

**BUTLER COUNTY, OHIO**

*SUPPLEMENTAL REPORTS*

FOR THE YEAR ENDED  
DECEMBER 31, 2011

**ROGER REYNOLDS, CPA, COUNTY AUDITOR**





# Dave Yost • Auditor of State

Board of County Commissioners  
Butler County  
130 High Street  
Hamilton, Ohio 45011

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

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

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Dave Yost  
Auditor of State

October 25, 2012

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**BUTLER COUNTY**

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**BUTLER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Grant Number	Federal CFDA Number	(A),(B) Cash Federal Disbursements
<b><u>U.S DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
<b>Child Nutrition Cluster:</b>			
(C),(N) School Breakfast Program	065888-O5NP-2010/2009	10.553	\$ 41,033
(C),(N) National School Lunch Program	065888-LLN1-2010/2009	10.555	73,341
<b>Total Child Nutrition Cluster</b>			<u>114,374</u>
<i>Passed Through Ohio Department of Jobs &amp; Family Services:</i>			
State Administration Matching Grants for the Supplemental Nutrition Assistance Program	G-1011-11-5015	10.561	1,495,675
<b>Total U.S. Department of Agriculture</b>			<u>1,610,049</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<b>CDGB - Entitlement Grants Cluster:</b>			
(D),(L),(M) Community Development Block Grants/Entitlement Grants	N/A	14.218	1,059,024
(D) Community Development Block Grants/Entitlement Grants	N/A	14.218	1,787,701
(D) ARRA - Community Development Block Grants/Entitlement Grants	N/A	14.253	12,263
<b>Total CDGB - Entitlement Grants Cluster</b>			<u>2,858,988</u>
Shelter Plus Care	N/A	14.238	152,039
Shelter Plus Care	N/A	14.238	134,840
Shelter Plus Care	N/A	14.238	105,563
<b>Total Shelter Plus Care</b>			<u>392,442</u>
(M) HOME Investment Partnerships Program	N/A	14.239	657,525
<b>Total U.S. Department of Housing and Urban Development</b>			<u>3,908,955</u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
State Criminal Alien Assistance Program	N/A	16.606	360,757
Bulletproof Vest Partnership Program	N/A	16.607	8,550
<i>Passed Through Ohio Department of Public Safety:</i>			
<b>Edward Byrne Memorial Justice Assistance Grant Cluster:</b>			
(E), (Q) Edward Byrne Memorial Justice Assistance Grant Program	N/A	16.738	51,870
(E) Edward Byrne Memorial Justice Assistance Grant Program	2010-JG-A01-6801	16.738	75,000
(E) Edward Byrne Memorial Justice Assistance Grant Program	2009-JG-OPD-3751	16.738	15,000
(E) Edward Byrne Memorial Justice Assistance Grant Program	2009-JG-D01-6280	16.738	988
(E) ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	2009-RA-A02-2256-A	16.803	74,769
<b>Total Edward Byrne Memorial Justice Assistance Grant Cluster</b>			<u>217,627</u>
Violence Against Women Formula Grants	2011-WF-VA5-8807	16.588	46,881
Violence Against Women Formula Grants	2010-WF-VA5-8807	16.588	1,801
ARRA - Violence Against Women Formula Grants	2009-AR-VA5-1266	16.588	34,041
<b>Total Violence Against Women Formula Grants</b>			<u>82,723</u>
<i>Passed Through Ohio Office of Criminal Justice Systems:</i>			
Residential Substance Abuse Treatment for State Prisoners	2009-RA-B01-2023	16.593	6,151
Residential Substance Abuse Treatment for State Prisoners	2009-RA-B01-2318	16.593	2,848
Residential Substance Abuse Treatment for State Prisoners	2009-RA-C01-2226	16.593	13,336
<b>Total Residential Substance Abuse Treatment for State Prisoners</b>			<u>22,335</u>

(Continued)

BUTLER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Grant Number	Federal CFDA Number	(A),(B) Cash Federal Disbursements
<u>Passed Through Ohio Department of Youth Services:</u>			
Juvenile Accountability Block Grants	2009-JB-015-A025-A	16.523	\$ 28,377
Juvenile Accountability Block Grants	2009-JB-015-A025	16.523	8,305
<b>Total Juvenile Accountability Block Grants</b>			<u>36,682</u>
<u>Passed Through Ohio Attorney General's Office:</u>			
Crime Victim Assistance	2012VAGENE103	16.575	23,238
Crime Victim Assistance	2011VAGENE103	16.575	74,335
Crime Victim Assistance	2012VADOME464	16.575	5,969
Crime Victim Assistance	2011VADOME464	16.575	31,255
<b>Total Crime Victim Assistance</b>			<u>134,797</u>
<b>Total U.S. Department of Justice</b>			<u>863,471</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<u>FEDERAL AVIATION ADMINISTRATION</u>			
Airport Improvement Program	N/A	20.106	<u>158,981</u>
<u>FEDERAL HIGHWAY ADMINISTRATION</u>			
<u>Passed Through Ohio Department of Transportation:</u>			
Highway Planning and Construction	PID 78073	20.205	3,118,025
Highway Planning and Construction	PID 81988	20.205	35,400
Highway Planning and Construction	PID 82406	20.205	33,355
Highway Planning and Construction	PID 82423	20.205	54,936
Highway Planning and Construction	PID 87086	20.205	260,998
Highway Planning and Construction	PID 87270	20.205	88,607
<b>Total Highway Planning and Construction</b>			<u>3,591,321</u>
<b>Total U.S. Department of Transportation</b>			<u>3,750,302</u>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
WIA Pilots, Demonstrations, and Research Projects	N/A	17.261	<u>3,807</u>
<u>Passed Through Ohio Department of Jobs &amp; Family Services:</u>			
(K) Employment Service/Wagner-Peyser Funded Activities	N/A	17.207	<u>31,172</u>
<b>Workforce Investment Act Cluster:</b>			
(F),(K),(O) WIA Adult Program	N/A	17.258	284,006
(F),(K),(O) WIA Adult Program - Administrative	N/A	17.258	46,222
(F),(K),(O) ARRA - WIA Adult Program	N/A	17.258	121,667
<b>Total WIA Adult Program</b>			<u>451,895</u>
(F),(K),(O) WIA Youth Activities	N/A	17.259	779,833
(F),(K),(O) WIA Youth Activities - Administrative	N/A	17.259	121,196
(F),(K),(O) ARRA - WIA Youth Activities	N/A	17.259	121,667
<b>Total WIA Youth Activities</b>			<u>1,022,696</u>
(F),(K),(O) WIA Dislocated Workers	N/A	17.260	31,351
(F),(K),(O) WIA Dislocated Workers - Administrative	N/A	17.260	56,317
(F),(K),(O) ARRA - WIA Dislocated Workers	N/A	17.260	535,423
<b>Total WIA Dislocated Workers</b>			<u>623,091</u>
(F),(K),(O) WIA Dislocated Worker Formula Grants	N/A	17.278	<u>272,375</u>
<b>Total Workforce Investment Act Cluster</b>			<u>2,370,057</u>

(Continued)



**BUTLER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)**

	<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Pass Through Grant Number</b>	<b>Federal CFDA Number</b>	<b>(A),(B) Cash Federal Disbursements</b>
(K)	Disabled Veterans' Outreach Program (DVOP)	N/A	17.801	\$ 7,593
(K)	Local Veterans' Employment Representative Program	N/A	17.804	799
	<b>Total U.S. Department of Labor</b>			<b>2,413,428</b>
	<b><u>U.S. DEPT. OF ENERGY</u></b>			
	ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	N/A	81.128	545,412
	<b>Total U.S. Department of Energy</b>			<b>545,412</b>
	<b><u>U.S. DEPT. OF EDUCATION</u></b>			
	<i>Passed Through Ohio Rehabilitation Services Commission:</i>			
(K)	Rehabilitation Services_Vocational Rehabilitation Grants to States	N/A	84.126	73,949
(K)	ARRA - Rehabilitation Services_Vocational Rehabilitation Grants to States, Recovery Act	N/A	84.390	41,786
	<b>Total U.S. Department of Education</b>			<b>115,735</b>
	<b><u>ENVIRONMENTAL PROTECTION AGENCY - OFFICE OF WATER</u></b>			
	<i>Passed Through Ohio Water Development Agency:</i>			
	Capitalization Grants for Drinking Water State Revolving Funds	5360	66.468	190,621
	Capitalization Grants for Drinking Water State Revolving Funds	4995	66.468	90,543
	<b>Total Capitalization Grants for Drinking Water State Revolving Funds</b>			<b>281,164</b>
	<b>Total Environmental Protection Agency</b>			<b>281,164</b>
	<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
	Enhance Safety of Children Affected by Substance Abuse	N/A	93.087	520,931
	Drug-Free Communities Support Program Grants	N/A	93.276	193,016
	Developmental Disabilities Basic Support and Advocacy Grants	N/A	93.630	1,500
	<i>Passed Through Ohio Secretary of State and Office:</i>			
(K)	Help America Vote Act Requirements Payments	N/A	90.401	9,720
	Voting Access for Individuals with Disabilities_Grants to States	06-SOS-HHHS-09	93.617	9,787
	<i>Passed Through Ohio Department of Mental Health:</i>			
(K)	Projects for Assistance in Transition from Homelessness (PATH)	N/A	93.150	33,678
(K)	Block Grants for Community Mental Health Services	N/A	93.958	173,197
	<i>Passed Through Ohio Department of Jobs &amp; Family Services:</i>			
(K)	Promoting Safe and Stable Families	N/A	93.556	160,654
	Temporary Assistance for Needy Families	G-1011-11-5015	93.558	4,176,963

(Continued)

**BUTLER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Grant Number	Federal CFDA Number	(A),(B) Cash Federal Disbursements
Child Support Enforcement	G-1011-11-5015	93.563	\$ 2,644,856
<b>Child Care and Development Grant Cluster:</b>			
(G) Child Care and Development Block Grant	G-1011-11-5015	93.575	186,117
(G) Child Care Mandatory and Matching funds of the Child Care and Development Fund	G-1011-11-5015	93.596	104,444
(G),(H),(K) Child Care Mandatory and Matching funds of the Child Care and Development Fund	N/A	93.596	37,449
<b>Total Child Care and Development Grant Cluster</b>			<u>328,010</u>
Stephanie Tubbs Jones Child Welfare Services Program	G-1011-11-5015	93.645	140,442
Foster Care_Title IV-E	G-1011-11-5015	93.658	4,309,459
ARRA - Foster Care_Title IV-E	G-1011-11-5015	93.658	77,633
<b>Total Foster Care_Title IV-E</b>			<u>4,387,092</u>
Adoption Assistance	G-1011-11-5015	93.659	3,081,694
(K) Chafee Foster Care Independence Program	N/A	93.674	85,524
Social Services Block Grant	G-1011-11-5015	93.667	927,785
(H),(K) Social Services Block Grant	N/A	93.667	49,194
(I),(K) Social Services Block Grant	N/A	93.667	241,175
<b>Total Social Services Block Grant</b>			<u>1,218,154</u>
Medical Assistance Program	G-1011-11-5015	93.778	2,037,656
(H),(K) Medical Assistance Program	N/A	93.778	7,347,285
(H),(K) ARRA - Medical Assistance Program	N/A	93.778	724,492
(J),(K) Medical Assistance Program	N/A	93.778	1,130,923
(J),(K) ARRA - Medical Assistance Program	N/A	93.778	62,427
(I),(K),(P) Medical Assistance Program	N/A	93.778	826,120
(I),(K) ARRA - Medical Assistance Program	N/A	93.778	125,476
<b>Total Medical Assistance Program</b>			<u>12,254,379</u>
(K) Community-Based Child Abuse Prevention Grants	N/A	93.590	2,000
(K) Children's Health Insurance Program	N/A	93.767	7,909
<u>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</u>			
(K) Substance Abuse and Mental Health Services_Projects of Regional and National Significance	N/A	93.243	72,220
(K) Block Grants for Prevention and Treatment of Substance Abuse	N/A	93.959	2,043,277
<b>Total U.S. Department of Health and Human Services</b>			<u>31,545,003</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 45,033,519</u>

(Continued)

**BUTLER COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Continued)**

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

- (A) This schedule was prepared on the cash basis of accounting.
- (B) Certain federal programs require that the County contribute non-federal funds (matching funds) to support the federally funded programs. The County has complied with the matching requirements. The expenditure of non-federal matching funds are not included on the schedule.
- (C) Included as part of the "Child Nutrition Cluster" in determining major programs.
- (D) Included as part of the "Community Development Entitlement Grants Cluster" in determining major programs.
- (E) Included as part of the "Edward Byrne Memorial Justice Assistance Grant Cluster" in determining major programs.
- (F) Included as part of the "Workforce Investment Act Cluster" in determining major programs.
- (G) Included as part of the "Child Care and Development Grant Cluster" in determining major programs.
- (H) This portion of the program was passed through the Ohio Department of Mental Health.
- (I) This portion of the program was passed through the Ohio Department of Developmental Disabilities.
- (J) The portion of the program was passed through the Ohio Department of Alcohol and Drug Addiction Services.
- (K) Pass-through numbers were unable to be obtained for these grants.
- (L) The County has established a revolving loan program to provide low-interest loans to businesses that are creating jobs and meet the other program requirements. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Expenditures of Federal Awards (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2011, the gross amount of loans outstanding under this program is \$259,769.

- (M) The County passes certain federal awards received from the Ohio Department of Development to other governments or not-for-profit agencies (subrecipients). As Note "A" describes above, the County reports expenditures of Federal awards to subrecipients when paid in cash. As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that the subrecipients achieve the award's performance goals. The total amount of federal assistance provided to the subrecipients by the County for each federal program is summarized below:

Program Title	Amounts Provided to Subrecipient	CFDA Number
Community Development Block Grant	\$239,226	14.218
Home Investment Partnership Program	\$287,130	14.239

- (N) Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.
- (O) WIA funding is distributed to various areas of the State. Butler, Clermont and Warren Counties belong to Area 12. Butler County receives all funding for Area 12, and, as fiscal agent, distributes amounts to Clermont and Warren Counties. The County distributed \$1,424,596 and \$1,033,818 to Clermont and Warren Counties, respectively during calendar year 2011. As of the January 1, 2012, the County no longer acts as Area 12 fiscal agent.
- (P) During the calendar year, the County received a deferred payment from the Ohio Department of Developmental Disabilities (DODD) for the Medicaid program (CFDA #93.778) in the amount of \$1,230,382. The deferred payment was for Medicaid Administrative Claiming (MAC) and Waiver Administrative Claiming (WAC) expenses the County incurred in prior reporting periods due to an increase of federal funding received by DODD to reimburse these expenses and also due to changes in the County's Medicaid Eligibility Rate (MER) for certain activity codes within MAC/WAC. This revenue is not listed on the County's Schedule of Expenditures of Federal Awards since the underlying expenses occurred in prior reporting periods.
- (Q) This portion of the program was received directly from the federal agency.

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**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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**Independent Accountants' Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Required by *Government Auditing Standards***

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise Butler County's basic financial statements and have issued our report thereon dated June 22, 2012, except for our opinion on the Schedule of Expenditures of Federal Awards for which the date is August 17, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Board of Commissioners  
Butler County

Compliance and Other Matters

As part of reasonably assuring whether Butler County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to Butler County's management in a separate letter dated August 17, 2012.

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
June 22, 2012



**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Accountants' Report on Compliance With Requirements Applicable  
to Each Major Federal Program and on Internal Control Over Compliance  
Required by OMB Circular A-133 and the Schedule of Expenditures  
of Federal Awards**

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of Commissioners:

Compliance

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

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about Butler County's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Butler County's compliance with these requirements.

In our opinion, Butler County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with these requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and questioned costs lists these instances as Findings 2011-BC-001 and 2011-BC-002.

Board of Commissioners  
Butler County

Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying schedule of findings and questioned costs as item 2011-BC-001. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

We also noted a certain matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to Butler County's management in a separate letter dated August 17, 2012.



Board of Commissioners  
Butler County

Schedule of Expenditures of Federal Awards

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Butler County, Ohio as of and for the year ended December 31, 2011, and have issued our report thereon dated June 22, 2012. Our audit was performed to form opinions on the financial statements that collectively comprise Butler County's basic financial statements taken as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to June 22, 2012. The accompanying schedules of expenditures of federal awards (the "Schedule") provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The Schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This Schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Julian & Grube, Inc.  
August 17, 2012

**BUTLER COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2011**

<b>1. SUMMARY OF AUDITORS' RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	Yes
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510(a)?</i>	Yes
<i>(d)(1)(vii)</i>	<i>Major Programs:</i>	State Administration Matching Grants for the Supplemental Nutrition Assistance Program: CFDA #10.561; CDGB - Entitlement Grants Cluster: CFDA #14.218, 14.253; Workforce Investment Act Cluster: CFDA #17.258, #17.259, #17.260, #17.278; Child Support Enforcement: CFDA #93.563; Foster Care Title IV-E: CFDA #93.658; Medical Assistance Program: CFDA #93.778; Block Grants for Prevention and Treatment of Substance Abuse: CFDA #93.959
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$1,351,006 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	No

**BUTLER COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**OMB CIRCULAR A-133 § .505**  
**DECEMBER 31, 2011**

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

None

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

<b>Finding Number</b>	2011-BC-001
<b>CFDA Title and Number</b>	CDBG - Entitlement Grants Cluster: CFDA #14.218, #14.253; Child Support Enforcement: CFDA #93.563; Stephanie Tubbs Jones Child Welfare Services Program: CFDA #93.645; Medical Assistance Program: CFDA #93.778; Temporary Assistance for Needy Families: CFDA #93.558; Child Care Mandatory and Matching funds of the Child Care and Development Fund: CFDA #93.596; State Administration Matching Grants for the Supplemental Nutrition Assistance Program: CFDA #10.561; Workforce Investment Act Cluster: CFDA #17.258, #17.259, #17.260, #17.278; Social Services Block Grant: CFDA #93.667
<b>Federal Award Number/Year</b>	2011
<b>Federal Agency</b>	Department of Housing and Urban Development Department of Health and Human Services
<b>Pass-Through Agency</b>	None, Direct Ohio Department of Jobs and Family Services

Noncompliance/Significant Deficiency/Questioned Cost

**2 C.F.R. 225 Appendix B Sections 1 through 43** provide principles to be applied in establishing the allowability or unallowability of certain items of cost. These principles apply whether a cost is treated as direct or indirect. A cost is allowable for Federal reimbursement only to the extent of benefits received by Federal awards and its conformance with the general policies and principles stated in Appendix A to this part. Failure to mention a particular item of cost in these sections is not intended to imply that it is either allowable or unallowable; rather, determination of allowability in each case should be based on the treatment or standards provided for similar or related items of cost.

**2 C.F.R. 225 Appendix A Section (C)(1)(a through j)** provides that “to be allowable under Federal awards, cost must meet the following general criteria: be necessary and reasonable for the performance and administration of the Federal award; be allowable under 2 CFR 225; be authorized or not prohibited under State or local laws and regulations; conform to any limitations or exclusions set forth in these principles; be consistent with policies, regulations, and procedures for both Federal awards and other activities of the government entity; be accorded consistent treatment; be in accordance with generally accepted accounting principles except as provided in 2 CFR 225; not be included as a cost or used to meet cost sharing or matching requirements of other Federal awards except as provided by Federal law or regulation; be net of any applicable credits; be adequately documented.”

**BUTLER COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2011**

**3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS - (Continued)**

**2 C.F.R. 225 Appendix A Section (C)(3)(a)** provides a cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

The County is required to identify all expenditures that are specifically for the performance of Federal Grant services and determine if the expenditure is allowable per 2 C.F.R. 225 Appendix A before expending money from a Federal grant. Failure to properly identify allowable costs to the grant program may lead to monies having to be paid back to the federal program and/or having monies withheld from the federal program in the future.

The County did not follow the above guidelines in the following instances:

- \$193,377 in direct payroll allocations was charged to the Community Development Block Grant/Entitlement Grants Cluster (HERA, Neighborhood Stabilization program, Community Development Entitlement Grant). All employees charged to each of the grants were reasonable and necessary for the performance and administration of the Federal program; however, no time and effort documentation was maintained to support the amounts of payroll charges allocated to the federal programs.
- \$32,705 and \$17,371 of the Child Support Enforcement Agency (CSEA) public relations coordinator/CSEA program analyst's payroll was allocated to CSEA and the department of Jobs and Family Services (JFS) Public Assistance grants' shared cost pools, respectively. The employee charged to each of the grants was reasonable and necessary for the performance and administration of the Federal programs; however, no time and effort documentation was maintained to support the amounts of payroll charges allocated to each shared cost pool for allocation to the individual programs.

