4.250%	\$ 650,000	\$ -	(\$650,000)	\$ -	\$ -
Premium		2,516	-	(2,516)	-	-
Series 2010 Roadway Improvement Bonds – \$5,925,000	2025 2.90- 5.35%	4,145,000	-	(370,000)	3,775,000	380,000
Series 2012 Roadway Improvement Bonds – \$5,000,000	2028 2.00- 3.00%	4,190,000	-	(280,000)	3,910,000	285,000
Premium		85,557	-	(10,793)	74,764	10,249
Series 2013 Roadway Improvement Bonds – \$8,035,000	2028 2.50- 5.00%	6,670,000	-	(435,000)	6,235,000	450,000
Premium		442,270	-	(54,110)	388,160	51,232
Series 2016 Roadway Improvement Bonds – \$7,815,000	2036 3.00- 4.00%	-	7,815,000	-	7,815,000	270,000
Premium		-	842,746	(44,245)	798,501	66,368
Total		<u>\$16,185,343</u>	<u>\$8,657,746</u>	<u>(\$1,846,664)</u>	<u>\$22,996,425</u>	<u>\$1,512,849</u>

During 2007, the District issued \$5,000,000 of Clermont County Transportation Improvement District Roadway Improvement Revenue Bonds, Series 2007, dated December 5, 2007, to finance the first phase of the District's Regional Transportation Improvement Program. Final debt service on the Series 2007 Bonds was made during 2016.

During 2010, the District issued \$5,925,000 of Clermont County Transportation Improvement District Roadway Improvement Revenue Bonds, Series 2010, dated June 3, 2010, to finance the second phase

of the District's Regional Transportation Improvement Program. The balance of the Series 2010 bonds will mature on December 1 in various amounts ranging from \$380,000 in 2017 to \$470,000 in 2025. Interest, at rates varying from 2.90 percent to 5.35 percent per annum, is payable semi-annually on June 1 and December 1. The Series 2010 Bonds are Recovery Zone Economic Development Bonds subject to a Federal subsidy that reimburses the District up to 45 percent of interest payable on the Bonds.

During 2012, the District issued \$5,000,000 of Clermont County Transportation Improvement District Roadway Improvement Revenue Bonds, Series 2012, dated August 7, 2012, to finance the third phase of the District's Regional Transportation Improvement Program. The balance of the Series 2012 bonds will mature on December 1 in various amounts ranging from \$285,000 in 2017 to \$380,000 in 2028. Interest, at rates varying from 2.00 percent to 3.00 percent per annum, is payable semi-annually on June 1 and December 1.

During 2013, the District issued \$8,035,000 of Clermont County Transportation Improvement District Roadway Improvement Revenue Bonds, Series 2013, dated May 3, 2013, to finance the fourth phase of the District's Regional Transportation Improvement Program. The balance of the Series 2013 bonds will mature on December 1 in various amounts ranging from \$450,000 in 2017 to \$615,000 in 2028. Interest, at rates varying from 2.50 percent to 5.00 percent per annum, is payable semi-annually on June 1 and December 1.

During 2016, the District issued \$7,815,000 of Clermont County Transportation Improvement District Special Obligation Revenue Bonds, Series 2016, dated April 1, 2016, to finance the fifth phase of the District's Regional Transportation Improvement Program. The balance of the Series 2016 bonds will mature on December 1 in various amounts ranging from \$270,000 in 2017 to \$550,000 in 2036. Interest, at rates varying from 3.00 percent to 4.00 percent per annum, is payable semi-annually on June 1 and December 1.

The District has pledged receipts which consist of 1) the project funding; 2) future project funding; 3) net RID revenues; and 4) any other revenues, such as gifts or grants, to the extent they are not prohibited by their terms, to repay the principal and interest on the bonds. The bonds are payable from pledged revenues through 2036. Annual principal and interest payments on the bonds after the Federal subsidy are expected to require approximately 70 percent of annual pledged revenues through 2025, 54 percent from 2026 through 2028 and 22 percent from 2029 through 2036.