All salaries and indirect expenses related to CSEA and JFS are included in cost pools. Costs benefiting all programs (rent, leases, utilities, supplies, indirect employee costs for positions such as the agency director, personnel, fiscal, related compensation, etc.) are included in a shared costs pool. Data is collected from time studies and used to calculate allocation statistics used to distribute cost pool expenditures to the appropriate programs. The \$32,705 in payroll allocations for CSEA were allocated to their shared cost pool at 66% (\$21,585) and charged to Title IV-D; the remaining \$11,120 was charged to non-federal state funds. The \$17,371 in payroll allocations for JFS were allocated to their shared cost pool which is then charged to various federal programs as noted in the table below based on time studies used to calculate allocation statistics for cost pool expenditures.

Therefore, of \$232,330 of total payroll costs identified above we are questioning total costs of \$225,713 as listed in the table below. The remaining \$6,617 does not meet the requirements of OMB Circular A133 §\_\_.510(a)(3)-(4) for reporting as questioned costs.

**BUTLER COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**OMB CIRCULAR A-133 § .505**  
**DECEMBER 31, 2011**

**3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS - (Continued)**

CFDA(s)	Federal Program	Payroll Allocation
<u>Questioned Costs:</u>		
14.253; 14.218	CDBG/Entitlement Grant Cluster*	\$ 193,377
93.563	Child Support Enforcement*	21,585
93.645	Stephanie Tubbs Jones Child Welfare Services Program	10,751
<u>Non-questioned Costs:</u>		
93.778	Medicaid Assistance Program*	1,752
93.558	Temporary Assistance for Needy Families Child Care Mandatory and Matching Funds of the Child	985
93.596	Care and Development Fund	840
10.561	State Administration Matching Grants for the Supplemental Nutrition Assistance Program*	2,683
17.258; 17.259;		
17.260; 17.278	Workforce Investment Act Cluster*	349
93.667	Social Services Block Grant	8

\* Denotes major federal program

Client Response and Corrective Action Plan: The Community Development Department has started tracking the time through a time sheet which assigns hours to the specific grant. The time sheets will be maintained in their office. This process was implemented in September 2011.

The JFS, CSEA, and the Commissioner's officials have determined for CSEA to pay the employee in question 100% from their fund, they will enter into a MOU with any other department needing this employee's services. If those services are performed, an invoice would be generated showing any specific hours worked, providing sufficient documentation for any future audits. This process was implemented in September 2011.

All departments in question will be in contact with the Federal Agency who awarded the grants to ensure proper resolution of the matter. Further review will ensue, where needed. The Commissioner's Office will be compiling a Policy for "Time & Effort" and "Allocation" to address this issue. This process was implemented in September 2011.

**BUTLER COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**OMB CIRCULAR A-133 § .505**  
**DECEMBER 31, 2011**

**3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS - (Continued)**

<b>Finding Number</b>	2011-BC-002
<b>CFDA Title and Number</b>	N/A
<b>Federal Award Number/Year</b>	2011
<b>Federal Agency</b>	All
<b>Pass-Through Agency</b>	All

Non-compliance Finding

31 U.S.C. 7502(a)(1)(A) requires non-federal entities that expend \$500,000 or more in a year in Federal Awards shall have an annual Single or Program-Specific audit conducted for that year and filed with the Federal Audit Clearing House within nine months after year end.

The County expended \$59,139,642 in federal awards in 2010, but did not file their reporting packet with the Federal Audit Clearinghouse until November 2011.

We recommend that upon completion of the annual audit, the County ensure timely filing of all required reports to the Federal Audit Clearinghouse.

Client Response and Corrective Action Plan: The County will strive to file the reporting packet timely.

**BUTLER COUNTY**

**STATUS OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2011**

<b><u>Finding Number</u></b>	<b><u>Finding Summary</u></b>	<b><u>Fully Corrected?</u></b>	<b><u>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</u></b>
2010-001	<u>Material Weakness:</u> The County did not maintain proper documentation supporting employee payroll allocations between funds. Charges to restricted funds did not include documentation that work performed was for the purpose of the restricted fund. Also, certain restricted funds were charged directly and were also charged by the General fund as part of the County's indirect cost allocation plan.	No	Partially corrected, repeated as Management Letter Comment.
2010-002	<u>Noncompliance/Significant Deficiency/Questioned Cost:</u> The County is required to identify all expenditures that are specifically for the performance of Federal Grant services and determine if the expenditure is allowable per 2 C.F.R. 225 Appendix A before expending money from a Federal Grant. Failure to properly identify allowable costs to the grant program may lead to monies having to be paid back to the federal program and/or having monies withheld from the federal program in the future.	No	Repeated as Finding Number 2011-BC-001.

**BUTLER COUNTY**

**STATUS OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2011**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</b>
2010-003	<p><u>Noncompliance/Material Weakness:</u> OMB Circular A-133 subpart C Section .300(a) states the auditee shall identify, in its accounts, all Federal awards received and expended and the Federal program under which they were received. 2 C.F.R. 176.210 requires recipients to maintain records that identify adequately the source and application of ARRA awards. While the County did identify federal revenues and disbursements to the appropriate program and/or grant on the federal schedule, the federal money related to the Capitalization Grants for Clean Water State Revolving Funds and Capitalization Grants for Drinking Water State Revolving Funds were comingled in the underlying accounting records in Fund 3557, Sewer On-Behalf fund and Fund 4157, Water On-Behalf fund, respectively. Project revenues and expenditures were only identifiable via descriptions, not by separate accounting codes. \$1,283,781 in federal ARRA funds for the Capitalization Grants for Clean Water State Revolving Funds were comingled with \$850,873 in non-federal money in Fund 3557. \$1,049,013 in federal ARRA funds and \$2,474,004 in federal non-ARRA funds for the Capitalization Grants for Drinking Water State Revolving Funds were comingled with \$329,203 in non-federal money in Fund 4157. In addition, \$298,748 of the federal non-ARRA money was not recorded in the underlying accounting records; however; it is included in the federal schedule.</p>	Yes	N/A



# Butler County Ohio

## Comprehensive Annual Financial Report



For the Year Ended December 31, 2011

# Butler County, Ohio

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

Prepared by the Butler County Auditor's Office

Roger Reynolds, CPA  
Butler County Auditor

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# Introductory Section

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BUTLER COUNTY, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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BUTLER COUNTY, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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130 High Street  
Hamilton, Ohio 45011



June 22, 2012

To the Citizens and Board of Commissioners of Butler County:

Butler County is required by Ohio law to prepare an annual financial report using generally accepted accounting principles. It is our pleasure to present the Butler County Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2011.

The CAFR is prepared in conformance with generally accepted accounting principles as set forth by the Government Accounting Standards Board (GASB) and other recognized authoritative sources and contains basic financial statements, supplemental statements, and other financial and statistical information, providing complete and full disclosure of all material financial aspects of Butler County for 2011. This report is presented in fulfillment of the financial reporting requirements and is representative of our continual commitment to provide accurate and timely financial information to the citizens of Butler County.

Management assumes full responsibility for the accuracy and completeness of the information contained in this report based upon a comprehensive framework of internal control. Because the cost of internal control should not exceed anticipated benefits, management's objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Our independent auditor, Julian & Grube, Incorporated, has issued an unqualified opinion on Butler County's financial statements for the year ended December 31, 2011. The independent accountants' report is presented as the first component of the financial section of this report.

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

## REPORTING ENTITY

Butler County, established in 1803, was one of Ohio's original eight counties. The elected three-member Board of County Commissioners functions as the primary legislative and executive branch of the County. Each commissioner serves a term of four years. In addition, the Auditor, who serves as the chief fiscal officer and real estate property assessor for the County, and the Treasurer, who collects property taxes and is the custodian of all funds, are also elected to four-year terms. Other elected officials serving four-year terms include the Prosecuting Attorney, Sheriff, Engineer, Clerk of Courts, Recorder, and Coroner. Judges presiding over the Court of Common Pleas, Domestic Relations Court, Juvenile Court, Probate Court, and the County Court are also elected on a countywide basis.

The County provides its citizens with a wide range of services that include human and social services, health and community assistance related services, civil and criminal justice system services, road and bridge maintenance, and other general and administrative support services. The County maintains enterprise funds to account for the water and sewer system operations, as well as the operations of the Government Services Center parking facility. The County also maintains internal service funds for workers' compensation, health insurance and the County fuel depot.

The financial statements contained within this Comprehensive Annual Financial Report includes all funds, agencies, boards and commissions for which the County elected officials are financially accountable. A complete discussion of the County's reporting entity is provided in Note 1 to the basic financial statements.

## **ECONOMIC CONDITION AND OUTLOOK**

Butler County is located in Southwestern Ohio between Hamilton and Montgomery Counties; it shares its northern border with Preble County, and its eastern border with Warren County. To the west is the Indiana state line. Eighth largest among the state's 88 counties, Butler County's population increased by an estimated 1,869 people between the 2010 Census and July 1, 2011 – the fifth largest increase in number among the 88 counties. Ranking 178th out of 3,143 counties in the nation, Butler is among the top six percent of U.S. counties in terms of total population. The county is served by rail lines, interstate highways and two nearby international airports. In 2002, the Butler County completed the installation of a high-speed fiber-optic data communications system to enhance business development.

A total of 3,241 building/electric permits were issued in 2011 in the unincorporated areas of Butler County with a combined valuation of more than \$139.8 million. Total permit fees were just less than \$1.3 million. These fees, which do not reflect activity within the County's incorporated cities, have been on a downward trend since 2007 as the poor economy continues to hurt the local building industry. By comparison, in 2007 there were 4,176 building/electric permits issued in the unincorporated areas with a combined valuation of nearly \$474.5 million and total permit fees were just less than \$3.9 million.

The Board of County Commissioners administers the Butler County Revolving Loan Fund (RLF). The RLF program provides low-interest loans for economic development to eligible businesses. In 2011, the RLF program had five current loans that consisted of \$314,095 in public and private investment. This investment commits the county employers to create/retain 10 full-time jobs. There have been 93 jobs created or retained in Butler County by the Revolving Loan Fund over the last 15 years.

According to the Bureau of Labor Statistics, the average weekly wage in Butler County rose 0.5 percent from the first quarter of 2010 to the first quarter of 2011 to \$781. The increase continued at a higher clip for county wage earners in the second quarter, growing 2.5 percent from June 2010 to June 2011 to \$783. The third quarter was even better as wages increased by 3.4 percent to \$810 from September 2010 to September 2011. Unfortunately, that was the lowest rate of increase among the state's 11 largest counties and ranked just 259th out of the nation's largest 323 counties. By comparison, the U.S. average weekly wage increased 5.3 percent in the third quarter of 2011 to \$916.

Although the county saw increases in the average weekly wage, this increase was offset by higher prices. The Consumer Price Index for All Urban Consumers in the Cincinnati-Hamilton area rose 3.1 percent from 2010 to 2011, the U.S. Bureau of Labor Statistics reported. Motor fuel rose 26.7 percent in 2011 and food prices were up 2.9 percent. The index for all items less food and energy increased 1.9 percent.

According to the Bureau of Labor Statistics, Butler County's unemployment rate dropped to 8.6 percent in 2011 from 9.3 percent in 2010. It was also reported that the County's total civilian labor force was 191,300 in 2011, down 900 from the previous year. The number of unemployed was estimated at 16,400 in 2011, down from 17,900 in 2010. The civilian labor force represents civilians, 16 years of age or older, who are working or are seeking work.

Butler County experienced employment growth in 2011 along with mass layoffs due to various businesses closing or reducing staffing levels. SMART Papers and Mohawk Fine Papers in Hamilton and Pella Corp., a Fairfield door manufacturer, resulted in the loss of more than 800 jobs; In contrast, West Chester Township alone reported 3,600 new jobs in 2011. The employment growth helped Ohio earn the 2011 Site Selection Governor's Cup, which goes to the state with the most new and expanded corporate facilities. Ohio had 498 qualifying corporate projects in 2011 and 36 of those were in West Chester. Nearly 32 percent of the Greater Cincinnati region's total projects submitted were in West Chester.

University Pointe and West Chester Hospital, which opened in 2009, have drawn dozens of medical-related facilities to the uptown area, including eight in 2011. But this concentration near Tylersville Road and the Voice of America Park appeals to businesses beyond the medical fields. The township's largest retail addition in 2011 was the Aveda Frederic's Institute in the Voice of America Shopping Center.

Butler County is now home to the largest privately owned business in the Cincinnati region, according to the 2011 Deloitte Cincinnati USA Top 100 list. AdvancePierre Foods is one of four Butler County companies to make the list of top 20 largest privately owned businesses. The other local companies high on the list are Contech Construction of West Chester (9); Baker Concrete Construction in Monroe (10); and Cohen Brothers Inc. of Middletown (17).

AdvancePierre, of West Chester, a meat food production company, grew to \$1.4 billion in revenues in 2010 to make its first appearance on the Top 100 list, according to Deloitte Cincinnati USA. AdvancePierre's growth is thanks primarily to an acquisition that nearly doubled the size of the company in 2010. In October of 2010, Pierre merged with Advance Food Company and Advance Brands of Oklahoma, growing to a company with 11 locations. In June of 2011 the company also acquired Barber Foods in Maine. The West Chester facility is still the headquarters and a meat production plant with approximately 800 employees, according to the company. AdvancePierre makes fully cooked frozen meat products that consumers buy at grocery stores, cafeterias and vending machines.

One other Butler County company was also included in the Top 100: Totes Isotoner of West Chester (#25). Totes Isotoner advertises itself as the world's largest marketer of umbrellas, gloves, rainwear, rubber overshoes, and other weather-related accessories.

Manufacturing is the third largest industry in Butler County with 20,383 jobs, behind government and health care and social assistance, according to data company Economic Modeling Specialists Inc. (EMSI), a respected data source in the economics field. Government is estimated to employ approximately 25,534 people in 2011, including Miami University employees. Health care and social assistance is estimated to employ 21,053 people in Butler County, according to EMSI. Butler County is the only county out of Hamilton, Montgomery and Warren that EMSI says had a flat change in total manufacturing jobs from 2006 to 2011. The other surrounding counties all saw manufacturing job losses in the thousands the past five years.

## **MAJOR INITIATIVES**

### **Water System**

The water system serves more than 120,000 residents and businesses in the southeast portion of Butler County, including West Chester, Liberty, and Fairfield Townships. Additionally, the system serves wholesale water to the City of Monroe. The water system consists of five pump stations, eleven storage facilities and 619 miles of water mains.

The water system was upgraded with several cast iron water main replacement projects in 2011. These projects included replacing over 27,800 feet of water mains on Hamilton Mason Road, Dixon Drive, Morris Road, Westchester Road, Tylersville Road and State Route 42. The projects on State Route 42 and Tylersville Road were completed in conjunction with roadway improvements. The cast iron pipe was replaced with ductile iron pipe and will extend the life of these water mains for up to 100 years.

### **Sewer System**

The sewer system consists of 741 miles of sewer mains, 30 pumping stations, four satellite treatment plants, and two regional water reclamation facilities (WRF). This system transports and treats wastewater and returns clean water to our rivers and streams.

Several major sewer capital improvement projects took place in 2011. The upgrade of the LeSourdsville WRF continued construction through 2011 as contracts were awarded for the phase II project. By the end of 2011 this project was 20% complete with a projected completion date of late 2013. When complete the upgrade will increase the treatment capacity from 12 million gallons per day to 15 million gallons per day. It will also increase the ability to accommodate increased wet weather flows.

Also under construction in 2011 was the upgrade of the Scoutmaster Sewage Lift Station. The upgrade consists of a completely new lift station and the elimination of the existing station which was built in the 1970's. The new wet well, valve vault, and piping have been constructed and completion is projected for 2012.

Additionally, a process to reinstitute billing and call center functions was fully implemented and in operation effective for January 2011. The new fully staffed call center addresses approximately 3,000 live calls per month and uses an interactive voice response system for information on account balances, due dates, etc. Butler County Water and Sewer District now offers e-billing, e-checks, credit card payments and automatic recurring payment options for its customers due to the new call center.

### **Recycling Programs**

Butler County Recycling & Solid Waste District offers award winning, innovative recycling programs to all County residents such as “on-demand” curbside Freon appliance collection; computer, television and e-waste recycling; long-term household hazardous waste drop off service, and waste tire events. The District provides ongoing education and outreach to residents, businesses, and schools about how to recycle, how to manage seasonal waste, and options for hard to dispose items. The district rewards local jurisdictions for residential recycling performance through an annual financial incentive program. The District provides year round drop box recycling for common household recyclables such as paper, glass, plastic and cardboard at over 30 residential drop box stations located throughout Butler County.

Since 2007, the District has successfully served the manufacturing sector with a Pollution Prevention (P2) internship program. Businesses participating in the P2 program have saved over \$900,000 over the past four years as a result of improved energy efficiencies, waste reduction and other operational improvements. The District provides \$25,000 in annual recycling grants to area businesses, schools, and nonprofit organizations. Environmental outreach education with an emphasis on recycling and resource conservation is offered to kindergarten through middle school students at area public and private schools.

### **Capital Improvements**

The Board of County Commissioners is charged with the responsibility of maintaining the facilities and equipment that serve the primary government offices of the County.

In 2011, the County continued improving the Administrative Center building, the Care Facility and the Juvenile Justice Center using Energy Efficiency grant dollars. The building projects are projected to be completed in 2012. In addition, the County began construction on a new Engineers Salt Dome which is also scheduled for completion in 2012.

## **FINANCIAL INFORMATION**

### **Basis of Accounting**

The County’s records are maintained on a cash basis for all funds. At year-end, adjusting entries are prepared for the various funds to convert the cash basis records to the modified accrual basis of accounting for all governmental funds and to the accrual basis for proprietary funds. Modified accrual accounting requires that revenues be recognized when both measurable and available. Expenditures, other than interest and principal on long-term debt, are recorded when fund liabilities are incurred. The accrual basis of accounting used for the proprietary funds recognizes revenues when earned and expenses when incurred.

### **Internal Control**

The County’s system of internal accounting controls is designed to provide reasonable, but not absolute, assurance that (1) financial transactions are processed in accordance with management’s authorization, (2) transactions comply with County policies and Ohio law, and (3) financial records are reliable for preparing financial statements and maintaining accountability for assets and obligations. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived from their implementation and that the evaluation of costs and benefits require estimates and judgments by management.

### Budgetary Control

By early January, the Board of County Commissioners adopts the annual appropriation measure for all funds, except for agency funds. All disbursements and transfers of cash between funds other than agency funds require appropriation authority from the Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level. All purchase orders and contracts must be approved by a majority of the Board of County Commissioners except where another board or elected official is given this responsibility by statute. As contracts and purchase orders are issued to vendors, corresponding amounts of appropriations are reserved by the use of encumbrances to ensure that appropriations are not overspent. Contracts or purchase orders that exceed available appropriations are rejected by the accounting system until additional appropriations are obtained. A description of the various funds and the basis of accounting are included in Note 2 to the basic financial statements.

### Fund Level of Reserves Policy

The Butler County Office of Budget and Management has established a fund level of reserves policy for the general fund and water and sewer funds. This policy was established to maintain, if not improve, the current bond ratings for the County as well as to ensure adequate cash flow.

Fund reserves for the general fund have been defined as the unencumbered year-end cash balance. The level of fund reserves is presented as a percentage, based upon the ratio of year-end reserves to the following years' general fund budget or actual expenditures. The goal of this policy is to maintain a reserve level of 15-20% of the following year's general fund budget and not drop below 10%. The 2011 reserve ratio is 11.3%.

Butler County management recognizes the need to maintain adequate levels of cash in the water and sewer funds, while avoiding the accumulation of unnecessarily high levels of cash over extended periods of time. The policy states the desire of the county to maintain a cash balance equating to not less than one-fourth of the operating and maintenance expenses for the year immediately preceding. The policy reflects management's intentions with regard to minimum cash or fund balances, consistent with covenants continued in the various, currently applicable revenue bond indentures, which covenants essentially refer to cash flows and cash balances when addressing fund requirements, fund balances, and debt service coverage, and other financial matters. According to the policy, the cash balance policy requirement for 2011 was \$10.5 million and the total cash balance of the water and sewer funds was \$48,386,706.

### Independent Audit

Included in this report is the Julian & Grube, Incorporated unqualified opinion rendered on the County's basic financial statements as of and for the year ended December 31, 2011. An independent audit of the County's financial statements is part of the annual preparation of the CAFR. This annual independent audit continues to provide a review and comments which strengthen the County's accounting and budgetary controls.

### GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Butler County for its comprehensive annual financial report for the year ended December 31, 2010. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for consideration.