The annual requirements to retire the bonds, including the 45 percent federal subsidy applicable to interest on the Series 2010 bonds, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Gross Interest</u>	<u>Federal Subsidy</u>	<u>Total</u>
2017	\$1,385,000	\$792,048	(\$84,847)	\$2,092,201
2018	1,415,000	751,418	(77,836)	2,088,582
2019	1,445,000	710,693	(70,039)	2,085,654
2020	1,485,000	668,673	(61,863)	2,091,810
2021	1,510,000	621,835	(53,206)	2,078,629
2022-2026	7,880,000	2,180,044	(109,662)	9,950,382
2027-2031	4,065,000	875,900	-	4,940,900
2032-2036	<u>2,550,000</u>	<u>314,000</u>	<u>-</u>	<u>2,864,000</u>
Total	<u>\$21,735,000</u>	<u>\$6,914,611</u>	<u>(\$457,453)</u>	<u>\$28,192,158</u>

## 7. CONTRACTUAL COMMITMENTS

As of December 31, 2016, the District had open contractual commitments related to various projects as follows:

<u>Contract Amounts</u>	<u>Paid to Date</u>	<u>Remaining Commitments</u>
<u>\$13,153,532</u>	<u>\$4,730,732</u>	<u>\$8,422,800</u>

## 8. TRANSFERS

During the year, the District transferred \$1,710,244 from the General Fund to the debt service fund for debt service and \$7,145,986 from the General Fund to various project funds to fund project expenditures. In addition, a project fund transferred \$44,010 to the General Fund to return funds provided for funding of expenditures in prior years in advance of receiving project specific funding from outside sources.

## 9. RISK MANAGEMENT

The District has obtained commercial insurance for the following risks:

- General Liability
- Public Officials Liability
- Crime

There have been no claims resulting from these risks since inception of the District in July 2006. There have been no significant changes in coverage since July 2006.

## 10. SUBSEQUENT EVENT

During April, 2017 the District issued \$7,925,000 of Clermont County Transportation Improvement District Roadway Improvement Revenue Bonds, Series 2017, for the purpose of financing a portion of the District's Regional Transportation Improvement Program. The Bonds are secured by a pledge of the Pledged Receipts and money in certain funds and accounts. The Bonds mature in varying amounts on December 1 through 2036 and carry interest rates varying from 2.00 percent to 4.00 percent per annum.

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**Clermont County Transportation Improvement District**  
*Combining Balance Sheet*  
*All Governmental Funds*  
*December 31, 2016*

	General Fund	Debt Service Fund	Aicholtz Road Connector Project Fund	Old State Route 74 Widening Project Fund	Clermont County Airport Improvements Project Fund	South Afton Commerce Park Project Fund	Wolflpen- Pleasant Hill Safety Improvements Project Fund
<b>Assets</b>							
Equity in Pooled Cash	\$ 7,090,672	\$ -	\$ 339,704	\$ 330,146	\$ 991,682	\$ 636,824	\$ 142,205
Intergovernmental Receivable	1,000,000	-	1,235,753	561,178	-	812,750	-
Due from Other Funds	1,818,306	-	-	-	-	-	-
Contractor Retainage Accounts	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 9,908,978</b>	<b>\$ -</b>	<b>\$ 1,575,457</b>	<b>\$ 891,324</b>	<b>\$ 991,682</b>	<b>\$ 1,449,574</b>	<b>\$ 142,205</b>
<b>Liabilities</b>							
Accounts Payable	\$ 20,784	\$ -	\$ 32,604	\$ -	\$ -	\$ -	\$ -
Contracts Payable	10,117	-	1,444,598	891,324	27,395	636,824	142,205
Due to Other Funds	-	-	98,255	-	-	812,750	-
Unearned Revenue	-	-	-	-	964,287	-	-
Retainage Accounts Payable	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>30,901</b>	<b>-</b>	<b>1,575,457</b>	<b>891,324</b>	<b>991,682</b>	<b>1,449,574</b>	<b>142,205</b>
<b>Deferred Inflows of Resources</b>							
Unavailable Amounts	-	-	98,255	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>98,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>							
Assigned	25,846	-	-	-	-	-	-
Unassigned	9,852,231	-	(98,255)	-	-	-	-
<b>Total Fund Balances</b>	<b>9,878,077</b>	<b>-</b>	<b>(98,255)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 9,908,978</b>	<b>\$ -</b>	<b>\$ 1,575,457</b>	<b>\$ 891,324</b>	<b>\$ 991,682</b>	<b>\$ 1,449,574</b>	<b>\$ 142,205</b>