## Acknowledgments

I would like to acknowledge the efforts and dedication of the entire Fiscal Services staff for their contributions to this report. My appreciation is also extended to the Local Government Services Section, each of whom was invaluable once again in adding their expertise and dedication to the project.

We would also like to thank all of the elected officials, department heads, and their staff for their support and assistance in this endeavor. It is truly a group effort that would not be possible without the cooperation of all County departments.

It is the mission of the Auditor's office to bring a high level of professionalism to Butler County government and to better inform and educate its citizens. Through the issuance of this Comprehensive Annual Financial Report, the County remains accountable to the public, and the public trust with which we have been provided, is retained. This report provides a fair representation of the financial condition of the County as of and for the year ended December 31, 2011. We ask for your continuing support of this project and in our efforts to best serve the citizens of Butler County.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roger Reynolds', written in a cursive style.

Roger Reynolds, CPA  
Butler County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Butler County  
Ohio

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

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



*Linda C. Danison*

President

*Jeffrey R. Ennis*

Executive Director

BUTLER COUNTY, OHIO  
ELECTED OFFICIALS  
DECEMBER 31, 2011

---

Legislative and Executive Elected Officials

Commissioner – President	Charles Furmon
Commissioner – Vice President	Donald Dixon
Commissioner – Member	Cindy Carpenter
Auditor	Roger Reynolds, CPA
Treasurer	Nancy Nix, CPA
Prosecutor	Michael Gmoser
Recorder	Danny Crank

Judicial Elected Officials

Clerk of Courts	Mary Swain
Common Pleas Court	
Administrative Judge	Honorable Charles Pater
General Division Judge	Honorable Noah Powers II
General Division Judge	Honorable Andrew Nastoff
General Division Judge	Honorable Patricia Oney
General Division Judge	Honorable Michael Sage
General Division Judge	Honorable Keith Spaeth
General Division Judge	Honorable Craig Hedric
Domestic Relations Division Judge	Honorable Sharon Kennedy
Domestic Relations Division Judge	Honorable Barbara Schneider Carter
Juvenile Division Presiding Judge	Honorable Ronald Craft
Juvenile Division Judge	Honorable Kathleen Dobrozsi Romans
Probate Division Judge	Honorable Randy Rogers
Area Court I Presiding Judge	Honorable Robert Lyons
Area Court II Presiding Judge	Honorable Kevin McDonough
Area Court III Presiding Judge	Honorable Dan Haughey

Public Safety Elected Officials

Sheriff	Richard Jones
Coroner	Richard Burkhardt

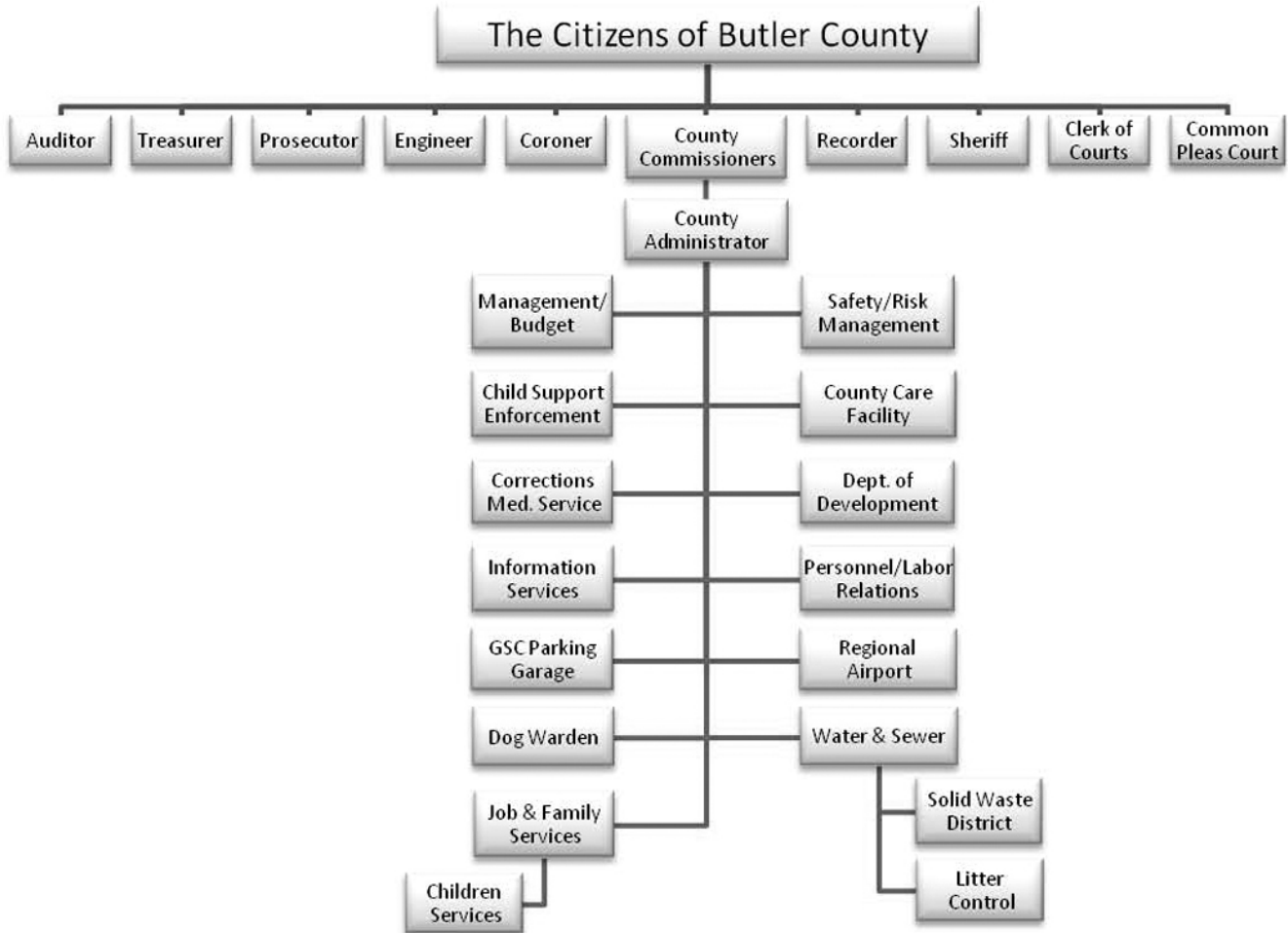
Public Works Elected Officials

Engineer	Gregory Wilkens, PE, PS
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# Butler County, Ohio

## Local Government Organizational Chart



## Ex Officio and Appointed Boards



## Financial Section

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**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Accountants' Report

Board of County Commissioners  
Butler County  
130 High Street  
Hamilton, Ohio 45011

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 Butler County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise Butler County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Butler County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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 Butler County, Ohio, as of December 31, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the general fund, developmental disabilities fund, job and family services/children services agency fund, and mental health fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2012, on our consideration of Butler County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



Julian & Grube, Inc.  
June 22, 2012

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

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Management's Discussion and Analysis offers the users of these financial statements an introspective look at the finances of Butler County for the year ended December 31, 2011, providing an easily readable overview of the County's financial performance as a whole while assisting readers in interpreting the basic financial statements. In addition to the information presented here, readers are also encouraged to review the transmittal letter, found on page iv, and the County's financial statements, beginning on page 15, for a more complete picture of Butler County's financial performance.

**Financial Highlights**

Key financial highlights for 2011 are as follows:

- The overall financial position for Butler County's operating fund, the General Fund, decreased from \$17.6 million in 2010 to \$16.3 million in 2011. Revenues increased slightly with sales tax being the largest growth (12%) from \$29.7 million in 2010 to \$33.2 million in 2011. In contrast, Intergovernmental revenues declined 16% in 2011 largely due to the reduction of local government and House Bill 66 dollars paid to the County from the State of Ohio.
- At year-end, the governmental funds combined ending fund balance of \$108.9 million was slightly higher than the same balance just one year ago, a \$2.6 million increase overall. Increases in some funds can be attributed to reductions in expenditures from 2010 to 2011. Developmental Disabilities recognized a \$1.6 million dollar increase in fund balance while Non Major Governmental Funds had an \$8.2 million dollar increase. Total governmental funds expenditures dropped from \$262.0 million in 2010 to \$259.8 million in 2011 with Job and Family Services/Children Services Agency showing the largest drop in expenditures due to state funding reductions.
- At December 31, 2011, Butler County had a total of \$199.5 million in outstanding long-term debt, 7% lower than the prior year-end. Governmental activities long-term debt dropped \$7.5 million due to scheduled maturities and the completion of the Ikon copier and sheriff vehicle capital leases. Business-type activities long-term debt decreased by \$6.9 million during 2011 due to scheduled maturities.

**Overview of the Financial Statements**

This discussion and analysis introduces you to Butler County's basic financial statements, which are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Other supplementary information is also contained within this report, including required supplementary information (RSI) on infrastructure, the combining financial statements, individual fund schedules, and statistical information.

Government-wide Financial Statements

Butler County's government-wide financial statements include a Statement of Net Assets and a Statement of Activities, which report the financial activities of the Butler County government as a whole, giving the reader a summary of County finances with a view of the bottom-line results of the County's operations. These statements are now prepared using the economic resources measurement focus and the accrual basis of accounting, similar to financial statements prepared in the private sector. As a result, all assets and liabilities of the County are accrued, and revenues and expenses are reported in the current year regardless of when the resulting cash flows occur.

The County's financial activities are identified in the government-wide financial statements as governmental activities or business-type activities.

Governmental activities

Governmental activities constitute the majority of the County's operations and are financed primarily by operating grants, taxes, charges for services, capital grants, and other intergovernmental revenues. Butler County's governmental activities are accounted for in governmental funds and are classified as follows:

Legislative and Executive - general government operations including the offices of the commissioners, auditor, treasurer, prosecutor, recorder, department of development, public defender, information services, board of elections, maintenance department, economic development, and records center.

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

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Judicial - court related activities including the operations of the common pleas court, probate court, area courts, juvenile court, domestic relations court, municipal court, court services, court of appeals, and clerk of courts.

Public Safety - activities associated with the protection of the public including the sheriff's operations, juvenile detention center, adult probation department, County paramedics, office of the coroner, and the criminal justice board.

Public Works - activities associated with maintaining county roads and bridges, the Butler County Regional Airport, litter control, and other associated community grant programs.

Health- activities aimed at serving the public health, including activities provided by the Board of Developmental Disabilities, Mental Health Board, and the Alcohol and Drug Addiction Services Board.

Human Services- activities related to the provision of various forms of services and assistance to individuals, children, and families, including services provided or funded by the County Care Facility, Elderly Services Levy, Veterans Services Board, Children Services Agency, Child Support Enforcement Agency, and the Department of Job and Family Services.

Conservation and Recreation- activities associated with conserving and maintaining the beauty of County lands, including the services provided through the Ohio State Agriculture Program and the Butler County Soil and Water Conservation District.

Intergovernmental- activities associated with expenditure classification for disclosure of asset construction where the final asset belongs to another governmental agency or contractual agreements where payments are made to various school districts for Tax Incremental Financing (TIF) and Residential Incentive Districts (RID) within the County.

Interest and Fiscal Charges- activities relate to expenditures on County bonds and notes for interest and related costs to issue debt.

Business-type activities

Business-type activities are those activities accounted for in enterprise funds, including the County's Water and Sewer operations, and the Government Services Center Parking Facility operations. Business-type activities rely on user fees and other charges to wholly, or to a large extent, fund their operations.

Statement of Net Assets

The Statement of Net Assets reports all assets and liabilities of the County, with net assets being the difference between the two. This statement is useful when evaluating the financial condition of the County. Monitoring the changes to net assets over time is one indication of whether the County's financial condition is improving or deteriorating.

Statement of Activities

The Statement of Activities reports, for the current year, the changes to the County's net assets, which is the difference between revenues and expenses. However, the format of this statement departs from a more traditional "revenues less expenses equal net assets" format you may see in the private sector.

Generally, private sector goals are to generate income, or simply put, maximize revenues. As such, private sector operating statements present revenues first. Expenses, which reduce revenue maximization, are presented next as a deduction against those revenues.

Public sector goals are different in that servicing the needs of the citizens, or spending, is what drives the financial activities. Thus, the Statement of Activities is designed to present expenses before revenues in order to emphasize that service activities dictate the level of resources that are required to be raised.

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

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In the County's Statement of Activities, resources used to fund service activities are identified as either program revenues (resources received from people receiving services or in the form of operating and capital grants and contributions and interest) or general revenues (all non-program revenues, including taxes). Butler County operations have also been classified into distinct governmental or business-type service activities.

These activities are reported in a format that allows the reader to see the extent to which each activity is supported or self-financed by program revenues or draws on the general resources of the County. The Statement of Activities is therefore useful in assessing the level of self-sufficiency of the various governmental or business-type activities versus management established performance benchmarks.

The government-wide financial statements begin on page 15 of this report.

Fund Financial Statements

A fund is an accounting term referring to a segregated group of accounts used to account for and to assist with the management of financial resources received. Various funds may be established to account for specific activities or objectives of the County, and to demonstrate compliance with finance related legal requirements associated with those resources.

Fund financial statements report additional and more detailed information about the County with an emphasis on major funds. Major funds are those governmental or enterprise funds that have been determined to be the most significant based on a defined set of financial criteria, as well as any other funds deemed to be particularly important to readers because of public interest or to ensure consistency between years. Information is presented separately in the fund financial statements for each of the major funds. Information for all non-major funds is aggregated and presented in a separate column of the fund financial statements. Detailed data for each of the non-major funds are provided in the combining statements and individual fund schedules that follow the basic financial statements.

All funds of Butler County are classified into one of three fund categories: governmental, proprietary, or fiduciary.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, but use a different measurement focus. Governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting, a short-term view focusing on the flow of monies into and out of the funds and the year-end balances available for near-future spending. This is in contrast to the government-wide financial statements that incorporate a longer-term focus. The reconciliations included in the governmental fund financial statements compares the governmental funds information to the governmental activities information as reported in the government-wide financial statements.

Butler County maintains numerous individual governmental funds, the following of which are considered major funds: General, Developmental Disabilities, Job and Family Services/Children Services Agency and Mental Health. The basic governmental fund financial statements begin on page 18 of this report.

Proprietary Funds - The County uses two types of proprietary funds, enterprise funds and internal service funds. Since the proprietary fund financial statements are prepared using the same measurement focus and basis of accounting as the government-wide financial statements, they provide the same type of information, only in greater detail.

Enterprise funds are used to account for the County's water and sewer operations and the operations at the Government Services Center Parking Facility, which are the business-type activities as reported in the government-wide financial statements.

Internal service funds are used to account for the financing of services provided by one department to other departments in the County on a cost-reimbursement basis. The County uses internal service funds to account for its health insurance, workers' compensation, and the County fuel depot. Since these programs mostly benefit governmental rather than business functions, they have been included in the governmental activities in the government-wide financial statements. In December 2011, the Butler County Commissioners chose to close the County fuel depot and transferred the remaining assets to the general fund.



BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

The basic proprietary fund financial statements begin on page 29 of this report.

Fiduciary Funds -Fiduciary funds are used to account for assets held by the County as an agent for outside parties and are accounted for in a manner similar to proprietary funds. Fiduciary funds are not presented in the government-wide financial statements as their resources are not available to support the County's governmental or business-type activities. The basic fiduciary fund financial statements begin on page 33 of this report.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements, providing additional important disclosures essential for a complete understanding of the financial data reported in the government-wide and fund financial statements. The notes to the financial statements begin on page 34 of this report.

To summarize, the government-wide financial statements report the County's activities as a whole, using a long-term, economic resources measurement focus while the fund financial statements report financial activities in more detail, with a shorter-term focus and emphasis on major funds. More simply, the primary focus of government-wide financial statements is demonstrating operational accountability, while the primary focus of the governmental fund financial statements is demonstrating fiscal accountability. Butler County management believes these basic financial statements provide the reader with the best information yet available to assess the level of Butler County's fiscal and operational accountability, both short-term and long-term.

**Government-wide Financial Analysis**

The County recorded a \$2.3 million increase in total net assets in 2011 from the combined 2010 governmental and business-type activities. Capital assets are used to provide services to residents and do not represent assets that may be used for future spending.

Sixty-three percent (63%) of the County's net assets are used providing governmental activities. Net assets used in governmental activities increased \$5.0 million from 2010 while net assets used in business-type activities decreased \$2.7 million.

Table 1  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	Restated 2010	2011	2010	2011	Restated 2010
<b>Assets</b>						
Current and Other Assets	\$263,657,575	\$267,341,784	\$53,913,942	\$62,333,196	\$317,571,517	\$329,674,980
Capital Assets, Net	386,810,019	392,759,611	321,113,385	322,106,068	707,923,404	714,865,679
<b>Total Assets</b>	<b>650,467,594</b>	<b>660,101,395</b>	<b>375,027,327</b>	<b>384,439,264</b>	<b>1,025,494,921</b>	<b>1,044,540,659</b>
<b>Liabilities</b>						
Current and Other Liabilities	101,631,401	108,147,768	3,803,121	3,918,620	105,434,522	112,066,388
Long-term Liabilities:						
Due Within One Year	11,211,073	11,663,930	8,390,028	8,054,305	19,601,101	19,718,235
Due in More Than One Year	92,748,062	100,389,083	100,859,463	107,765,692	193,607,525	208,154,775
<b>Total Liabilities</b>	<b>205,590,536</b>	<b>220,200,781</b>	<b>113,052,612</b>	<b>119,738,617</b>	<b>318,643,148</b>	<b>339,939,398</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	313,095,989	313,384,171	214,007,328	208,564,765	527,103,317	521,948,936
Restricted	158,659,165	151,719,352	6,000,000	6,000,000	164,659,165	157,719,352
Unrestricted	(26,878,096)	(25,202,909)	41,967,387	50,135,882	15,089,291	24,932,973
<b>Total Net Assets (Deficit)</b>	<b>\$444,877,058</b>	<b>\$439,900,614</b>	<b>\$ 261,974,715</b>	<b>\$264,700,647</b>	<b>\$706,851,773</b>	<b>\$704,601,261</b>

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

Total assets from 2011 to 2010 fell \$19.0 million as shown in table 1. Current and Other Assets decreased \$12.1 million from 2010 while Capital Assets, Net also saw a reduction of \$6.9 million as asset acquisition declined from 2010. Total liabilities dropped \$21.3 million as the County reduced long-term debt obligations.

**Governmental Activities:** Total governmental assets decreased \$9.6 million from 2010. Current and other assets were reduced \$3.7 million due primarily to the due from other funds restatement in the workers compensation fund (See Note 3) and to the reduction of various grant revenues such as local government and Medicaid allocation. Capital assets, net displayed a reduction due to minimal acquisition from capital projects and the removal of developmental disability land and buildings associated with the Fairfield Center that was not fully depreciated. Current and other liabilities dropped \$6.5 million primarily due to the reduction of deferred revenue from grants. Long-term liabilities saw a reduction of \$8.1 million as the County continues to reduce the governmental debt which contributed to the total net assets for governmental funds increasing \$5.0 million.

The County's governmental activities expenses exceeded program revenues in 2011 by \$111.8 million and, with an infusion of \$116.8 million of general revenues, resulted in a \$5.0 million increase to governmental activities net assets. Program revenues supporting governmental activities increased overall during 2011 to \$147.4 million. Charges for services increased \$3.5 million primarily due to project management services provided by the Butler County Engineer to various entities. While Operating Grants, Contributions, and Interest were down \$1.9 million due to reductions in various operating grants including House Bill 66, and ARRA Stimulus dollars. In addition, expenses increased slightly from \$258.2 million in 2010 to \$259.2 million in 2011 with the largest area of increase in intergovernmental expenses related to tax incremental financing and residential incentive districts.

General Revenues increased \$4.0 million (4%) from 2010. Taxes including real estate, sales tax, other local taxes and payment in Lieu of Taxes increased \$6.6 million from 2010 with Payments in Lieu of Taxes consisting of the largest increase at \$3.8 million. In addition, Investment Earnings and Other general revenues fell \$1.0 million from 2010.

Table 2  
Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010 Restated	2011	2010	2011	2010 Restated
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 43,548,827	\$ 40,071,814	\$ 38,049,692	\$ 39,079,391	\$ 81,598,519	\$ 79,151,205
Operating Grants, Contributions and Interest	97,506,046	99,945,382	-	-	97,506,046	99,945,382
Capital Grants, Contributions and Interest	6,326,191	5,773,244	5,962,256	8,540,416	12,288,447	14,313,660
<b>Program Revenues Subtotal</b>	<b>147,381,064</b>	<b>145,790,440</b>	<b>44,011,948</b>	<b>47,619,807</b>	<b>191,393,012</b>	<b>193,410,247</b>
<b>General Revenues:</b>						
Property Taxes	61,773,214	59,510,293	-	-	61,773,214	59,510,293
Sales Taxes	30,779,103	30,225,506	-	-	30,779,103	30,225,506
Local Taxes	2,476,974	2,472,087	-	-	2,476,974	2,472,087
Payments in Lieu of Taxes	9,911,360	6,129,462	-	-	9,911,360	6,129,462
Grants and Entitlements Not Restricted to Specific Programs	6,771,385	8,370,821	-	-	6,771,385	8,370,821
Interest	2,889,678	3,380,084	-	-	2,889,678	3,380,084
Other	2,192,682	2,679,825	981,500	689,250	3,174,182	3,369,075
Gain (Loss) on Sale of Capital Assets	-	11,145	-	-	-	11,145
<b>General Revenues Subtotal</b>	<b>116,794,396</b>	<b>112,779,223</b>	<b>981,500</b>	<b>689,250</b>	<b>117,775,896</b>	<b>113,468,473</b>
<b>Total Revenues</b>	<b>264,175,460</b>	<b>258,569,663</b>	<b>44,993,448</b>	<b>48,309,057</b>	<b>309,168,908</b>	<b>306,878,720</b>

(Continued)

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011  
(Unaudited)

Table 2 (Continued)  
Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010 Restated	2011	2010	2011	2010 Restated
Program Expenses						
General Government:						
Legislative and Executive	29,823,465	29,955,984	-	-	29,823,465	29,955,984
Judicial	14,869,492	16,189,897	-	-	14,869,492	16,189,897
Public Safety	44,980,435	41,154,980	-	-	44,980,435	41,154,980
Public Works	22,218,862	25,701,107	-	-	22,218,862	25,701,107
Health	68,349,134	62,355,137	-	-	68,349,134	62,355,137
Human Services	66,342,441	72,649,003	-	-	66,342,441	72,649,003
Conservation and Recreation	453,611	593,168	-	-	453,611	593,168
Intergovernmental	7,839,719	4,710,532	-	-	7,839,719	4,710,532
Other	-	11,860	-	-	-	11,860
Interest and Fiscal Charges	4,321,857	4,884,161	-	-	4,321,857	4,884,161
Sewer	-	-	23,474,260	23,256,101	23,474,260	23,256,101
Water	-	-	24,153,925	26,275,587	24,153,925	26,275,587
GSC Parking Garage Facility	-	-	91,195	91,310	91,195	91,310
<b>Total Expenses</b>	<b>259,199,016</b>	<b>258,205,829</b>	<b>47,719,380</b>	<b>49,622,998</b>	<b>306,918,396</b>	<b>307,828,827</b>
Change in Net Assets	4,976,444	363,834	(2,725,932)	(1,313,941)	2,250,512	(950,107)
Restatement of Prior Year Revenues	-	(1,564,109)	-	-	-	(1,564,109)
Net Assets at Beginning of Year (Restated)	439,900,614	441,100,889	264,700,647	266,014,588	704,601,261	707,115,477
Net Assets at End of Year	\$ 444,877,058	\$ 439,900,614	\$ 261,974,715	\$ 264,700,647	\$ 706,851,773	\$ 704,601,261

**Business-type Activities:** The County's sewer and water system operations constitute the majority of the business-type activities. Butler County management has established sound fiscal plans and mechanisms in order to respond to the challenges of delivering efficient and cost effective services to a large service area whose capacity has been continually expanding due to the tremendous growth the County has seen over the years. In 2011, the Water and Sewer funds experienced a reduction in net assets of \$2.7 million. The GSC Parking Facility recognized a gain in net assets from 2010 to 2011 due to revenues exceeding expenses. Further details regarding the financial condition of the GSC Parking Facility, Sewer and Water systems are provided in the Fund Analysis section that follows.

**Fund Analysis**

As mentioned above, various funds have been established to account for specific County activities or objectives. A summary of the most significant fiscal activity in the County's funds follows.

*Governmental Funds:* Governmental funds report County financial activity focusing on the near-term flow of expendable resources and assists in demonstrating fiscal accountability. Thus, fund balances provide us with a snapshot of what resources are available at year-end for near-term spending, and an analysis of changes to fund balances over time assists in evaluating the degree to which a specific program, or a group of activities, is "living within its means."

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At year-end, the governmental funds combined ending fund balance of \$108.9 million was slightly higher than the same balance just one year ago, a \$2.6 million increase overall. Increases in some funds can be attributed to reductions in expenditures from 2010 to 2011. Developmental Disabilities recognized a \$1.6 increases in fund balance while Non Major Governmental Funds had an \$8.2 million dollar increase. Total governmental funds expenditures dropped from \$262.0 million in 2010 to \$259.8 million in 2011 with Job and Family Services/Children Services Agency showing the largest drop in expenditures due to state funding reductions.

The overall financial position for Butler County's operating fund, the General Fund, decreased from \$17.6 million in 2010 to \$16.3 million in 2011. Revenues increased slightly with sales tax being the largest growth (12%) from \$29.7 million in 2010 to \$33.2 million in 2011. In contrast, Intergovernmental revenues declined 16% in 2011 largely due to the reduction of local government and House Bill 66 dollars paid to the county from the State of Ohio.

General Fund expenditures remained fairly consistent, showing a \$0.2 million dollar reduction from 2010. Expenditures and other financing uses exceeded revenues and other financing sources resulting in a fund balance decrease of \$1.3 million. The General Fund Nonspendable fund balance changed significantly in 2011 due to the elimination of a long term receivable from the Butler County Metroparks for debt service payments on the 2002 Various Purpose General Obligation Bonds. The Butler County Commissioners and Metroparks Board made a decision to discontinue reimbursements beginning in 2011.

The Butler County Developmental Disabilities (BCDD) Fund recognized an increase of \$1.6 million (5%) in fund balance in 2011. Intergovernmental revenues increased \$0.7 million (6%) during 2011 due to grant dollars and property taxes increased \$0.5 million (3%). BCDD Health expenditures increased \$2.2 million from 2010 to 2011 due primarily to a three-year early retirement incentive program offered for employees who were eligible. The retirement program allowed 47 employees to retire early. BCDD will not replace 12 positions, saving an estimated \$821,000 a year in salaries and benefits. BCDD's total revenues of \$29.4 million were significantly higher than expenditures of \$27.9 million which attributed to the overall increase in fund balance for 2011.

The Job and Family Services/Children Services Agency Fund saw significant reductions to both revenues and expenditures in 2011. Intergovernmental revenues decreased \$9.6 million (29%) in 2011 due primarily to the reduction of public assistance grant dollars received from the Ohio Department of Job and Family Services, the loss of ARRA stimulus dollars, and the reduction of House Bill 66 reimbursement dollars. Due to the loss of grant revenues the county cut Human Services expenditures by \$5.4 million through reduced services and employee layoffs. The combination of both revenues and expenditures for 2011 resulted in a \$2.2 million dollar reduction in fund balance.

The Mental Health Fund revenues declined in 2011 by \$3.2 million due primarily to the reduction in House Bill 66 revenues from the Ohio Department of Taxation, ARRA Medicaid federal dollars and changes to Medicaid allocation recognition. Health expenditures increased \$1.9 million due to additional mental health services provided to Butler County residents during 2011. The Mental Health Fund expenditures exceeded revenues, resulting in a negative \$3.8 million net change to the ending fund balance.

Only a portion of the \$108.9 million fund balance in the governmental funds is available for spending in next year's budget, however. This is referred to as restricted, committed and unassigned fund balance, and at December 31, 2011, the restricted, committed and unassigned fund balances for the governmental funds had increased to \$102.4 million, or 94% of the total fund balance.

The nonspendable fund balance of \$4.6 million includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact such as prepaid items, materials and supplies inventory, loans receivable and interfund loans. The committed fund balance of 0.4 million includes amounts that can be used only for specific purpose imposed by formal actual (resolution) of the County Commissioners for the sales tax dollars collected for the countywide communications system. The assigned fund balance of \$1.9 million, consisting of encumbrances, is intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed.

*Proprietary Funds:* The proprietary funds' financial statements provide the same information as seen in the government-wide financial statements, only in more detail. A summary of financial activity occurring in the Sewer and Water Enterprise Funds follows.

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*Sewer Fund:* The Sewer Fund's \$32.2 million in current assets at the end of 2011, principally (\$30.3 million) composed of equity in pooled cash and cash equivalents, as compared with current liabilities of \$6.4 million at year-end, leaving a \$25.8 million safety margin of working capital (current assets less current liabilities) for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2011 of \$17.8 million were \$0.5 million lower than the \$18.3 million in 2010, while operating expenses of \$21.0 million for 2011 were \$0.4 million more than 2010 operating expenses of \$20.6 million, resulting in an operating loss of \$3.3 million for 2011. In comparing 2011 to 2010, Depreciation and Amortization Expense continues to be the largest category and, for 2011, at \$10.1 million, remained fairly consistent. The next-largest category, personal services, comprising employees' salaries and fringe benefits, increased slightly in 2011 from \$5.5 million in 2010 to \$5.7 million. Contractual Services remained constant for 2011, and materials and supplies, at \$1.4 million for 2011, also increased slightly from 2010.

*Water Fund:* The Water Fund's current assets of \$14.1 million consisted largely of Equity in Pooled Cash and Cash Equivalents at \$11.9 million or 84%. The current assets of \$14.1 million compared to current liabilities of \$5.7 million leaves a substantial safety margin of working capital of \$8.4 million for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2011 of \$20.6 million were \$0.4 million less than the \$21.0 million in 2010, while operating expenses of \$21.3 million for 2011 were \$2.1 million less than 2010 operating expenses of \$23.4 million, resulting in an operating loss of \$0.8 million for 2011. The largest category of operating expenses, Contractual Services, at \$10.3 million for 2011, was \$1.8 million lower than with 2010 expenses at \$12.1 million. Depreciation and Amortization Expense remained consistent at \$6.5 million. Personal Services, comprised of employees' salaries and fringe benefits, decreased by \$0.4 million from 2010 to 2011. Overall net assets dropped \$0.9 million as expenses exceeded overall revenues in 2011.

*GSC Parking Facility Fund:* The GSC Parking Facility net assets increased from \$44,223 in 2010 to \$66,222 in 2011. Operating revenues declined by \$18,858 in 2011 while operating expenses remained constant. The increase in net assets is due to revenues exceeding expenses which created an operating income of \$21,999.

### **General Fund Budget Analysis**

Several events influenced the budgetary process and actual results for the year of 2011. The General Fund's final 2011 appropriation budget, at \$72.7 million, was 4% higher than the original appropriation budget. The final budget included an additional \$1.8 million for Legislative and Executive which included employee settlement agreements, automation of timekeeping and prosecutor files along with the establishment of a new public defender's office in Fairfield.

In addition to Legislative and Executive budget increases, the Public Safety budget in the General Fund was increased \$1.1 million from the original budget. This was due primarily to higher than anticipated workers compensation charges and estimated increases in board of prisoners for 2011. Actual expenditures in Legislative and Executive, Judicial and Public Safety were lower than budgeted in the General Fund due to reduced maintenance needs, lower court services expenses, and less dollars spent on salaries and benefits for the Sheriff's Office. The remaining County General Fund final budget and actual items remained fairly consistent with original and final budget estimates.

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

#### **Capital Assets**

Capital assets include County owned land and easements, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, infrastructure, water rights, water and sewer mains, and construction in progress. Butler County's total investment in capital assets for governmental and business-type activities (net of accumulated depreciation) amounts to \$707.9 million as of December 31, 2011, a reduction of 1% over the previous year. Table 3 contains a summary of capital assets as of December 31, 2011, compared to assets owned by the County at year-end 2010.

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Table 3  
Butler County Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land and Easements	\$ 17,402,689	\$ 12,175,728	\$ 1,544,056	\$ 1,627,190	\$ 18,946,745	\$ 13,802,918
Land Improvements	6,757,303	6,929,178	1,463,596	1,611,537	8,220,899	8,540,715
Buildings and Improvements	77,832,023	84,374,794	49,863,665	52,255,334	127,695,688	136,630,128
Furniture, Fixtures and Equipment	47,488,257	50,305,238	29,806,154	31,952,090	77,294,411	82,257,328
Vehicles	2,594,134	1,773,924	293,597	215,367	2,887,731	1,989,291
Infrastructure	233,064,949	237,030,574	-	-	233,064,949	237,030,574
Water Rights	-	-	22,156,344	24,111,912	22,156,344	24,111,912
Water and Sewer Mains	-	-	194,369,032	200,174,862	194,369,032	200,174,862
Construction in Progress	1,670,664	170,175	21,616,941	10,157,776	23,287,605	10,327,951
<b>Total</b>	<b>\$ 386,810,019</b>	<b>\$ 392,759,611</b>	<b>\$ 321,113,385</b>	<b>\$ 322,106,068</b>	<b>\$ 707,923,404</b>	<b>\$ 714,865,679</b>

Significant capital asset activity (See Note 10) occurring during 2011 included the following:

- Governmental Activities Land and Easements increased by \$5.2 million due to the addition of land purchases for future road improvements and the airport. Building and Improvements decreased \$6.5 million due primarily to the removal of the Developmental Disabilities Fairfield Center building that is no longer owned or operated by the County. Furniture, Fixtures and Equipment fell \$2.8 million due to the removal of old computer servers and equipment. Governmental Construction in Progress increased \$1.5 million due to the continuation of the ARRA Energy Efficiency grant dollars being used to remodel various County buildings.
- Business-Type Activities Construction in Progress increased \$11.5 million with the continued construction of the LeSoursdville Sewer Plant expansion and, Route 42 Water Main Replacement projects, In addition new projects for water main replacements on West Chester Road and Princeton began. Water and Sewer mains saw a reduction of \$5.8 million due to the removal of previously replaced cast iron water mains.

Infrastructure Assets: Infrastructure assets refer to County roads, bridges, and culverts, and are reported in the governmental activities. Butler County, through the Engineer's Office, maintains an Infrastructure Asset System that incorporates the "modified approach" method of reporting infrastructure as provided for in Governmental Accounting Standards Board Statement No. 34. Under the modified approach, the County does not use historical cost-based depreciation as a measure of the cost of use for infrastructure assets. Instead, all expenditures made for infrastructure assets that preserve the useful life of the assets are expensed during the year incurred. Expenditures that increase the capacity or efficiency of the infrastructure assets (additions or improvements) are capitalized. The County ensures that infrastructure assets are being preserved at, or above, previously established condition-levels by performing periodic conditional assessments of the infrastructure. Based on these assessment findings, a budget is prepared for the maintenance and repair of these assets. During 2011, the County budgeted \$4.3 million for roads, \$2.3 million for bridges, and \$0.2 million for culvert improvements.

Butler County manages its roadway system through the performance of three year conditional assessments, using factors such as age of pavement, surface condition, and traffic volume and type. Roads are assigned a pavement rating based on a scale of one to four, with one being excellent and four being poor. It is the County's policy to maintain the County roadway system where at least 90% of the roads have a rating of three (3) or better. A twelve-year paving plan is developed in order to keep the County's roads at condition levels established per policy. Actual maintenance spending on County roads in 2011 was \$3.5 million and the most recent roadway system assessment (2011) indicates that 90% of County roads are currently assessed at a rating of three or better.

The County manages its bridges using a General Appraisal and Operational Status condition coding system as developed by the Federal Highway Administration. The condition of a bridge is rated from zero to nine, with nine being excellent condition and zero meaning the bridge is in a failed or closed condition. Bridges are inspected on an annual basis as required by Ohio law and rated for infrastructure GAAP reporting every three years.

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It is the policy of the county engineer to maintain the bridges such that 85% of the structures have a General Appraisal rating of five (5 - Fair) or better. The County spent \$1.9 million in 2011 to maintain the bridges and the most recent bridge system assessment (2011) indicates that 94% of County bridges are currently assessed at a rating of five or better.

The Engineer inspects culverts on a three year basis, and conditional assessments are given based on a rating scale of one to four, with one meaning the culvert is in good condition and does not require repair, while a four rating means the culvert is in critical condition and is no longer functioning as designed. It is the policy of the County Engineer to maintain 75% of the culverts in a condition of two (2 - Fair) or better. The County spent \$0.2 million in 2011 to maintain culverts and the most recent culvert system assessment (2011) indicates that 82% of the culverts are currently assessed at a rating of two or better. Additional information regarding capital assets can be found in Note 10 to the financial statements and the Required Supplementary Information on page 80 for additional infrastructure information.

**Long-term Debt**

At December 31, 2011, Butler County had a total of \$199.5 million in outstanding long-term debt, 7% lower than the prior year-end. Of this total, \$91.2 million (46%) has helped fund governmental activities while \$108.3 million (54%) has helped fund business-type activities. Governmental activities long-term debt dropped \$7.5 million due to scheduled maturities and the completion of the Ikon copier and sheriff vehicle capital leases. Business-type activities long-term debt decreased by \$6.9 million during 2011 due to scheduled maturities.

Table 4  
Butler County Outstanding Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	\$ 66,870,000	\$ 70,700,000	\$ 12,098,581	\$ 15,385,237	\$ 78,968,581	\$ 86,085,237
Sales Tax Bonds	11,230,000	13,195,000	-	-	11,230,000	13,195,000
Special Assessment debt with governmental commitment	10,096,230	10,855,530	-	-	10,096,230	10,855,530
Long-term Loans	2,553,276	2,488,072	12,885,469	12,476,499	15,438,745	14,964,571
Revenue Bonds	-	-	55,458,530	58,171,700	55,458,530	58,171,700
Water Judgment Bonds	-	-	27,895,000	29,170,000	27,895,000	29,170,000
Capital Leases	439,631	1,461,478	-	-	439,631	1,461,478
<b>Total</b>	<b>\$ 91,189,137</b>	<b>\$ 98,700,080</b>	<b>\$ 108,337,580</b>	<b>\$ 115,203,436</b>	<b>\$ 199,526,717</b>	<b>\$ 213,903,516</b>

The County's long-term debt consisted of \$117.0 million in obligations backed by the full faith and credit of Butler County, including \$79.0 million in general obligation bonds, \$27.9 million in water judgment bonds, and \$10.1 million in special assessment bonds, for which Butler County is liable in case of default of the property owners subject to the assessment. A total of \$82.5 million of the total outstanding debt represent bonds secured by specified revenue sources, including water and sewer revenues, motor vehicle revenues, and sales tax revenues.

Ohio law, through its direct and indirect debt limitations, restricts the amount of debt the County may issue. The County's total direct debt limit at December 31, 2011 was \$195.1 million and the legal debt margin (debt limit minus net debt) was \$147.2 million. The County's unvoted direct debt limit was \$78.7 million and the unvoted direct debt margin was \$30.7 million. The debt margins for total debt and unvoted debt reflect a slight increase over the previous year due to increased tax values and reductions in general obligation bonds and notes.

Ohio's indirect debt limitation, referred to as the ten-mill limitation, further limits the total unvoted general obligation debt that may be issued among overlapping subdivisions to a maximum of 10 mills per dollar of assessed valuation. Since the 10 mills must be shared by the overlapping subdivisions, and is available on a first-come, first-served basis, the level of debt issued by any overlapping political subdivision thus affects the County's ability to issue unvoted general obligation debt.

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For example, depending on how much room is available under the 10-mill limitation, a relatively small debt issuance by an overlapping subdivision with a low assessed valuation could significantly hinder, or temporarily lock out, the County's ability to issue unvoted general obligation debt. This limitation would continue until unvoted general obligation debt was retired by either subdivision, or until the total assessed value of the subdivision or the County increased, which occurs around December of each year. The County continues to monitor the debt activity of all overlapping subdivisions for the potential effect on future financings.

Butler County's general obligation bond issues are currently rated at Aa1 and the sales tax bonds are Aa2 by Moody's Investors Services. The water and sewer district currently maintain credit ratings from Moody's of Aa3.

Besides the long-term bonds outstanding, the County also is liable for other long-term obligations in the form of capital leases payable, claims payable, and compensated absences payable. Governmental activities capital leases totaled \$0.4 million at year-end, for various equipment and vehicles throughout the County. Claims Payable at year-end was \$3.0 million representing outstanding workers' compensation claims against the County. Compensated absences payable at year-end was \$7.8 million for governmental activities and \$0.8 million for business-type activities. The total liability for capital leases, claims, and compensated absences payable for governmental and business-type activities was \$12.0 million at December 31, 2011. Additional information about the County's long-term obligations can be found in Note 17 to the financial statements.