(continued)

**Clermont County Transportation Improvement District**  
*Combining Balance Sheet*  
*All Governmental Funds*  
*December 31, 2016*  
*(continued)*

	Eastgate South Roundabout Project Fund	Eastgate South Improvements Project Fund	Woodville Pike Rahab Project Fund	Ivy Pointe Boulevard Project Fund	BHG Drainage Improvements Project Fund	Aicholtz Road Widening Project Fund	No. 9 Road Bridge Replacement Project Fund
<b>Assets</b>							
Equity in Pooled Cash	\$ -	\$ 25,250	\$ -	\$ -	\$ -	\$ 104,770	\$ -
Intergovernmental Receivable	-	-	-	-	199,733	-	239,564
Due from Other Funds	-	-	-	-	-	-	-
Contractor Retainage Accounts	-	-	-	97,113	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 25,250</b>	<b>\$ -</b>	<b>\$ 97,113</b>	<b>\$ 199,733</b>	<b>\$ 104,770</b>	<b>\$ 239,564</b>
<b>Liabilities</b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts Payable	-	25,250	-	-	-	104,770	-
Due to Other Funds	-	-	-	-	199,733	-	239,564
Unearned Revenue	-	-	-	-	-	-	-
Retainage Accounts Payable	-	-	-	97,113	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>25,250</b>	<b>-</b>	<b>97,113</b>	<b>199,733</b>	<b>104,770</b>	<b>239,564</b>
<b>Deferred Inflows of Resources</b>							
Unavailable Amounts	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>							
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ -</b>	<b>\$ 25,250</b>	<b>\$ -</b>	<b>\$ 97,113</b>	<b>\$ 199,733</b>	<b>\$ 104,770</b>	<b>\$ 239,564</b>

(continued)



**Clermont County Transportation Improvement District**  
*Combining Balance Sheet*  
*All Governmental Funds*  
*December 31, 2016*  
*(continued)*

	SR 131 Improvements at Seipelt Elementary Project Fund	Clough Pike Culvert Replacement Project Fund	SR 28/BHG at Jer-Les Drive Project Fund	Bells Lane Modification Project Fund	Bethel-New Richmond Road Culvert Replacement Project Fund	Clermont Lane Drainage Improvement Project Fund	West Clermont Area Improvements Project Fund
<b>Assets</b>							
Equity in Pooled Cash	\$ -	\$ -	\$ -	\$ 22,658	\$ -	\$ -	\$ 2,280
Intergovernmental Receivable	-	199,708	-	-	153,368	-	-
Due from Other Funds	-	-	-	-	-	-	-
Contractor Retainage Accounts	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 199,708</b>	<b>\$ -</b>	<b>\$ 22,658</b>	<b>\$ 153,368</b>	<b>\$ -</b>	<b>\$ 2,280</b>
<b>Liabilities</b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts Payable	-	-	-	22,658	-	-	2,280
Due to Other Funds	-	199,708	-	-	153,368	-	-
Unearned Revenue	-	-	-	-	-	-	-
Retainage Accounts Payable	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>199,708</b>	<b>-</b>	<b>22,658</b>	<b>153,368</b>	<b>-</b>	<b>2,280</b>
<b>Deferred Inflows of Resources</b>							
Unavailable Amounts	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>							
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ -</b>	<b>\$ 199,708</b>	<b>\$ -</b>	<b>\$ 22,658</b>	<b>\$ 153,368</b>	<b>\$ -</b>	<b>\$ 2,280</b>

(continued)

**Clermont County Transportation Improvement District**  
*Combining Balance Sheet*  
*All Governmental Funds*  
*December 31, 2016*  
*(continued)*