**Economic and Other Potentially Significant Matters**

The declining economic situation has affected econometric revenues such as building regulation fees, property transfer fees and sales tax. As with many other states and counties throughout the United States, the decline in the automotive market has created declines in sales tax which in 2011 is beginning to increase. As a result, Butler County is still continuing to closely monitor of all revenues and expenditures.

Despite the decline in the economy, inquiries from potential businesses looking at developing or relocating to our County remain steady. University Pointe and West Chester Hospital, which opened in 2009, have drawn dozens of medical-related facilities to the uptown area, including eight in 2011. But this concentration near Tylersville Road and the Voice of America Park appeals to businesses beyond the medical fields. West Chester Township's largest retail addition in 2011 was the Aveda Frederic's Institute in the Voice of America Shopping Center.

**Requests for Information**

The Management's Discussion and Analysis is intended to provide a general overview of Butler County's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Butler County Auditor, 130 High Street, Hamilton, Ohio, 45011.



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**Butler County, Ohio**  
**Statement of Net Assets**  
**December 31, 2011**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 124,606,330	\$ 48,464,091	\$ 173,070,421
Cash and Cash Equivalents:			
In Segregated Accounts	659,701	600	660,301
With Fiscal Agents	2,712,959	-	2,712,959
Accounts Receivable	832,440	3,056,674	3,889,114
Due from Other Governments	37,843,326	-	37,843,326
Accrued Interest Receivable	262,510	-	262,510
Prepaid Items	1,714,593	112,788	1,827,381
Internal Balances	6,745	(6,745)	-
Materials and Supplies Inventory	844,560	112,222	956,782
Property Taxes Receivable	65,726,662	-	65,726,662
Sales Tax Receivable	8,127,054	-	8,127,054
Other Local Taxes Receivable	260,981	-	260,981
Payments in Lieu of Taxes Receivable	7,867,151	-	7,867,151
Loans Receivable	1,014,540	-	1,014,540
Special Assessments Receivable	10,019,607	859,827	10,879,434
Deferred Charges	1,158,416	1,314,485	2,472,901
Capital Assets:			
Nondepreciable Capital Assets	252,138,302	23,160,997	275,299,299
Depreciable Capital Assets, net	134,671,717	297,952,388	432,624,105
<b>Total Assets</b>	<b>650,467,594</b>	<b>375,027,327</b>	<b>1,025,494,921</b>
<b>Liabilities</b>			
Accounts Payable	733,797	288,148	1,021,945
Contracts Payable	6,511,339	749,504	7,260,843
Retainage Payable	40,562	957,079	997,641
Accrued Wages and Benefits	4,890,297	417,177	5,307,474
Due to Other Governments	1,234,501	864,495	2,098,996
Matured Compensated Absences Payable	62,789	-	62,789
Deferred Revenue	68,933,319	-	68,933,319
Matured Bonds Payable	13,250	-	13,250
Matured Interest Payable	5,543	-	5,543
Accrued Interest Payable	386,004	391,233	777,237
Notes Payable	18,820,000	-	18,820,000
Refundable Deposits	-	135,485	135,485
Long-Term Liabilities:			
Due Within One Year	11,211,073	8,390,028	19,601,101
Due In More Than One Year	92,748,062	100,859,463	193,607,525
<b>Total Liabilities</b>	<b>205,590,536</b>	<b>113,052,612</b>	<b>318,643,148</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	313,095,989	214,007,328	527,103,317
Restricted for:			
Capital Projects	15,250,350	-	15,250,350
Debt Service	3,950,771	-	3,950,771
Replacement and Improvement	-	6,000,000	6,000,000
Developmental Disabilities	36,793,885	-	36,793,885
Nonexpendable	764,925	-	764,925
Expendable	83,379	-	83,379
Job and Family/Children Services Agency	16,073,481	-	16,073,481
Elderly Services Levy	16,205,181	-	16,205,181
Mental Health	14,378,372	-	14,378,372
Motor Vehicle	15,710,723	-	15,710,723
All Other Public Works	15,513,820	-	15,513,820
Other Purposes	23,934,278	-	23,934,278
Unrestricted (Deficit)	(26,878,096)	41,967,387	15,089,291
<b>Total Net Assets</b>	<b>\$ 444,877,058</b>	<b>\$ 261,974,715</b>	<b>\$ 706,851,773</b>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2011**

	Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest
Governmental Activities			
General Government:			
Legislative and Executive	\$ 29,823,465	\$ 17,354,615	\$ 426,238
Judicial	14,869,492	5,766,642	1,284,349
Public Safety	44,980,435	11,621,031	6,205,311
Public Works	22,218,862	4,328,654	12,999,691
Health	68,349,134	745,967	39,240,707
Human Services	66,342,441	3,717,823	37,349,750
Conservation and Recreation	453,611	14,095	-
Intergovernmental	7,839,719	-	-
Interest and Fiscal Charges	4,321,857	-	-
<b>Total Governmental Activities</b>	<b>259,199,016</b>	<b>43,548,827</b>	<b>97,506,046</b>
Business-Type Activities			
Sewer	23,474,260	17,513,151	-
Water	24,153,925	20,423,347	-
GSC Parking Facility	91,195	113,194	-
<b>Total Business-Type Activities</b>	<b>47,719,380</b>	<b>38,049,692</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 306,918,396</b>	<b>\$ 81,598,519</b>	<b>\$ 97,506,046</b>

General Revenues  
Taxes Levied for:  
  General Purposes  
  Developmental Disabilities  
  Children Services Agency  
  Mental Health  
  Elderly Services Levy  
Sales Tax  
Local Taxes  
Payments in Lieu of Taxes  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Other

Total General Revenues

Change in Net Assets

Net Assets at Beginning of Year - Restated (see Note 3)

Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets			
Capital Grants, Contributions, and Interest	Primary Government		
	Governmental Activities	Business-Type Activities	Total
\$ 944,600	\$ (11,098,012)	\$ -	\$ (11,098,012)
-	(7,818,501)	-	(7,818,501)
66,163	(27,087,930)	-	(27,087,930)
5,315,428	424,911	-	424,911
-	(28,362,460)	-	(28,362,460)
-	(25,274,868)	-	(25,274,868)
-	(439,516)	-	(439,516)
-	(7,839,719)	-	(7,839,719)
-	(4,321,857)	-	(4,321,857)
<u>6,326,191</u>	<u>(111,817,952)</u>	<u>-</u>	<u>(111,817,952)</u>
4,520,504	-	(1,440,605)	(1,440,605)
1,441,752	-	(2,288,826)	(2,288,826)
-	-	21,999	21,999
<u>5,962,256</u>	<u>-</u>	<u>(3,707,432)</u>	<u>(3,707,432)</u>
<u>\$ 12,288,447</u>	<u>(111,817,952)</u>	<u>(3,707,432)</u>	<u>(115,525,384)</u>
	13,087,764	-	13,087,764
	17,754,189	-	17,754,189
	13,540,033	-	13,540,033
	8,540,022	-	8,540,022
	8,851,206	-	8,851,206
	30,779,103	-	30,779,103
	2,476,974	-	2,476,974
	9,911,360	-	9,911,360
	6,771,385	-	6,771,385
	2,889,678	-	2,889,678
	<u>2,192,682</u>	<u>981,500</u>	<u>3,174,182</u>
	<u>116,794,396</u>	<u>981,500</u>	<u>117,775,896</u>
	4,976,444	(2,725,932)	2,250,512
	<u>439,900,614</u>	<u>264,700,647</u>	<u>704,601,261</u>
	<u>\$ 444,877,058</u>	<u>\$ 261,974,715</u>	<u>\$ 706,851,773</u>

**Butler County, Ohio**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2011**

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Mental Health
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 12,151,140	31,257,536	\$ 7,561,725	\$ 13,124,115
Cash and Cash Equivalents:				
In Segregated Accounts	235,960	-	-	-
With Fiscal Agents	-	2,712,959	-	-
Receivables:				
Property Taxes	13,618,176	19,540,234	14,185,625	9,147,196
Sales Taxes	8,127,054	-	-	-
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Accounts	219,986	5,429	5,084	-
Due from Other Governments	5,102,438	3,021,096	11,672,261	931,851
Accrued Interest	262,510	-	-	-
Special Assessments	-	-	-	-
Loans	314,326	-	-	-
Due from Other Funds	140,263	-	-	11,040
Prepaid Items	594,255	899	65,050	768,841
Materials and Supplies Inventory	64,198	4,534	27,131	1,692
Advances to Other Funds	227,128	-	-	-
<b>Total Assets</b>	<b>\$ 41,057,434</b>	<b>56,542,687</b>	<b>33,516,876</b>	<b>23,984,735</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 342,835	88,974	78,850	3,641
Contracts Payable	1,172,201	111,126	1,798,468	1,007,794
Retainage Payable	-	-	-	-
Accrued Wages and Benefits Payable	2,079,164	514,579	792,153	37,230
Matured Compensated Absences Payable	2,347	-	42,328	-
Due to Other Funds	17,221	2,087	139,027	-
Due to Other Governments	221,260	79,127	120,071	-
Deferred Revenue	20,873,186	22,262,609	25,221,240	9,934,006
Advances from Other Funds	-	-	-	-
Matured Bonds Payable	-	-	-	-
Matured Interest Payable	-	-	-	-
Accrued Interest Payable	-	-	-	-
Notes Payable	-	-	-	-
<b>Total Liabilities</b>	<b>24,708,214</b>	<b>23,058,502</b>	<b>28,192,137</b>	<b>10,982,671</b>
<b>Fund Balances</b>				
Nonspendable	1,199,907	5,433	92,181	770,533
Restricted	-	33,478,752	5,232,558	12,231,531
Committed	369,363	-	-	-
Assigned	1,888,807	-	-	-
Unassigned (Deficit)	12,891,143	-	-	-
<b>Total Fund Balances</b>	<b>16,349,220</b>	<b>33,484,185</b>	<b>5,324,739</b>	<b>13,002,064</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 41,057,434</b>	<b>\$ 56,542,687</b>	<b>\$ 33,516,876</b>	<b>\$ 23,984,735</b>

See accompanying notes to the basic financial statements

Non Major Governmental Funds	Total Governmental Funds
\$ 58,310,612	\$ 122,405,128
423,741	659,701
-	2,712,959
9,235,431	65,726,662
-	8,127,054
260,981	260,981
7,867,151	7,867,151
590,960	821,459
17,115,680	37,843,326
-	262,510
10,019,607	10,019,607
700,214	1,014,540
377,257	528,560
284,388	1,713,433
747,005	844,560
-	227,128
<u>105,933,027</u>	<u>261,034,759</u>
219,097	733,397
2,421,532	6,511,121
40,562	40,562
1,446,827	4,869,953
18,114	62,789
363,480	521,815
32,917	453,375
41,584,294	119,875,335
227,128	227,128
13,250	13,250
5,543	5,543
42,870	42,870
<u>18,820,000</u>	<u>18,820,000</u>
<u>65,235,614</u>	<u>152,177,138</u>
2,492,912	4,560,966
56,209,409	107,152,250
3,244	372,607
-	1,888,807
<u>(18,008,152)</u>	<u>(5,117,009)</u>
<u>40,697,413</u>	<u>108,857,621</u>
<u>\$ 105,933,027</u>	<u>\$ 261,034,759</u>

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**Butler County, Ohio**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Assets of Governmental Activities**  
**For the Year Ended December 31, 2011**

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Total Governmental Fund Balances \$108,857,621

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

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

Land	17,402,689	
Infrastructure	233,064,949	
Construction in progress	1,670,664	
Depreciable capital assets	220,723,742	
Accumulated depreciation	<u>(86,052,025)</u>	
Total capital assets		386,810,019

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. (1,680,715)

Some of the County's revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds:

Property Taxes	4,447,156	
Revenue in Lieu of Taxes	213,338	
Sales Taxes	3,042,514	
Special Assessments	10,019,607	
Due From Other Governments	31,525,538	
Charges for Services	1,191,493	
Interest Revenue	126,767	
Other	45,542	
Loans	<u>330,061</u>	
		50,942,016

Bond issuance costs reported as an expenditure in governmental funds are allocated as an expense over the life of the debt on a full accrual basis 1,158,416

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued interest on bonds	(343,134)	
Capital leases	(439,631)	
Bonds	(90,111,582)	
Loans	(2,553,276)	
Compensated absences	<u>(7,762,676)</u>	
Total liabilities		<u>(101,210,299)</u>

Net Assets of Governmental Activities \$444,877,058

See accompanying notes to the basic financial statements



**Butler County, Ohio**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2011**

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Mental Health
<b>Revenues</b>				
Property Taxes	\$ 12,887,045	\$ 17,440,566	\$ 13,330,951	\$ 8,383,211
Sales Taxes	33,161,633	-	-	-
Other Local Taxes	-	-	-	-
Charges for Services	16,696,647	65,435	300,000	3,420
Licenses and Permits	1,454,414	-	-	-
Fines and Forfeitures	1,433,295	-	-	-
Intergovernmental	7,981,630	11,851,566	23,788,673	18,232,790
Special Assessments	-	-	-	-
Payments in Lieu of Taxes	19,449	23,652	11,894	2,819
Investment Earnings	2,433,207	-	-	-
Other	229,085	42,750	929,830	37,908
<b>Total Revenues</b>	<b>76,296,405</b>	<b>29,423,969</b>	<b>38,361,348</b>	<b>26,660,148</b>
<b>Expenditures</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative and Executive	21,912,267	-	-	-
Judicial	11,774,967	-	-	-
Public Safety	31,838,091	-	-	-
Public Works	171,993	-	-	-
Health	851,880	27,883,498	-	30,464,283
Human Services	1,310,407	-	41,515,260	-
Conservation and Recreation	446,231	-	-	-
Intergovernmental	-	-	-	-
Capital Outlay	-	-	-	-
<b>Debt Service:</b>				
Principal Retirement	1,142,063	-	12,068	-
Interest and Fiscal Charges	55,065	-	321	-
<b>Total Expenditures</b>	<b>69,502,964</b>	<b>27,883,498</b>	<b>41,527,649</b>	<b>30,464,283</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>6,793,441</b>	<b>1,540,471</b>	<b>(3,166,301)</b>	<b>(3,804,135)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of Loans	-	-	-	-
Proceeds from Sale of Capital Assets	3,264	19,000	-	-
Transfers - In	1,154,197	-	1,014,526	-
Transfers - Out	(9,237,119)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(8,079,658)</b>	<b>19,000</b>	<b>1,014,526</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(1,286,217)</b>	<b>1,559,471</b>	<b>(2,151,775)</b>	<b>(3,804,135)</b>
<b>Fund Balances at Beginning of Year</b>	<b>17,635,437</b>	<b>31,924,714</b>	<b>7,476,514</b>	<b>16,806,199</b>
<b>Fund Balances at End of Year</b>	<b>\$ 16,349,220</b>	<b>\$ 33,484,185</b>	<b>\$ 5,324,739</b>	<b>\$ 13,002,064</b>

See accompanying notes to the basic financial statements

Non Majaor Governmental Funds	Total Governmental Funds
\$ 8,715,303	\$ 60,757,076
-	33,161,633
2,476,974	2,476,974
21,315,350	38,380,852
673,815	2,128,229
1,140,211	2,573,506
42,942,064	104,796,723
2,521,450	2,521,450
9,817,092	9,874,906
629,971	3,063,178
989,466	2,229,039
<u>91,221,696</u>	<u>261,963,566</u>
5,546,771	27,459,038
2,638,095	14,413,062
9,189,576	41,027,667
23,645,496	23,817,489
6,319,703	65,519,364
23,472,784	66,298,451
7,380	453,611
7,839,719	7,839,719
730,315	730,315
6,725,458	7,879,589
4,349,955	4,405,341
<u>90,465,252</u>	<u>259,843,646</u>
756,444	2,119,920
368,646	368,646
13,490	35,754
9,814,636	11,983,359
<u>(2,717,678)</u>	<u>(11,954,797)</u>
<u>7,479,094</u>	<u>432,962</u>
8,235,538	2,552,882
<u>32,461,875</u>	<u>106,304,739</u>
<u>\$ 40,697,413</u>	<u>\$ 108,857,621</u>

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

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Net Change in Fund Balances - Total Governmental Funds		\$2,552,882
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Asset Additions	10,048,489	
Current Year Depreciation	<u>(9,087,007)</u>	961,482
Donations of capital assets are not reported in the governmental funds. However, in the statement of activities, their value at the time of donation is reported as revenue.		
		1,605,539
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
Loss on Disposal of Capital Assets	(8,480,859)	
Proceeds from Sale of Capital Assets	<u>(35,754)</u>	(8,516,613)
Because some revenues will not be collected for several months after the County's year end, they are not considered "available" revenues and are deferred in the governmental funds.		
Property Taxes	1,016,138	
Sales Taxes	(2,382,530)	
Payment in Lieu of Taxes	36,454	
Due From Other Governments	2,182,993	
Special Assessments	(503,083)	
Charges for Services	466,240	
Other	227,069	
Interest Revenue	<u>(436,926)</u>	606,355
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Bond principal retirement	5,795,000	
Special assessment principal retirement	759,300	
Loan principal retirement	303,442	
Capital lease payments	<u>1,021,847</u>	7,879,589
Interest on long-term debt in the statement of activities differs from the amounts reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The additional amount of interest on the statement of activities is the result of the following:		
Decrease in Accrued Interest		22,077
Governmental funds report premiums as other financings sources and bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the statement of activities		
Amortization of Gain/Loss on Refunding	(196,265)	
Amortization of Bond Premiums/Discounts	377,347	
Amortization of Bond Issuance Costs	<u>(119,675)</u>	61,407
Bond and Loan Proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities.		
Loan Proceeds		(368,646)
Some items 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. These activities consist of:		
Compensated Absences		263,997
The internal service funds used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.		
		(91,625)
Change in Net Assets of Governmental Activities		<u><u>\$4,976,444</u></u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**General Fund**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 12,000,000	\$ 12,964,071	\$ 12,964,071	\$ -
Sales Taxes	30,000,000	30,503,629	30,503,664	35
Charges for Services	18,142,843	16,688,743	16,808,138	119,395
Licenses and Permits	14,570	1,442,400	1,454,414	12,014
Fines and Forfeitures	1,629,750	1,445,871	1,446,568	697
Intergovernmental	7,688,305	7,942,132	7,987,681	45,549
Special Assessments	-	3,700	5,021	1,321
Payments in Lieu of Taxes	20,500	19,449	19,449	-
Interest	2,500,000	2,885,000	2,886,177	1,177
Other	715,558	744,890	797,479	52,589
<b>Total Revenues</b>	<b>72,711,526</b>	<b>74,639,885</b>	<b>74,872,662</b>	<b>232,777</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative and Executive	18,992,481	20,747,728	20,209,694	538,034
Judicial	13,310,270	13,267,566	12,849,376	418,190
Public Safety	33,382,635	34,440,860	33,163,548	1,277,312
Public Works	177,323	177,011	175,397	1,614
Health	852,033	852,064	851,916	148
Human Services	1,342,441	1,391,886	1,342,809	49,077
Conservation and Recreation	446,980	446,980	446,231	749
<b>Debt Service:</b>				
Principal Retirement	1,326,451	1,326,450	1,326,450	-
Interest and Fiscal Charges	60,707	60,704	60,704	-
<b>Total Expenditures</b>	<b>69,891,321</b>	<b>72,711,249</b>	<b>70,426,125</b>	<b>2,285,124</b>
<b>Excess of Revenues Over Expenditures</b>	<b>2,820,205</b>	<b>1,928,636</b>	<b>4,446,537</b>	<b>2,517,901</b>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	2,597,573	2,502,023	2,545,860	43,837
Proceeds from Sale of Capital Assets	-	2,448	3,264	816
Advances - In	-	279,546	261,546	(18,000)
Advances - Out	-	(210,719)	(185,556)	25,163
Transfers - In	-	1,154,197	1,154,197	-
Transfers - Out	(9,311,104)	(9,256,690)	(9,237,119)	19,571
<b>Total Other Financing Sources (Uses)</b>	<b>(6,713,531)</b>	<b>(5,529,195)</b>	<b>(5,457,808)</b>	<b>71,387</b>
<b>Net Change in Fund Balance</b>	<b>(3,893,326)</b>	<b>(3,600,559)</b>	<b>(1,011,271)</b>	<b>2,589,288</b>
Fund Balance at Beginning of Year	8,501,923	8,501,923	8,501,923	-
Prior Year Encumbrances Appropriated	1,525,810	1,525,810	1,525,810	-
<b>Fund Balance at End of Year</b>	<b>\$ 6,134,407</b>	<b>\$ 6,427,174</b>	<b>\$ 9,016,462</b>	<b>\$ 2,589,288</b>

See accompanying notes to the basic financial statements.

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Developmental Disabilities Fund**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 19,600,941	\$ 17,523,000	\$ 17,523,532	\$ 532
Charges for Services	-	65,650	67,185	1,535
Intergovernmental	8,373,880	11,905,918	11,906,549	631
Payment in Lieu of Taxes	25,179	23,629	23,652	23
Other	-	33,253	42,750	9,497
Total Revenues	<u>28,000,000</u>	<u>29,551,450</u>	<u>29,563,668</u>	<u>12,218</u>
Expenditures:				
Current:				
Health	<u>30,208,253</u>	<u>32,001,892</u>	<u>29,983,838</u>	<u>2,018,054</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,208,253)</u>	<u>(2,450,442)</u>	<u>(420,170)</u>	<u>2,030,272</u>
Other Financing Sources:				
Other Financing Sources	-	62,550	62,581	31
Proceeds from the Sale of Capital Assets	-	-	19,000	19,000
Total Other Financing Sources	<u>-</u>	<u>62,550</u>	<u>81,581</u>	<u>19,031</u>
Net Change in Fund Balance	(2,208,253)	(2,387,892)	(338,589)	2,049,303
Fund Balance at Beginning of Year	28,490,879	28,490,879	28,490,879	-
Prior Year Encumbrances Appropriated	1,793,639	1,793,639	1,793,639	-
Fund Balance at End of Year	<u>\$ 28,076,265</u>	<u>\$ 27,896,626</u>	<u>\$ 29,945,929</u>	<u>\$ 2,049,303</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Job and Family Services/Children Services Agency Fund**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 13,255,000	\$ 13,407,000	\$ 13,407,968	\$ 968
Charges for Services	-	300,000	300,000	-
Intergovernmental	30,719,514	23,325,319	23,491,957	166,638
Payments in Lieu of Taxes	10,000	11,894	11,894	-
Other	983,300	916,225	924,746	8,521
Total Revenues	<u>44,967,814</u>	<u>37,960,438</u>	<u>38,136,565</u>	<u>176,127</u>
Expenditures:				
Current:				
Human Services	48,319,159	46,212,876	41,999,810	4,213,066
Debt Service:				
Principal Retirement	21,950	15,850	15,850	-
Interest and Fiscal Charges	2,548	667	667	-
Total Expenditures	<u>48,343,657</u>	<u>46,229,393</u>	<u>42,016,327</u>	<u>4,213,066</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,375,843)</u>	<u>(8,268,955)</u>	<u>(3,879,762)</u>	<u>4,389,193</u>
Other Financing Sources:				
Other Financing Sources	147,380	305,756	307,221	1,465
Transfers - In	1,049,613	1,014,526	1,014,526	-
Total Other Financing Sources	<u>1,196,993</u>	<u>1,320,282</u>	<u>1,321,747</u>	<u>1,465</u>
Net Change in Fund Balance	(2,178,850)	(6,948,673)	(2,558,015)	4,390,658
Fund Balance at Beginning of Year	7,689,785	7,689,785	7,689,785	-
Prior Year Encumbrances Appropriated	1,724,933	1,724,933	1,724,933	-
Fund Balance at End of Year	<u>\$ 7,235,868</u>	<u>\$ 2,466,045</u>	<u>\$ 6,856,703</u>	<u>\$ 4,390,658</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Mental Health Fund**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,639,813	\$ 8,428,000	\$ 8,428,184	\$ 184
Charges for Services	1,200	1,200	1,500	300
Intergovernmental	18,891,628	20,874,641	20,952,589	77,948
Payments in Lieu of Taxes	3,001	2,801	2,819	18
Other	464,358	37,258	37,908	650
Total Revenues	<u>28,000,000</u>	<u>29,343,900</u>	<u>29,423,000</u>	<u>79,100</u>
Expenditures:				
Current:				
Health	<u>31,988,612</u>	<u>33,463,802</u>	<u>30,634,414</u>	<u>2,829,388</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,988,612)</u>	<u>(4,119,902)</u>	<u>(1,211,414)</u>	<u>2,908,488</u>
Other Financing Sources:				
Other Financing Sources	<u>-</u>	<u>206,100</u>	<u>207,499</u>	<u>1,399</u>
Net Change in Fund Balance	(3,988,612)	(3,913,802)	(1,003,915)	2,909,887
Fund Balance at Beginning of Year	13,827,870	13,827,870	13,827,870	-
Prior Year Encumbrances Appropriated	75,189	75,189	75,189	-
Fund Balance at End of Year	<u>\$ 9,914,447</u>	<u>\$ 9,989,257</u>	<u>\$ 12,899,144</u>	<u>\$ 2,909,887</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**December 31, 2011**

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Total	
<b>Assets</b>					
<b>Current Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 30,327,134	\$ 11,923,582	\$ 77,885	\$ 42,328,601	\$ 2,201,202
Cash and Cash Equivalents in Segregated Accounts	250	250	100	600	-
Receivables:					
Accounts	1,237,142	1,819,390	142	3,056,674	10,981
Special Assessments	579,837	279,990	-	859,827	-
Due from Other Funds	-	1,517	-	1,517	-
Prepaid Items	48,978	63,810	-	112,788	1,160
Materials and Supplies Inventory	54,797	57,425	-	112,222	-
<b>Total Current Assets</b>	<b>32,248,138</b>	<b>14,145,964</b>	<b>78,127</b>	<b>46,472,229</b>	<b>2,213,343</b>
<b>Noncurrent Assets</b>					
Deferred Charges	620,902	693,583	-	1,314,485	-
Non-Depreciable Capital Assets	15,578,796	7,582,201	-	23,160,997	-
Depreciable Capital Assets	168,164,732	129,787,656	-	297,952,388	-
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	4,000,000	2,135,490	-	6,135,490	-
<b>Total Noncurrent Assets</b>	<b>188,364,430</b>	<b>140,198,930</b>	<b>-</b>	<b>328,563,360</b>	<b>-</b>
<b>Total Assets</b>	<b>220,612,568</b>	<b>154,344,894</b>	<b>78,127</b>	<b>375,035,589</b>	<b>2,213,343</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	206,503	81,505	140	288,148	400
Contracts Payable	624,876	120,128	4,500	749,504	218
Accrued Wages and Benefits Payable	258,500	155,604	3,073	417,177	20,344
Retainage Payable	957,079	-	-	957,079	-
Due to Other Funds	4,726	3,536	-	8,262	-
Due to Other Governments	78,007	786,488	-	864,495	781,126
Accrued Interest Payable	236,958	154,275	-	391,233	-
General Obligation Bonds Payable	2,277,770	1,095,691	-	3,373,461	-
Revenue Bonds Payable	1,490,270	1,320,000	-	2,810,270	-
Judgement Bonds Payable	-	1,345,000	-	1,345,000	-
Loans Payable	93,662	484,215	-	577,877	-
Claims Payable	-	-	-	-	766,393
Compensated Absences Payable	165,200	117,129	1,091	283,420	16,380
<b>Total Current Liabilities</b>	<b>6,393,551</b>	<b>5,663,571</b>	<b>8,804</b>	<b>12,065,926</b>	<b>1,584,861</b>
<b>Noncurrent Liabilities</b>					
Refundable Deposits	-	135,485	-	135,485	-
Claims Payable	-	-	-	-	2,268,920
Compensated Absences Payable	278,977	263,451	3,101	545,529	40,277
General Obligation Bonds Payable	3,486,187	5,048,438	-	8,534,625	-
Revenue Bonds Payable	33,730,657	19,002,681	-	52,733,338	-
Judgement Bonds Payable	-	26,738,379	-	26,738,379	-
Loans Payable	2,359,920	9,947,672	-	12,307,592	-
<b>Total Noncurrent Liabilities</b>	<b>39,855,741</b>	<b>61,136,106</b>	<b>3,101</b>	<b>100,994,948</b>	<b>2,309,197</b>
<b>Total Liabilities</b>	<b>46,249,292</b>	<b>66,799,677</b>	<b>11,905</b>	<b>113,060,874</b>	<b>3,894,058</b>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	140,925,964	73,081,364	-	214,007,328	-
Restricted for:					
Replacement and Improvement	4,000,000	2,000,000	-	6,000,000	-
Unrestricted (Deficit)	29,437,312	12,463,853	66,222	41,967,387	(1,680,715)
<b>Total Net Assets (Deficit)</b>	<b>\$ 174,363,276</b>	<b>\$ 87,545,217</b>	<b>\$ 66,222</b>	<b>\$ 261,974,715</b>	<b>\$ (1,680,715)</b>

See accompanying notes to the basic financial statements



**Butler County, Ohio**  
**Statement of Revenues,**  
**Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2011**

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Total	
Operating Revenues:					
Charges for Services	\$ 17,513,151	\$ 20,423,347	\$ 113,194	\$ 38,049,692	\$ 16,910,238
Other Operating Revenues	258,648	144,541	-	403,189	-
<b>Total Operating Revenues</b>	<b>17,771,799</b>	<b>20,567,888</b>	<b>113,194</b>	<b>38,452,881</b>	<b>16,910,238</b>
Operating Expenses:					
Personal Services	5,692,592	3,426,388	74,336	9,193,316	464,825
Contractual Services	3,500,399	10,334,832	5,175	13,840,406	15,637,313
Claims and Judgments	-	-	-	-	499,916
Materials and Supplies	1,401,613	587,000	10,316	1,998,929	481,814
Depreciation and Amortization Expense	10,060,564	6,519,886	-	16,580,450	-
Other	342,589	458,905	1,368	802,862	227
<b>Total Operating Expenses</b>	<b>20,997,757</b>	<b>21,327,011</b>	<b>91,195</b>	<b>42,415,963</b>	<b>17,084,095</b>
<b>Operating Income (Loss)</b>	<b>(3,225,958)</b>	<b>(759,123)</b>	<b>21,999</b>	<b>(3,963,082)</b>	<b>(173,857)</b>
Non-Operating Revenues (Expenses)					
Other Non-Operating Revenues	206,994	371,317	-	578,311	110,794
Other Non-Operating Expenses	(137,155)	(50,547)	-	(187,702)	-
Interest and Fiscal Charges	(2,339,348)	(2,776,367)	-	(5,115,715)	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(2,269,509)</b>	<b>(2,455,597)</b>	<b>-</b>	<b>(4,725,106)</b>	<b>110,794</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>(5,495,467)</b>	<b>(3,214,720)</b>	<b>21,999</b>	<b>(8,688,188)</b>	<b>(63,063)</b>
Capital Contributions	4,520,504	1,441,752	-	5,962,256	-
Transfers In	-	861,452	-	861,452	-
Transfers Out	(861,452)	-	-	(861,452)	(28,562)
<b>Change in Net Assets</b>	<b>(1,836,415)</b>	<b>(911,516)</b>	<b>21,999</b>	<b>(2,725,932)</b>	<b>(91,625)</b>
Net Assets (Deficit) at Beginning of Year - Restated (see Note 3)	176,199,691	88,456,733	44,223	264,700,647	(1,589,090)
<b>Net Assets (Deficit) at End of Year</b>	<b>\$ 174,363,276</b>	<b>\$ 87,545,217</b>	<b>\$ 66,222</b>	<b>\$ 261,974,715</b>	<b>\$ (1,680,715)</b>

See accompanying notes to the basic financial statements

**Butler County**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2011**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Totals	
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>					
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$ 17,932,297	\$ 20,680,923	\$ 115,329	\$ 38,728,549	\$ -
Cash Paid to Suppliers	(3,410,357)	(12,297,873)	(10,851)	(15,719,081)	(16,148,829)
Cash Paid to Employees	(4,996,197)	(3,017,578)	(68,735)	(8,082,510)	(458,061)
Cash Received from Interfund Services Provided	-	-	-	-	17,766,761
Cash Payments for Interfund Services Used	(841,647)	(530,204)	(9,767)	(1,381,618)	-
Other Operating Revenues	258,648	144,541	-	403,189	-
Other Operating Expenses	(346,064)	(463,034)	(1,368)	(810,466)	(227)
Other Non-Operating Revenues	206,994	371,317	-	578,311	53,548
Cash Paid for Claims	-	-	-	-	(645,342)
Net Cash Provided by Operating Activities	<u>8,803,674</u>	<u>4,888,092</u>	<u>24,608</u>	<u>13,716,374</u>	<u>567,850</u>
<u>Cash Flows from Noncapital Financing Activities:</u>					
Transfers-out to Other Funds	-	-	-	-	(28,562)
Repayment of Short-Term Advances to Other Funds	-	-	-	-	(112,500)
Short-Term Advances From Other Funds	-	-	-	-	12,500
Net Cash (Used for) Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(128,562)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Proceeds from Loans	-	905,468	-	905,468	-
Principal Paid on Loans	(88,301)	(408,197)	-	(496,498)	-
Interest Paid on Loans	(66,865)	(210,408)	-	(277,273)	-
Interest Paid on General Obligation Bonds	(263,824)	(230,551)	-	(494,375)	-
Principal Paid on General Obligation Bonds	(2,233,380)	(1,053,276)	-	(3,286,656)	-
Interest and Fiscal Charges on Revenue Bonds	(1,660,495)	(981,451)	-	(2,641,946)	-
Principal Paid on Revenue Bonds	(1,438,170)	(1,275,000)	-	(2,713,170)	-
Interest Paid on Judgement Bonds	-	(1,350,281)	-	(1,350,281)	-
Principal Paid on Judgement Bonds	-	(1,275,000)	-	(1,275,000)	-
Acquisition and Construction of Capital Assets	(10,805,308)	(4,478,198)	-	(15,283,506)	-
Cash Received from Special Assessments	66,180	59,206	-	125,386	-
Capital Contributions by Other Governments - Capital Grants	-	495,145	-	495,145	-
Capital Contributions by Customers	4,166,615	1,211,259	-	5,377,874	-
Net Cash Used for Capital and Related Financing Activities	<u>(12,323,548)</u>	<u>(8,591,284)</u>	<u>-</u>	<u>(20,914,832)</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,519,874)	(3,703,192)	24,608	(7,198,458)	439,288
Cash and Cash Equivalents at Beginning of Year	<u>37,847,258</u>	<u>17,762,514</u>	<u>53,377</u>	<u>55,663,149</u>	<u>1,761,914</u>
Cash and Cash Equivalents at End of Year	<u>\$ 34,327,384</u>	<u>\$ 14,059,322</u>	<u>\$ 77,985</u>	<u>\$ 48,464,691</u>	<u>\$ 2,201,202</u>

(continued)

**Butler County**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2011 (Continued)**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Totals	
Reconciliation of Operating Income (Loss) to Net Income					
<u>Cash Provided by Operating Activities:</u>					
Operating Income (Loss)	\$ (3,225,958)	\$ (759,123)	\$ 21,999	\$ (3,963,082)	\$ (173,857)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation and Amortization	10,060,564	6,519,886	-	16,580,450	-
Other Non-Operating Revenues	206,994	371,317	-	578,311	53,548
<u>Changes in Assets and Liabilities:</u>					
Decrease in Accounts Receivable	419,146	258,300	409	677,855	4,540
(Increase) Decrease in Due from Other Funds	-	(724)	1,726	1,002	851,983
(Increase) Decrease in Materials and Supplies Inventory	17,866	(1,703)	-	16,163	40,027
(Increase) Decrease in Prepaid Items	22,622	(13,166)	-	9,456	(344)
(Increase) in Accrued Wages and Benefits Payable	21,335	1,006	44	22,385	1,946
Increase (Decrease) in Accounts Payable	(71,143)	2,323	140	(68,680)	(89,976)
Increase (Decrease) in Contracts Payable	493,116	(1,578,048)	4,500	(1,080,432)	(487)
Increase in Retainage Payable	957,079	-	-	957,079	-
Increase (Decrease) in Compensated Absences Payable	30,976	6,781	(2,744)	35,013	7,570
Decrease in Due to Other Funds	(105,037)	(75,562)	(1,466)	(182,065)	(2,752)
Increase (Decrease) in Due to Other Governments	(23,886)	156,805	-	132,919	21,078
Decrease in Claims Payable	-	-	-	-	(145,426)
Total Adjustments	12,029,632	5,647,215	2,609	17,679,456	741,707
Net Cash Provided by Operating Activities	\$ 8,803,674	\$ 4,888,092	\$ 24,608	\$ 13,716,374	\$ 567,850

Non-Cash capital and related financing activities:

Capital Contributions from Customers of \$8,222 for the Sewer Fund  
Capital Contributions from Customers of \$6,224 for the Water Fund  
Developers during the year donated \$345,667 of sewer lines to the Sewer fund.  
Developers during the year donated \$146,296 of water lines to the Water fund.  
The County transferred \$861,452 in assets from the Sewer fund to the Water fund.

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Fiduciary Net Assets**  
**Agency Funds**  
**December 31, 2011**

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	<u>Total</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 28,161,703
Cash and Cash Equivalents in Segregated Accounts	3,733,190
Accrued Interest Receivable	379
Property Taxes Receivable	429,225,354
Revenue in Lieu of Taxes Receivable	36,110,896
Special Assessments Receivable	14,092,212
Due from Other Governments	<u>12,356,395</u>
 Total Assets	 <u><u>523,680,129</u></u>
 Liabilities	
Undistributed Monies	14,272,418
Deposits Held and Due to Others	146,494
Due to Other Governments	509,250,903
Loans Payable	<u>10,314</u>
 Total Liabilities	 <u><u>\$ 523,680,129</u></u>

See accompanying notes to the basic financial statements

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 1 – REPORTING ENTITY

REPORTING ENTITY

Butler County, Ohio (The County) was created in 1803. The County is governed by a board of three commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other elected officials include the Auditor, Treasurer, Recorder, Sheriff, Coroner, Clerk of Courts, Prosecutor, Engineer, twelve Common Pleas Court Judges and three County Court Judges.

The services provided by the above officials and their departments comprise the primary governmental unit of the County. They have therefore been included as part of the reporting entity.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the County are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Butler County, this includes the Board of Developmental Disabilities, the Job and Family Services/Children Services Agency, the Board of Mental Health, the Alcohol and Drug Addiction Services Board, the Veterans Service Board, the Board of Elections and all departments and activities that are directly operated by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the County, in that the County approves the organizations budget, the issuance of its debt, or the levying of its taxes. The County has no component units.

The County participates in the following jointly governed organizations, risk sharing pool, insurance purchasing pool and related organizations. These organizations are presented in NOTE 21 to the basic financial statements and are excluded from the accompanying financial statements except as noted.

Butler County Emergency Management Agency  
Transportation Improvement District of Butler County  
Ohio Kentucky Indiana Regional Council of Governments  
Butler/Clermont/Warren Workforce Policy Board  
Community-Based Correctional Facility  
Southwest Ohio Council of Governments  
County Risk Sharing Authority (CORSA)  
Butler Health Plan  
County Employee Benefits Consortium of Ohio, Inc. (CEBCO)  
Regional Transit Authority (RTA)  
Butler County Convention and Visitor Bureau  
Butler County Port Authority  
Metroparks of Butler County

As the custodian of public funds, the County Treasurer invests all public moneys held on deposit in the County Treasury. In the case of the legally separate agencies, boards and commissions listed below, the County serves as fiscal agent, but the organizations are not considered a part of Butler County. Accordingly, the activity of the following districts and agencies are presented as agency funds within the County's financial statements:

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 1 – REPORTING ENTITY (continued)

Butler County Emergency Management Agency

The Butler County Emergency Management Agency consists of twenty-six members of the advisory council that are appointed as follows: one County Commissioner and the chief elected official of each of the thirteen townships, five cities, and seven villages. The degree of control exercised by any participating government is limited to its representation on the Board. The Agency does not have any outstanding debt. The County does not have an equity interest in the Agency.

Regional Transit Authority (RTA)

The County Commissioners are responsible for appointing the board of directors of the RTA; however, the County Commissioners cannot influence the RTA's operations, nor does the RTA represent a potential financial benefit or burden to the County. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the RTA, its role is limited to a ministerial function.

Butler County General Health District

The Board of Health is elected by a District Advisory Council comprised of a township trustees, mayors of participating municipalities, and a representative of the county commissioners which oversee the operation of the Health District. The Board adopts its own budget, which is subject to a compliance oriented review by the County. The District hires and fires its own staff, and operates autonomously from the County.

Butler County Soil and Water Conservation District

The Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the state. The supervisors of the Soil and Water Conservation District are elected officials authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, and do not tax or issue debt.

Metroparks of Butler County

The District Commissioners are appointed by the Probate Judge of the County. The Commissioners adopt their own budget, authorize expenditures, hire and fire staff, and do not rely on the County to finance deficits. The County is not financially accountable for the District nor is the District fiscally dependent on the County. The District serves as its own taxing and debt issuance authority and is a related organization of the County.