	Johnson Road Bridge Replacement Project Fund	CCTID ITS Phase 3 Project Fund	US 50-SR 450 Eastern to Tech Center 11/111 Project Fund	Loveland- Miamiville Road Corridor Project Fund	Shayler/Bach- Buxton Intersection Improvement Project Fund	Oasis Rail Corridor Tier 2 Project Fund	Business 28 Phase I Improvements Project Fund
<b>Assets</b>							
Equity in Pooled Cash	\$ 70,918	\$ 2,703	\$ 706	\$ 12,465	\$ 17,373	\$ -	\$ -
Intergovernmental Receivable	70,918	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
Contractor Retainage Accounts	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 141,836</b>	<b>\$ 2,703</b>	<b>\$ 706</b>	<b>\$ 12,465</b>	<b>\$ 17,373</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Liabilities</b>							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts Payable	70,918	2,703	706	12,465	17,373	-	-
Due to Other Funds	70,918	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Retainage Accounts Payable	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>141,836</b>	<b>2,703</b>	<b>706</b>	<b>12,465</b>	<b>17,373</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>							
Unavailable Amounts	70,918	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>70,918</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>							
Assigned	-	-	-	-	-	-	-
Unassigned	(70,918)	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>(70,918)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 141,836</b>	<b>\$ 2,703</b>	<b>\$ 706</b>	<b>\$ 12,465</b>	<b>\$ 17,373</b>	<b>\$ -</b>	<b>\$ -</b>

**Clermont County Transportation Improvement District**  
*Combining Balance Sheet*  
*All Governmental Funds*  
*December 31, 2016*  
*(continued)*

	Traffic and Safety Device Management Project Fund	Stonelick- Williams Corner Bridge Project Fund	McMann Road Widening Project Fund	Merwin Ten Mile at 125 Intersection Project Fund	Linton Road Bridge Project Fund	Wolfpen Landslide Project Fund	Laurel Pt. Isabel Emergency Culvert Project Fund	Total
<b>Assets</b>								
Equity in Pooled Cash	\$ 6,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,796,638
Intergovernmental Receivable	-	44,010	-	-	-	-	-	4,516,982
Due from Other Funds	-	-	-	-	-	-	-	1,818,306
Contractor Retainage Accounts	-	-	-	-	-	-	-	97,113
<b>Total Assets</b>	<b>\$ 6,282</b>	<b>\$ 44,010</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,229,039</b>
<b>Liabilities</b>								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,388
Contracts Payable	6,282	-	-	-	-	-	-	3,417,868
Due to Other Funds	-	44,010	-	-	-	-	-	1,818,306
Unearned Revenue	-	-	-	-	-	-	-	964,287
Retainage Accounts Payable	-	-	-	-	-	-	-	97,113
<b>Total Liabilities</b>	<b>6,282</b>	<b>44,010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,350,962</b>
<b>Deferred Inflows of Resources</b>								
Unavailable Amounts	-	-	-	-	-	-	-	169,173
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169,173</b>
<b>Fund Balances</b>								
Assigned	-	-	-	-	-	-	-	25,846
Unassigned	-	-	-	-	-	-	-	9,683,058
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,708,904</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 6,282</b>	<b>\$ 44,010</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,229,039</b>

**Clermont County Transportation Improvement District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balance*  
*All Governmental Funds*  
*For the Year Ended December 31, 2016*

	General Fund	Debt Service Fund	Aicholtz Road Connector Project Fund	Old State Route 74 Widening Project Fund	Clermont County Airport Improvements Project Fund	South Afton Commerce Park Project Fund	Woflpen- Pleasant Hill Safety Improvements Project Fund
<b>Revenues:</b>							
Intergovernmental Revenue	\$ 3,075,000	\$ -	\$ 2,573,456	\$ 561,178	\$ 35,713	\$ 812,750	\$ -
Federal Interest Subsidy	-	85,006	-	-	-	-	-
Interest Income	35,269	-	-	-	-	-	-
<b>Total Revenues</b>	<b>3,110,269</b>	<b>85,006</b>	<b>2,573,456</b>	<b>561,178</b>	<b>35,713</b>	<b>812,750</b>	<b>-</b>
<b>Expenditures</b>							
Current:							
General Government	138,044	-	-	-	-	-	-
Program Implementation	661,732	-	-	-	-	-	-
Public Works	-	-	3,886,265	1,167,819	35,713	812,750	1,491,424
Debt Service:							
Redemption of Principal	-	1,735,000	-	-	-	-	-
Interest Expense	-	748,976	-	-	-	-	-
<b>Total Expenditures</b>	<b>799,776</b>	<b>2,483,976</b>	<b>3,886,265</b>	<b>1,167,819</b>	<b>35,713</b>	<b>812,750</b>	<b>1,491,424</b>
Excess (Deficiency) of Revenues Over	2,310,493	(2,398,970)	(1,312,809)	(606,641)	-	-	(1,491,424)
<b>Other Financing Sources (Uses):</b>							
Bond Proceeds	7,815,000	-	-	-	-	-	-
Premium on Bond Issue	-	842,746	-	-	-	-	-
Cost of Bond Issuance	-	(154,020)	-	-	-	-	-
Transfers-In	44,010	1,710,244	1,313,879	606,641	-	-	1,491,424
Transfers-Out	(8,856,230)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(997,220)</b>	<b>2,398,970</b>	<b>1,313,879</b>	<b>606,641</b>	<b>-</b>	<b>-</b>	<b>1,491,424</b>
Net Change in Fund Balances	1,313,273	-	1,070	-	-	-	-
Fund Balance at Beginning of Year	8,564,804	-	(99,325)	-	-	-	-
<b>Fund Balance at End of Year</b>	<b>\$ 9,878,077</b>	<b>\$ -</b>	<b>\$ (98,255)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(continued)