Twelfth District Court of Appeals

The State of Ohio is divided into twelve district courts of appeals. The twelfth district includes the counties of Brown, Clermont, Butler, Warren, Clinton, Fayette, Madison, and Preble. The district court is a separate entity from the County. The three judges who are responsible for the court system are elected in the general election by the populous of the above listed counties. The court system sets its own budget, appoints staff, and relies on the County for only the County's proportionate contribution for operations as required by state statute.

Butler/Clermont/Warren Workforce Policy Board (Area 12)

The Workforce Investment Area (WIA) Twelve is made up of Butler, Clermont and Warren counties. Butler County is currently the fiscal agent for the WIA area which is reported in an agency fund. The duties of the fiscal agent include budgeting, reporting and disbursing grant funding to Clermont and Warren counties as well as Butler County Job and Family Services Agency from the Ohio Department of Job and Family Services.

The State of Ohio required Area Twelve to form a board to set goals, agendas, and come up with a plan to best meet the needs of the program. The board is made up of representatives from the local communities and a commissioner from each County. All expenses involved with the operation of the board are paid by Butler, Clermont, or Warren County as part of the administration cost allotted in the WIA program. The board is a jointly governed organization.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 1 – REPORTING ENTITY (continued)

Community-Based Correctional Facility

The Community-Based Correctional Facility serves Butler, Clermont, and Warren Counties. The Judicial Advisory Board includes at least one common pleas court judge from each county. The Community-Based Correctional Facility provides a wide range of programs addressing offender needs such as chemical dependency, education, employment, and family relationships.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Butler County have been prepared in conformity with the 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 principals. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The County has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the County's accounting policies are described below.

BASIS OF PRESENTATION

The County's basic financial statements consist of government-wide statements, including a statement of net assets 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 assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

During the year, the County segregates transactions related to certain County 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 County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

The County 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 are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources.

Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General - This fund accounts for the general operating revenues and expenditures of the County not recorded elsewhere. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

Developmental Disabilities - This fund accounts for the countywide tax levy, federal and state grants restricted to pay the costs of services provided to local citizens with developmental disabilities.

Job and Family Services/Children Services Agency – This fund accounts for the countywide tax levy along with various federal and state grants restricted to support children's services, provide services to the local community for child adoption and foster care needs, provide public assistance to general relief recipients, pay their providers of medical assistance, and pay for certain public social services.

Mental Health – This fund accounts for various federal, state and local funds restricted to provide mental health services to all citizens of Butler County.

The non major governmental funds of the County account for grants and other resources, whose use is restricted, committed or assigned to a particular purpose.

Proprietary Funds

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

Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County maintains the following three enterprise funds:

Sewer - This fund accounts for fees collected by Butler County Water and Sewer for the processing and disposal of sewage.

Water - This fund accounts for fees collected by Butler County Water and Sewer for providing water services to Butler County residents.

Government Services Center (GSC) Parking Facility - This fund accounts for fees collected by the Butler County Commissioners from customers parking in the GSC parking facility and expenses relative to its operation.



BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Internal Service Funds

Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis. The County's internal service funds report on health insurance programs for medical, dental and vision coverage, workers compensation, and the County fuel depot station. The Butler County Commissioners eliminated the County fuel depot station in December 2011, closing the fund and transferring the remaining assets to the general fund.

Fiduciary Funds

The County's only fiduciary funds are agency funds. Agency funds are used to report resources held by the County in a purely custodial capacity. The County's agency funds are primarily established to account for the collection and distribution of various taxes, receipts and fees to other local governments and to account for funds of the County Emergency Management Agency, Regional Transit Authority, General Health District, Soil and Water Conservation District, Metroparks, Twelfth District Court of Appeals, Workforce Investment Area Twelve, and the Community-Based Correctional Facility.

MEASUREMENT FOCUS

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance 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 reconciliations with brief explanations to better identify the relationships between the government-wide statements and the fund financial statements.

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

BASIS OF ACCOUNTING

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues – Exchange and Non-Exchange Transactions

Revenues 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 year in which the resources are measurable and become available. Available means that these sources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within 31 days of year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, includes sales tax, property taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the sale occurs. On an accrual basis, revenue from property taxes/revenue in lieu of taxes is recognized in the year for which the taxes are levied or would have been levied (see NOTE 7). Revenue from grants, entitlements, and donations are recognized in the year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: sales tax, state levied locally shared taxes (including gasoline tax and motor vehicle license tax), licenses and permits, fines and forfeitures, grants, interest, and charges for services.

Payments in Lieu of Taxes

The County has entered into several Tax Increment Financing Agreements with developers. In order to encourage improvements, companies and home owners were granted a 100 percent, 30 year exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the County in an amount equal to the real property taxes that otherwise would have been due in that current year. Payments in lieu of taxes are collected through the real estate tax collection cycle. These payments are being used to finance public infrastructure improvements. Additional payments are made to Fairfield City School District, Lakota Local School District, and Ross Local School District since they are impacted by the exemption. A receivable for the amount of the payments estimated to be received in the next tax collection year has been recorded in the respective TIF funds with a corresponding credit to deferred revenue on the modified accrual basis. On a full accrual basis, the portion of collections relating to delinquencies will be reported as Payments in Lieu of Taxes revenue.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance year 2012 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash resources of the majority of individual funds are combined to form a pool of cash and investments, which is managed by the County Treasurer. Individual fund integrity is maintained through the County's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During 2011, investments were limited to certificates of deposit, Fifth Third Institutional Government Money Market Mutual Fund, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds and Federal National Mortgage Association Bonds. Investments are reported at fair value, which is based on quoted market prices, with the exception of certificates of deposit, which are reported at cost. The fair value of the mutual funds is determined by the fund's December 31, 2011, share price. NOTE 6 provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

Interest earned on investments is distributed to the General Fund, except as stipulated by the Ohio Constitution or State statute. Interest revenue credited to the General Fund during 2011 amounted to \$2,433,207, which includes \$2,279,394 assigned from other County funds.

Statement of Cash Flows

Funds included within the Treasurer's cash management pool and investments in segregated accounts with original maturities of three months or less when purchased are considered to be cash equivalents.

Cash and Cash Equivalents in Segregated Accounts

The County has segregated bank accounts for monies held separate from the County's central bank account. These depository accounts are presented as "Cash and cash equivalents in segregated accounts".

Cash and Cash Equivalents with Fiscal Agents

The Southwest Ohio Council of Governments is currently holding deposits that belong to the County which are represented by "Cash and cash equivalents with fiscal agents" on the statement of net assets- government wide and also found on the fund financial statements in the developmental disabilities major fund.

Inventories and Prepaid Items

On the government-wide financial statements inventories are presented at the lower of cost or market, on a first-in, first-out (FIFO) basis, and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in first-out basis. The cost of inventory items is recorded as expenditures in the governmental fund types when consumed. Inventories of the enterprise funds are expensed when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items by using the consumption method.

Interfund Transactions

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered, are classified as "due from other funds/due to other funds". Long-term interfund loans are classified as "advances to/from other funds" and are classified as non-spendable fund balance which indicates that they are not in spendable form even though it is a component of net current assets. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business type activities which are presented as internal balances.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Assets

Restricted equity in pooled cash and cash equivalents consist of Replacement and Improvement (R&I) Funds held by the Department of Water and Sewer that are restricted by bond covenants. The covenants state that transfers must be made into the R&I Funds monthly from the Water and Sewer operating funds until the time that the minimum cash balance of \$2,000,000 in the Water Fund and \$4,000,000 in the Sewer Fund is achieved. These dollars may be used to pay for replacements and improvements to assets in the Water and Sewer systems. In addition, water customer deposits are presented as Restricted Assets: Equity in pooled cash and cash equivalents.

Capital Assets

Capital assets, which include intangible assets (e.g. water rights, easements and internally generated software) property, plant equipment and infrastructure assets (e.g. roads, bridges and culverts), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets used by the enterprise funds are also reported in the respective funds. The County defines capital assets as assets with an initial individual cost of more than \$15,000 (amount not rounded) and an estimated useful life of one year or any asset with an estimated useful life in excess of ten or more years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. For certain assets estimates were calculated by indexing estimated current costs back to the year of acquisition.

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

All reported capital assets except for land and easements, construction in process, and infrastructure are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Useful Lives</u>
Land and Building Improvements	10 - 60 years
Furniture, Fixtures and Equipment	3 - 30 years
Vehicles	7 - 10 years
Water Right Contract	20 years
Water and Sewer Mains	40 years

Infrastructure assets under GASB Statement No. 34 do not need to be depreciated. The County has chosen to apply the modified approach for reporting infrastructure assets. All infrastructure items including roads, bridges, and culverts are reported. Under the modified approach, the County has developed an asset management system that:

1. Keeps an up-to-date inventory of eligible infrastructure assets,
2. Performs a conditional assessment of those eligible infrastructure assets at least every three years, using a consistent measurement scale and,
3. Estimates each year the annual amount to maintain and preserve those assets at the condition level established and disclosed by the government.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The County documents that the eligible infrastructure assets are being maintained at a level equal to or above the condition level established by the County. Condition appraisals are performed every 3 years for bridges, roads, and culverts in accordance with the Butler County capital asset policy.

When using the modified approach, expenditures to extend the life of infrastructure assets are charged to expense, while expenditures for additions and improvements to infrastructure assets are capitalized.

Capitalization of Interest

It is the County's policy to capitalize net interest on proprietary fund construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project and the interest earned from temporary investment of the debt proceeds. Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset.

Compensated Absences

Vacation and compensatory benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued as a liability based on the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported in governmental funds. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year. Bonds, loans, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when payment is due.

Fund Balance

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

Non-spendable- The non-spendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The non-spendable fund balances include long term loans receivable, prepaid items, materials and supplies inventory, and interfund loans.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted- The restricted fund balance classification includes amounts that have constraints placed on the use of resources that are either externally imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of non major governments or imposed by law through constitutional provisions or enabling legislation (County resolutions).

Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed- The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners amend and approve another resolution. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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- The assigned fund balance classification is intended to be used by the County 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 amounts represent intended uses established by the County Commissioners or a County Official delegated that authority by resolution or by State Statute.

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

The County applies restricted resources first when expenditures are incurred for the purpose 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 classification could be used.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws or regulations of non major governments.

Net assets restricted for other purposes primarily include funds for the operation of recording fees, tax assessment and collections; services provided by Butler County courts; law enforcement and other public safety services; animal licensing and control; and human services to support victim assistance programs.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The County's sewer and water enterprise funds have restricted net assets relative to those resources necessary to comply with various covenants of bond financing agreements.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for wastewater treatment, water distribution, parking facility operations, self-insurance programs and the County fuel depot operations. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses that do not meet these criteria are considered non-operating revenues and expenses and are reported as such. All revenues of the Department of Water and Sewer are used as security for revenue bonds issued.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, from grants, outside contributions of resources restricted to capital acquisition and construction, and system capacity charges.

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or 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 or uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements.

Bond Premiums/Discounts/Issuance Costs

On the government-wide financial statements (and in the enterprise funds), bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. Issuance costs are amortized on a straight-line basis over the term of the bonds and are reported as deferred charges.

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the period in which the debt is issued.

As permitted by State statute, the County paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs, which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

Gain/Loss on Refunding

On the government-wide financial statements (and in the enterprise funds), a refunding resulting in the defeasance of debt generates an accounting gain or loss calculated by comparing the reacquisition price and the net carrying amount of the old debt. This accounting gain/loss is amortized as interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an increase/reduction of the face amount of the new debt.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Budgets

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level.

Estimated Resources

The certificate of estimated resources may be amended during the year if the County Auditor identifies projected increases or decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources that was in effect at the time the final appropriations were passed by the County Commissioners.

Appropriations

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year including all supplemental appropriations.

BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The statement of revenues, expenditures, and changes in fund balance – budget and actual (budget basis) for the general and major special revenue funds are presented on the budget basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than restricted, committed or assigned fund balance (GAAP basis).



BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Investments are reported at fair value (GAAP basis) rather than cost (budget basis).

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the GAAP basis are as follows:

	Net Change in Fund Balance			
	General	Developmental Disabilities	Job and Family Services/Children	
			Services	Mental Health
GAAP Basis	\$ (1,286,217)	\$ 1,559,471	\$ (2,151,775)	\$ (3,804,135)
Revenue Accruals	(1,688,170)	139,699	(224,783)	2,762,852
Expenditure Accruals	3,511,506	(1,262,241)	205,106	61,030
Encumbrances	(1,888,807)	(775,518)	(386,563)	(23,662)
2010 Increase in Fair Value of Investments	744,598	-	-	-
2011 Decrease in Fair Value of Investments	(480,171)	-	-	-
Advances	75,990	-	-	-
Budget Basis	<u>\$ (1,011,271)</u>	<u>\$ (338,589)</u>	<u>\$ (2,558,015)</u>	<u>\$ (1,003,915)</u>

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES / CORRECTIONS OF AN ERROR AND RESTATEMENT OF NET ASSETS

Changes in Accounting Principles

For 2011, the County has implemented Governmental Accounting Standards Board (GASB) Statements No. 59, "Financial Instruments Omnibus". GASB Statement No. 59, "Financial Instruments Omnibus" addresses the changes to several GASB Statements regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of this Statement did not result in any changes to the County's financial statements.

Corrections of an Error and Restatement of Net Assets

In 2011, the County reviewed the accruals associated with the Workers' Compensation Fund. Prior to 2011, the financial statements included revenue accruals (Due from Other Funds) for future claims liabilities as well as premium liability. It was determined that the future claims liabilities should not have recognized as revenue as the associated liability had yet to be incurred. Immaterial Due to Other Funds amounts from 2010 for Governmental Funds were not restated but adjusted through 2011 reversing entries. The restatement changes for Internal Service Funds allowed for matching accruals for revenue and liabilities related to premium payments.

	Internal Service	Governmental Activities
Net Assets, December 31, 2010	\$ (24,981)	\$ 441,464,723
Due From Other Funds	(1,564,109)	(1,564,109)
Net Assets, December 31, 2010 Restated	<u>\$ (1,589,090)</u>	<u>\$ 439,900,614</u>

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 4- FUND BALANCE

The fund balance for all governmental funds are now classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources. The constraints placed on the fund balance for the major governmental funds and non major governmental funds are presented below:

Fund Balances	Developmental				Non Major Governmental		Total
	General	Disabilities	Job and Family / Children Services	Mental Health	Funds		
<b>Nonspendable</b>							
Prepaid Items	\$ 594,255	\$ 899	\$ 65,050	\$ 768,841	\$ 284,388	\$ 1,713,433	
Materials and Supplies	64,198	4,534	27,131	1,692	747,005	844,560	
Loans Receivable	314,326	-	-	-	700,214	1,014,540	
Interfund Loans	227,128	-	-	-	-	227,128	
Developmental Disabilities Trust	-	-	-	-	761,305	761,305	
<b>Total Nonspendable</b>	<b>1,199,907</b>	<b>5,433</b>	<b>92,181</b>	<b>770,533</b>	<b>2,492,912</b>	<b>4,560,966</b>	
<b>Restricted for</b>							
Developmental Disabilities	-	33,478,752	-	-	86,999	33,565,751	
Job and Family/Children Services	-	-	5,232,558	-	-	5,232,558	
Mental Health	-	-	-	12,231,531	-	12,231,531	
Elderly Services	-	-	-	-	15,048,579	15,048,579	
Motor Vehicle	-	-	-	-	11,352,723	11,352,723	
All Other Public Works	-	-	-	-	9,999,695	9,999,695	
Other Purposes	-	-	-	-	19,721,413	19,721,413	
<b>Total Restricted</b>	<b>-</b>	<b>33,478,752</b>	<b>5,232,558</b>	<b>12,231,531</b>	<b>56,209,409</b>	<b>107,152,250</b>	
<b>Committed</b>							
Debt Service Payments	-	-	-	-	3,244	3,244	
Other Purposes	369,363	-	-	-	-	369,363	
<b>Total Committed</b>	<b>369,363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,244</b>	<b>372,607</b>	
<b>Assigned</b>							
Other Purposes	1,888,807	-	-	-	-	1,888,807	
<b>Unassigned (Deficit)</b>	<b>12,891,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,008,152)</b>	<b>(5,117,009)</b>	
<b>Total Fund Balance</b>	<b>\$ 16,349,220</b>	<b>\$ 33,484,185</b>	<b>\$ 5,324,739</b>	<b>\$ 13,002,064</b>	<b>\$ 40,697,413</b>	<b>\$ 108,857,621</b>	

NOTE 5- ACCOUNTABILITY

At year-end, the Technology, Other Capital Improvements, Road Improvements, and the Buildings Construction and Renovation non-major capital projects funds had deficit fund balances of \$2,524,316, \$831,696, \$2,790,731 and \$11,861,409. The Workers' Compensation fund had negative net assets of \$2,305,275.

The deficits in the Technology, Other Capital Improvements, Road Improvements, and the Buildings Construction and Renovation funds arise from the issuance of short-term bond anticipation notes, which are used to finance the projects until bonds are issued. These deficits will be alleviated when the bonds are issued or when the notes are paid.

The Workers' Compensation deficit was due to a reduction in revenue in 2011. The County chose to change billing methodologies for workers compensation from an annual billing to bi-weekly billing which caused three months of revenues to be collected from the County funds instead of twelve. Beginning in 2012, the revenue collection will return to a twelve month collection cycle which will reduce the net assets deficit. Management will continue to monitor this fund and adjust rates as needed.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 6– DEPOSITS AND INVESTMENTS

CASH

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demands upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County, which are not considered as active, are classified as inactive. Inactive monies may be deposited or invested in the following securities provided a written investment policy has been filed with the Ohio Auditor of State:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States; or any book entry zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Time certificates of deposit or savings or deposit accounts, including but not limited to, passbook accounts;
4. Bonds and other obligations of the State of Ohio or its political subdivisions;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
6. The State Treasurer's investment pool (STAROhio);
7. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange similar securities, or cash, equal value for equal value;
8. Not more than twenty-five percent of the County's average portfolio is in one of the following:
  - a. Commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars, provided the notes are rated at the time of purchase in the highest classification established by two nationally recognized standard rating services, mature within two hundred seventy days after purchase, and the aggregate value does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation;
  - b. Bankers acceptances of banks that are insured by the federal deposit insurance corporation, provided the obligations are eligible for purchase by the federal reserve system and mature within one hundred eighty days after purchase;
9. Up to fifteen percent of the County's total average portfolio is in notes issued by corporations that are incorporated under the laws of the United States and that are operating within the United States, or by depository institutions that are doing business under authority granted by the United States or any state and that are operating within the United States, provided the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and mature within two years from the date of purchase;

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 6– DEPOSITS AND INVESTMENTS (continued)

10. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper; and
11. A portion of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

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 County, and must be purchased with the expectation that it will be held to maturity.

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

INVESTMENTS

As of December 31, 2011, the County had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 - 2	3 - 4
Fifth Third Institutional Gov Money Market Fund	\$ 520,822	\$ 520,822	\$ -	\$ -
Federal Farm Credit Banks Bonds	39,492,769	3,269,683	25,213,221	11,009,865
Federal Home Loan Banks Bonds	22,197,877	7,633,762	12,563,315	2,000,800
Federal Home Loan Mortgage Corporation Bonds	45,049,243	1,007,390	18,028,193	26,013,660
Federal National Mortgage Association Bonds	37,567,785	2,004,240	22,556,365	13,007,180
Total Investments	\$ 144,828,496	\$ 14,435,897	\$ 78,361,094	\$ 52,031,505

Interest rate risk arises because fixed-income securities will increase or decrease in market value as interest rates fluctuate during the life of such securities. If held to maturity, fixed income securities, owned by Butler County, will pay the face value (par value). The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific future obligation of the County, and approved by the Investment Advisory Committee.

Credit risk refers to the risk of default of principal or interest. Investment assets currently owned by Butler County consist of the Fifth Third Institutional Government Money Market Mutual Fund, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds and Federal National Mortgage Association Bonds. All issues are currently rated Aa1 by Moody's. The County's policy limits investments to those authorized by the State statute.

The following table indicates the percentage of each investment compared to the County's total portfolio.

Investment Type	Fair Value	Percentage of Portfolio
Money Market Mutual Fund	\$ 520,822	0.36%
Federal Farm Credit Banks Bonds	39,492,769	27.26%
Federal Home Loan Banks Bonds	22,197,877	15.33%
Federal Home Loan Mortgage Corporation Bonds	45,049,243	31.11%
Federal National Mortgage Association Bonds	37,567,785	25.94%

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 7- PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in The County. Property tax revenue received during 2011 for real and public utility property taxes represents collections of 2010 taxes.