**Clermont County Transportation Improvement District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balance*  
*All Governmental Funds*  
*For the Year Ended December 31, 2016*  
*(continued)*

	Eastgate South Roundabout Project Fund	Eastgate South Improvements Project Fund	Woodville Pike Rahab Project Fund	Ivy Pointe Boulevard Project Fund	BHG Drainage Improvements Project Fund	Aicholtz Road Widening Project Fund	No. 9 Road Bridge Replacement Project Fund
<b>Revenues:</b>							
Intergovernmental Revenue	\$ 250,000	\$ -	\$ 311,728	\$ 423,145	\$ 639,849	\$ -	\$ 239,564
Federal Interest Subsidy	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>250,000</b>	<b>-</b>	<b>311,728</b>	<b>423,145</b>	<b>639,849</b>	<b>-</b>	<b>239,564</b>
<b>Expenditures</b>							
Current:							
General Government	-	-	-	-	-	-	-
Program Implementation	-	-	-	-	-	-	-
Public Works	1,032,178	868,592	644,340	598,223	509,560	263,243	239,564
Debt Service:							
Redemption of Principal	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,032,178</b>	<b>868,592</b>	<b>644,340</b>	<b>598,223</b>	<b>509,560</b>	<b>263,243</b>	<b>239,564</b>
Excess (Deficiency) of Revenues Over	(782,178)	(868,592)	(332,612)	(175,078)	130,289	(263,243)	-
<b>Other Financing Sources (Uses):</b>							
Bond Proceeds	-	-	-	-	-	-	-
Premium on Bond Issue	-	-	-	-	-	-	-
Cost of Bond Issuance	-	-	-	-	-	-	-
Transfers-In	782,178	868,592	428,309	598,223	31,853	263,243	-
Transfers-Out	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>782,178</b>	<b>868,592</b>	<b>428,309</b>	<b>598,223</b>	<b>31,853</b>	<b>263,243</b>	<b>-</b>
Net Change in Fund Balances	-	-	95,697	423,145	162,142	-	-
Fund Balance at Beginning of Year	-	-	(95,697)	(423,145)	(162,142)	-	-
<b>Fund Balance at End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(continued)

**Clermont County Transportation Improvement District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balance*  
*All Governmental Funds*  
*For the Year Ended December 31, 2016*  
*(continued)*

	SR 131 Improvements at Seipelt Elementary Project Fund	Clough Pike Culvert Replacement Project Fund	SR 28/BHG at Jer-Les Drive Project Fund	Bells Lane Modification Project Fund	Bethel-New Richmond Road Culvert Replacement Project Fund	Clermont Lane Drainage Improvement Project Fund	West Clermont Area Improvements Project Fund
<b>Revenues:</b>							
Intergovernmental Revenue	\$ 267,890	\$ 199,708	\$ -	\$ -	\$ 153,368	\$ 125,135	\$ -
Federal Interest Subsidy	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
Total Revenues	<u>267,890</u>	<u>199,708</u>	<u>-</u>	<u>-</u>	<u>153,368</u>	<u>125,135</u>	<u>-</u>
<b>Expenditures</b>							
Current:							
General Government	-	-	-	-	-	-	-
Program Implementation	-	-	-	-	-	-	-
Public Works	214,160	199,708	195,091	182,729	153,368	125,135	86,585
Debt Service:							
Redemption of Principal	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Total Expenditures	<u>214,160</u>	<u>199,708</u>	<u>195,091</u>	<u>182,729</u>	<u>153,368</u>	<u>125,135</u>	<u>86,585</u>
Excess (Deficiency) of Revenues Over	<u>53,730</u>	<u>-</u>	<u>(195,091)</u>	<u>(182,729)</u>	<u>-</u>	<u>-</u>	<u>(86,585)</u>
<b>Other Financing Sources (Uses):</b>							
Bond Proceeds	-	-	-	-	-	-	-
Premium on Bond Issue	-	-	-	-	-	-	-
Cost of Bond Issuance	-	-	-	-	-	-	-
Transfers-In	370	-	279,337	182,729	-	-	86,585
Transfers-Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>370</u>	<u>-</u>	<u>279,337</u>	<u>182,729</u>	<u>-</u>	<u>-</u>	<u>86,585</u>
Net Change in Fund Balances	54,100	-	84,246	-	-	-	-
Fund Balance at Beginning of Year	<u>(54,100)</u>	<u>-</u>	<u>(84,246)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**Clermont County Transportation Improvement District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balance*  
*All Governmental Funds*  
*For the Year Ended December 31, 2016*  
*(continued)*

	Johnson Road Bridge Replacement Project Fund	CCTID ITS Phase 3 Project Fund	US 50-SR 450 Eastern to Tech Center 11/111 Project Fund	Loveland- Miamiville Road Corridor Project Fund	Shayler/Bach- Buxton Intersection Improvement Project Fund	Oasis Rail Corridor Tier 2 Project Fund	Business 28 Phase I Improvements Project Fund
<b>Revenues:</b>							
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Interest Subsidy	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-
<b>Expenditures</b>							
Current:							
General Government	-	-	-	-	-	-	-
Program Implementation	-	-	-	-	-	-	-
Public Works	70,918	31,211	18,737	27,612	25,432	4,248	156
Debt Service:							
Redemption of Principal	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Total Expenditures	70,918	31,211	18,737	27,612	25,432	4,248	156
Excess (Deficiency) of Revenues Over	(70,918)	(31,211)	(18,737)	(27,612)	(25,432)	(4,248)	(156)
<b>Other Financing Sources (Uses):</b>							
Bond Proceeds	-	-	-	-	-	-	-
Premium on Bond Issue	-	-	-	-	-	-	-
Cost of Bond Issuance	-	-	-	-	-	-	-
Transfers-In	-	31,211	18,737	27,612	25,432	4,248	156
Transfers-Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	31,211	18,737	27,612	25,432	4,248	156
Net Change in Fund Balances	(70,918)	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-	-
Fund Balance at End of Year	\$ (70,918)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Clermont County Transportation Improvement District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balance*  
*All Governmental Funds*  
*For the Year Ended December 31, 2016*  
*(continued)*

	Traffic and Safety Device Management Project Fund	Stonelick- Williams Corner Bridge Project Fund	McMann Road Widening Total	Merwin Ten Mile at 125 Intersection Project Fund	Linton Road Bridge Project Fund	Wolfpen Landslide Project Fund	Laurel Pt. Isabel Emergency Culvert Project Fund	Total
<b>Revenues:</b>								
Intergovernmental Revenue	\$ -	\$ 44,010	\$ 166,395	\$ 37,916	\$ 344,883	\$ 64,452	\$ 156,125	\$ 10,482,265
Federal Interest Subsidy	-	-	-	-	-	-	-	85,006
Interest Income	-	-	-	-	-	-	-	35,269
<b>Total Revenues</b>	<b>-</b>	<b>44,010</b>	<b>166,395</b>	<b>37,916</b>	<b>344,883</b>	<b>64,452</b>	<b>156,125</b>	<b>10,602,540</b>
<b>Expenditures</b>								
Current:								
General Government	-	-	-	-	-	-	-	138,044
Program Implementation	-	-	-	-	-	-	-	661,732
Public Works	6,282	-	-	-	-	-	-	12,891,043
Debt Service:								
Redemption of Principal	-	-	-	-	-	-	-	1,735,000
Interest Expense	-	-	-	-	-	-	-	748,976
<b>Total Expenditures</b>	<b>6,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,174,795</b>
Excess (Deficiency) of Revenues Over	(6,282)	44,010	166,395	37,916	344,883	64,452	156,125	(5,572,255)
<b>Other Financing Sources (Uses):</b>								
Bond Proceeds	-	-	-	-	-	-	-	7,815,000
Premium on Bond Issue	-	-	-	-	-	-	-	842,746
Cost of Bond Issuance	-	-	-	-	-	-	-	(154,020)
Transfers-In	6,282	-	81,359	17,586	-	-	-	8,900,240
Transfers-Out	-	(44,010)	-	-	-	-	-	(8,900,240)
<b>Total Other Financing Sources (Uses)</b>	<b>6,282</b>	<b>(44,010)</b>	<b>81,359</b>	<b>17,586</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,503,726</b>
Net Change in Fund Balances	-	-	247,754	55,502	344,883	64,452	156,125	2,931,471
Fund Balance at Beginning of Year	-	-	(247,754)	(55,502)	(344,883)	(64,452)	(156,125)	6,777,433
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,708,904



**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT**  
*CLERMONT COUNTY*

*SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2016*

<b>FEDERAL GRANTOR</b>				
<b>Federal Grantor Agency Division</b>		<b>Federal</b>	<b>Pass Through</b>	<b>Passed</b>
<i>Pass Through Grantor</i>		<b>CFDA</b>	<b>Entity Identifying</b>	<b>Through to</b>
<b>Program / Cluster Title</b>	<b>Number</b>	<b>Number</b>	<b>Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<b>Federal Highway Administration</b>				
<i>Passed Through Ohio Department of Transportation</i>				
Highway Planning & Construction	20.205			
CLE CR3 Aicholtz Road Connector			82553	\$ 1,435,958
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>				<b><u>1,435,958</u></b>
<b>TOTAL DISBURSEMENTS OF FEDERAL AWARDS</b>				<b><u>\$ 1,435,958</u></b>

*The accompanying notes are an integral part of this schedule.*

**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT**  
*CLERMONT COUNTY, OHIO*

*NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS*  
*2 CFR 200.510(b)(6)*  
*FOR THE YEAR ENDED DECEMBER 31, 2016*

**Note A – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Clermont County Transportation Improvement District (District) under programs of the federal government for the year ended December 31, 2016. The information on this Schedule is prepared in accordance with the 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). Because the Schedule presents only a select portion of the operations of the District it is not intended to and does not present the net position of the District.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note C – Matching Requirements**

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



# 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*

Clermont County Transportation Improvement District  
Clermont County  
2381 Clermont Center Drive  
Batavia, Ohio 45103

To the Board of Trustees:

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, each major fund, and the aggregate remaining fund information of the Clermont County Transportation Improvement District, Clermont County, (the District) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 24, 2017.

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

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District'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 District'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 District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, 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*.

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***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 District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District'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 "D" and "Y".

**Dave Yost**  
Auditor of State

Columbus, Ohio

May 24, 2017



# Dave Yost • Auditor of State

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

Clermont County Transportation Improvement District  
Clermont County  
2381 Clermont Center Drive  
Batavia, Ohio 45103

To the Board of Trustees:

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

We have audited the Clermont County Transportation Improvement District's (the District's) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Clermont County Transportation Improvement District's major federal program for the year ended December 31, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

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

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

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

Our responsibility is to opine on the District's compliance for the District's major federal program 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 District'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 the District's major program. However, our audit does not provide a legal determination of the District's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Clermont County Transportation Improvement District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2016.

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

The District'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 District'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 District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program'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.



**Dave Yost**  
Auditor of State

Columbus, Ohio

May 24, 2017

**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT  
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 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 internal control weaknesses 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>	CFDA # 20.205 - Highway Planning and Construction Cluster
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 750,000 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 FOR FEDERAL AWARDS**

None.

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# Dave Yost • Auditor of State

**CLERMONT COUNTY TRANSPORTATION IMPROVEMENT DISTRICT**

**CLERMONT 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  
JUNE 13, 2017**