2011 real property taxes are levied after October 1, 2011, on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes.

The full tax rate for all County operations for the year ended December 31, 2011, was \$9.72 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2011 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 7,434,684,110
Public Utility Personal Property	431,183,570
Total	<u>\$ 7,865,867,680</u>

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 1.92 mills of this 10-mill limit. In addition to the 1.92 mills, voted levies in the amount of 7.80 mills have been approved for the Developmental Disabilities Board, Mental Health Board, Children Services Agency, and Senior Citizens Services. A summary of voted levies follows:

Purpose	Voter Levy Date	Authorized Rate	Rate Levied for			Final Levy Year
			Current Year R/A	C/I	C/I	
Developmental Disabilities Board	2004	1.00	0.93	0.96		Continuing
Developmental Disabilities Board	2000	2.00	1.57	1.83		Continuing
Mental Health Board	1985	0.50	0.23	0.29		2014
Mental Health Board	2006	1.00	1.00	0.97		2010
Children Services Agency	2008	2.00	2.00	1.94		2012
Senior Citizens	2005	1.30	1.30	1.30		2009
Total		<u>7.80</u>	<u>7.03</u>	<u>7.29</u>		

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 7- PROPERTY TAXES (continued)

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from a reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount of property taxes on carry-over property as in the year in which the levy was approved.

Increases to voted levy revenues are restricted to assessments for new construction. The reduction factors are computed annually and applied separately for (R/A) residential/agricultural property and (C/I) commercial/industrial property.

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County. Property taxes receivable represents real, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2011, and for which there is an enforceable legal claim. In the general fund, the board of developmental disabilities fund, the aging fund and the community mental health fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

NOTE 8- PERMISSIVE SALES TAX

Vendor collections of the permissive sales tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the Office of Budget Management the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

In 2011, \$33,161,633 of permissive sales tax revenue was recognized in the General Fund. The County's total sales tax rate was three-quarters of one percent (.75%).

NOTE 9- RECEIVABLES

Receivables at December 31, 2011, consisted of taxes, accounts including unpaid utilities, payments in lieu of taxes, intergovernmental receivables arising from grants, entitlements, and shared revenues, accrued interest, special assessments, loans, and interfund receivables. Loans receivable represent General Fund advances to agency funds and low-interest loans for development projects and home improvements granted to eligible County residents and businesses under the Federal Community Development Block Grant Program. The Block Grant loans bear interest at annual rates between two and five percent. These loans are to be repaid over periods ranging from two to five years. The payments in lieu of taxes amount relates to dollars collected through real estate taxes that are marked for capital improvements in Butler County and tax incremental financing agreements. All receivables are considered collectible in full, including accounts receivable, which, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. Delinquent special assessments at December 31, 2011 totaled \$217,462. The following are receivables expected to be collected in more than one year: Special Assessments \$9,933,036 and Loans Receivable \$647,744.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 9– RECEIVABLES (continued)

A summary of intergovernmental receivables follows:

Governmental Activities:	Amount
Public Assistance	\$ 8,173,322
Property Tax Rollbacks	3,911,769
Motor Vehicle License Tax	3,494,691
Return of TIF Revenue from TID	2,594,041
Undivided Local Government	2,275,299
IV-E Administration and Training	1,626,906
Cover Over/Under Incentives (FFP)	1,319,618
Gasoline Tax	1,154,649
Community Development Block Grant	1,081,255
HOME Grant	1,043,995
Shelter Plus Care	946,459
Boarding of Prisoners	769,213
Title XIX	701,935
Community Corrections 403 Grant	627,339
Prison Diversion	611,467
Federal Incentives	538,823
Waiver	529,153
Twelfth District Court of Appeals	499,488
MRDD Operating Subsidy	498,015
Neighborhood Stabilization	495,142
Reclaim Ohio Youth Services	494,437
Policing Services	479,785
State Child Protective Allocation	476,674
Medicaid	430,073
Board of Election Expenses	413,939
State Per Capita Treatment	229,133
Indigent Attorney Reimbursement	224,923
Federal Women's Grant	222,186
Foster Care Maintenance	202,949
Federal Per Capita Treatment	181,968
CANSAFE Grant	165,030
Title XX	118,630
Block Base Grant	109,912
Child Support - State Match Allocation	102,000
Ohio Department of Mental Health 505 Grant	90,230
Local Public Agencies (LPA) Grant	86,251
State 401 Grant	80,116
Family Support	79,611
Jail Diversion	77,685
SCAAP	73,220
Federal Child Support	61,964
Federal Per Capita Prevention	60,941
Family Drug Court	58,000
Court Fines and Fees	55,803
Ohio Public Works Commission	48,081
Kinship Program	37,450
All Other	289,756
Total Governmental Activities	<u><u>37,843,326</u></u>
Agency Activities	Amount
Local Government	\$ 10,438,721
Motor Vehicle License Tax	908,560
Gasoline Tax	846,349
Permissive Tax	161,422
All Other	1,343
Total Agency Activities	<u><u>\$ 12,356,395</u></u>

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 10– CAPITAL ASSETS

Primary government capital asset activity for the year ended December 31, 2011, was as follows:

	Balance At 12/31/10	Additions	Deletions	Balance At 12/31/11
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Easements	\$ 12,175,728	\$ 5,491,174	\$ (264,213)	\$ 17,402,689
Infrastructure:				
Roads	163,874,685	755,435		164,630,120
Bridges	59,177,280	702,104	(29,220)	59,850,164
Culverts	13,978,609		(5,393,944)	8,584,665
Construction in Progress	170,175	1,523,593	(23,104)	1,670,664
Total Capital Assets, Not Being Depreciated	249,376,477	8,472,306	(5,710,481)	252,138,302
Depreciable Capital Assets:				
Land Improvements	9,486,641	90,163	(333,360)	9,243,444
Buildings and Improvements	135,027,073	68,984	(7,867,248)	127,228,809
Furniture, Fixtures and Equipment	76,712,633	1,452,253	(1,052,253)	77,112,633
Vehicles	8,117,110	1,593,426	(2,571,680)	7,138,856
Total Depreciable Capital Assets	229,343,457	3,204,826	(11,824,541)	220,723,742
Total Capital Assets At Historical Cost	478,719,934	11,677,132	(17,535,022)	472,862,044
Less Accumulated Depreciation:				
Land Improvements	(2,557,463)	(262,038)	333,360	(2,486,141)
Buildings and Improvements	(50,652,279)	(3,932,361)	5,187,854	(49,396,786)
Furniture, Fixtures and Equipment	(26,407,395)	(4,230,592)	1,013,611	(29,624,376)
Vehicles	(6,343,186)	(662,016)	2,460,480	(4,544,722)
Total Accumulated Depreciation	(85,960,323)	(9,087,007)	8,995,305	(86,052,025)
Depreciable Capital Assets, Net	143,383,134	(5,882,181)	(2,829,236)	134,671,717
Governmental Activities Capital Assets, Net	\$ 392,759,611	\$ 2,590,125	\$ (8,539,717)	\$ 386,810,019

Additions to capital assets include \$1,605,539 in assets donated by other governmental agencies and companies.

Depreciation expense was charged to governmental functions as follows:

General Government	Amount
Legislative and Executive	\$ 2,503,441
Judicial	516,192
Public Safety	4,104,439
Public Works	970,662
Health	737,056
Human Services	255,217
Total Depreciation Expense	\$ 9,087,007



BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 10– CAPITAL ASSETS (continued)

Business Type capital asset activity for the year ended December 31, 2011, was as follows:

	Balance At 12/31/10	Additions	Deletions	Balance At 12/31/11
Business Type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 1,627,190	\$ -	\$ (83,134)	\$ 1,544,056
Construction in Progress	10,157,776	14,422,707	(2,963,542)	21,616,941
Total Capital Assets, Not Being Depreciated	<u>11,784,966</u>	<u>14,422,707</u>	<u>(3,046,676)</u>	<u>23,160,997</u>
Depreciable Capital Assets:				
Land Improvements	3,389,252	-	(494,500)	2,894,752
Buildings and Improvements	80,223,623	-	(449,114)	79,774,509
Furniture, Fixtures and Equipment	79,003,090	2,082,369	(3,041,926)	78,043,533
Vehicles	1,288,658	185,056	(136,354)	1,337,360
Water Rights	38,896,324	-	-	38,896,324
Water and Sewer Mains	311,992,271	2,910,331	(4,571,287)	310,331,315
Total Depreciable Capital Assets	<u>514,793,218</u>	<u>5,177,756</u>	<u>(8,693,181)</u>	<u>511,277,793</u>
Total Capital Assets At Historical Cost	<u>526,578,184</u>	<u>19,600,463</u>	<u>(11,739,857)</u>	<u>534,438,790</u>
Less Accumulated Depreciation:				
Land Improvements	(1,777,715)	(147,941)	494,500	(1,431,156)
Buildings and Improvements	(27,968,289)	(2,391,669)	449,114	(29,910,844)
Furniture, Fixtures and Equipment	(47,051,000)	(4,146,110)	2,959,731	(48,237,379)
Vehicles	(1,073,291)	(106,828)	136,356	(1,043,763)
Water Rights	(14,784,412)	(1,955,568)	-	(16,739,980)
Water and Sewer Mains	(111,817,409)	(7,832,336)	3,687,462	(115,962,283)
Total Accumulated Depreciation	<u>(204,472,116)</u>	<u>(16,580,452)</u>	<u>7,727,163</u>	<u>(213,325,405)</u>
Depreciable Capital Assets, Net	<u>310,321,102</u>	<u>(11,402,696)</u>	<u>(966,018)</u>	<u>297,952,388</u>
Governmental Activities Capital Assets, Net	<u>\$ 322,106,068</u>	<u>\$ 3,020,011</u>	<u>\$ (4,012,694)</u>	<u>\$ 321,113,385</u>

Additions to business-type capital assets being depreciated include \$491,963 in assets donated by property developers.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 11– RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; damage to, theft of, or destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2011 the County contracted with County Risk Sharing Authority Inc. (CORSA) (a risk-sharing pool - see NOTE 21) for liability, property, and crime damage. Coverage provided by the pool is as follows:

<u>Category</u>	<u>Amount (Each Occurrence)</u>
Property Coverage:	
Flood	\$ 100,000,000
Earthquake	100,000,000
Liability Coverage:	
Automobile Liability	6,000,000
Uninsured Motorist	250,000
General Liability	6,000,000
Stop Gap Liability	1,000,000
Law Enforcement Liability	6,000,000
Errors and Omissions Liability	6,000,000
Medical Professional Liability	6,000,000
Crime:	
Employee Dishonesty/Faithful Performance	1,000,000
Money and Securities (Inside)	1,000,000
Money and Securities (Outside)	1,000,000
Money Orders and Counterfeit Currency	1,000,000
Depositor's Forgery	1,000,000
Boiler and Machinery	100,000,000
Business Interruption	1,000,000
Deductible:	
General, Law Enforcement and Public Officials	25,000
Each and every loss/claim and/or occurrence	5,000

Settled claims have not exceeded coverage in any of the last three years. The County had no decrease in coverage in 2011.

The County has workers' compensation coverage for all employees, which are accounted for in a self-insurance internal service fund. The claims liability reported in the workers' compensation internal service fund at December 31, 2011, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The County maintains a retrospective rating plan for workers' compensation insurance.

The historical changes in claims payable (based on 12/31/11 maximum premium) during years December 31, 2010 and 2011 are as follows:

	<u>Beginning Balance</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2010	\$ 2,702,796	\$ 1,260,360	\$ 782,417	\$ 3,180,739
2011	3,180,739	499,916	645,342	3,035,313

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 12- LEASES

Operating Leases

The County leases equipment and buildings for County services under non-cancelable operating leases. The total costs in 2011 were \$1,006,994 in the governmental funds. The future minimum lease payments for these leases are as follows:

<u>Year</u>	<u>Amount</u>
2012	\$ 827,686
2013	444,868
2014	321,224
2015	215,007
2016	151,587
2017 - 2021	408,706
2022 - 2024	94,500
	<u>\$ 2,463,578</u>

Capital Leases

In prior years, the County has entered into capital leases to finance various County purchases. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as program expenditures in the budgetary statements.

General capital assets consisting of vehicles, software and equipment have been capitalized in the amount of \$6,672,573. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2011 totaled \$1,021,847 in the governmental funds.

<u>Governmental Activities Capital Assets</u>	<u>Net Book Value</u>
Furniture, Fixtures, and Equipment	\$ 4,777,003
Vehicles	1,895,570
Less: Accumulated depreciation	<u>(2,727,754)</u>
Total Net Book Value	<u>\$ 3,944,819</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2011:

<u>Year</u>	<u>Amount</u>
2012	\$ 451,251
Less Interest	<u>(11,620)</u>
Total Present Value Lease Payments	<u>\$ 439,631</u>

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 13– DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description – The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law enforcement and public safety employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in state and local divisions and 11.6 percent for law enforcement and public safety members. For the year ended December 31, 2011, members in state and local divisions contributed 10 percent of covered payroll while public safety and law enforcement members contributed 11.0 percent and 11.6 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2011, member and employer contribution rates were consistent across all three plans.

The County's 2011 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.10 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.00 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011. Employer contribution rates are actuarially determined.

The County's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009 were \$12,391,971, \$8,191,126, and \$8,368,126, respectively. For 2011, 91.67 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009. Contributions to the Member-Directed Plan for 2011 were \$298,402 made by the County and \$213,145 made by plan members.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO (STRS OHIO)

Plan Description – The County participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plans. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 13 – DEFINED BENEFIT PENSION PLANS (continued)

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – For the fiscal year ended June 30, 2011, plan members were required to contribute 10 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2010, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to STRS Ohio for the fiscal years ended December 31, 2011, 2010, and 2009 were \$133,140, \$125,135, and \$136,091, respectively; 96.15 percent has been contributed for year 2011 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009. Contributions were not made to the DC and Combined plans for 2011.

NOTE 14 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; 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 defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 14 – POST-EMPLOYMENT BENEFITS (continued)

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$4,447,692, \$4,363,746, and \$5,877,615, respectively. For 2011, 90.23 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO (STRS OHIO)

Plan Description – The County contributes to the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions.

For 2011, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The County's contributions for health care for the years ended December 31, 2011, 2010, and 2009 were \$9,604, \$9,626, and \$9,025, respectively; 99 percent has been contributed for 2011 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 15– OTHER EMPLOYEE BENEFITS

COMPENSATED ABSENCES

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County. Unused vacation time may be accumulated, with the approval of the appointing authority, to a maximum of three one-year accruals. All accumulated, unused compensatory time is paid upon separation. Accumulated, unused sick leave is paid at varying rates depending on length of service to employees who retire.

HEALTH CARE BENEFITS

The County has elected to provide employee medical/surgical benefits through the County Employee Benefits Consortium of Ohio, Inc. (CEBCO). Dental insurance is provided to all employees as a function of the health care plan through Dental Care Plus. Butler County Developmental Disabilities has chosen to provide employee medical/surgical benefits along with dental insurance through the Butler Health Plan (BHP).

During 2011, the County participated with the CEBCO (an insurance purchasing pool – see NOTE 21). CEBCO charges a fixed premium per month per enrolled employee. The premiums, along with an administrative charge, are paid into the Health Insurance internal service fund by the participating County funds and, in turn, the premiums are paid to CEBCO. Premiums charged by CEBCO are based upon the County's claims experience. In addition, Developmental Disabilities participated with the BHP (an insurance purchasing pool – see NOTE 21). BHP charges a fixed premium per month per enrolled employee along with an administrative charge paid directly from the Developmental Disabilities fund.

NOTE 16 – PRIOR YEAR DEFEASANCE OF REVENUE BONDS

In prior years, the County has defeased various bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2011, the bonds listed were unmatured and unpaid.

Refunded Bond Issues	Original Issue	Unmatured and Unpaid at 12/31/11
Fairfield Liberty Sewer District Number 2		
Dated April 1, 1968	\$ 525,000	\$ 15,000
Water Revenue		
Dated April 1, 1996	14,075,000	9,705,000
Sewer		
Dated June 1, 1996	16,645,000	9,220,000
Sewer		
Dated October 1, 1997	1,485,000	980,000
Sales Tax Revenue Bonds		
Dated 1997	23,810,000	14,760,000
Government Services Center		
Dated 1997	7,375,000	4,575,000
Sewer		
Dated June 1, 1998	5,490,000	4,685,000
Sewer		
Dated March 1, 1999	12,790,000	12,790,000
Mulhauser Road		
Dated October 1, 2000	6,860,000	3,415,000
Lakota Drive		
Dated October 1, 2000	395,000	205,000
Union Centre Phase 2		
Dated October 1, 2000	1,045,000	600,000
Water Judgement Bonds		
Dated July 23, 2002	35,030,000	29,425,000
Adult Detention Facility		
Dated October 1, 2002	29,875,000	19,605,000
Fiber Optic Ring		
Dated October 1, 2002	2,745,000	1,920,000

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17- LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the County during 2011 were as follows:

Debt Issue	Balance as of 12/31/10	Increases	Decreases	Balance as of 12/31/11	Due Within One Year
<b>General Obligation Bonds</b>					
2002 1.43-5.25% \$29,875,000					
Adult Detention Facility	\$ 10,140,000	\$ -	\$ 1,355,000	\$ 8,785,000	\$ 1,400,000
Premium on Debt Issue	707,485	-	70,748	636,737	
2002 1.43-5.25% \$2,745,000					
Fiber Optic Ring	930,000	-	125,000	805,000	130,000
Premium on Debt Issue	65,188	-	6,519	58,669	
2004 2.00-4.75% \$19,255,000					
Various Purpose	12,890,000	-	1,150,000	11,740,000	1,200,000
Premium on Debt Issue	211,884	-	23,186	188,698	
Less Calculated Difference Between Old and New Debt	(286,531)	-	(49,454)	(237,077)	
2006 3.75-5.00% \$17,500,000					
Various Purpose	14,170,000	-	940,000	13,230,000	975,000
Premium on Debt Issue	457,465	-	28,591	428,874	
2007 4.00-5.25% \$12,305,000					
Various Purpose	12,025,000	-	25,000	12,000,000	25,000
Premium on Debt Issue	486,645	-	48,665	437,980	
Less Calculated Difference Between Old and New Debt	(357,253)	-	(35,725)	(321,528)	
2009 2.38-6.5% \$1,935,000					
By-Pass 4	1,935,000	-	-	1,935,000	30,000
Premium on Debt Issued	30,433	-	-	30,433	
2010 2-5% \$1,870,000					
Airport Improvement	1,870,000	-	35,000	1,835,000	45,000
Discount on Debt Issued	(22,171)	-	(1,167)	(21,004)	-
2010 2-4.25% \$9,540,000					
Various Purpose	9,540,000	-	200,000	9,340,000	205,000
Premium on Debt Issued	17,877	-	894	16,983	
Discount on Debt Issued	(27,723)	-	(1,386)	(26,337)	
2010-2.25-5% \$7,200,000					
Various Purpose	7,200,000	-	-	7,200,000	
Premium on Debt Issued	664,869	-	73,874	590,995	
<b>Total General Obligation Bonds</b>	<b>\$ 72,648,168</b>	<b>\$ -</b>	<b>\$ 3,994,745</b>	<b>\$ 68,653,423</b>	<b>\$ 4,010,000</b>



BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17 – LONG-TERM OBLIGATIONS (continued)

Debt Issue	Balance 12/31/2010	Increases	Decreases	Balance 12/31/2011	Due Within One Year
<b>Sales Tax Bonds</b>					
2005 3.00-5.00% \$29,365,000					
Government Services Center	\$ 13,195,000	\$ -	\$ 1,965,000	\$ 11,230,000	\$ 2,070,000
Premium on Debt Issue	739,414	-	123,236	616,178	-
Less Calculated Difference					
Between Old and New Debt	(666,518)	-	(111,086)	(555,432)	-
<b>Total Sales Tax Bonds</b>	<b>13,267,896</b>	<b>-</b>	<b>1,977,150</b>	<b>11,290,746</b>	<b>2,070,000</b>
<b>Special Assessment Bonds</b>					
2001 2.40-5.10% \$3,045,000					
Union Centre Phase I & III	1,980,000	-	145,000	1,835,000	150,000
2005 4.125% \$1,144,000					
Venice Gardens Sewer	1,080,530	-	14,300	1,066,230	14,900
2007 4.00-5.00% \$4,790,000					
Various Purpose	4,660,000	-	480,000	4,180,000	500,000
2008 3.00-5.50% \$3,315,000					
Various Purpose	3,135,000	-	120,000	3,015,000	125,000
Premium on Debt Issued	75,370	-	4,187	71,183	-
<b>Total Special Assessment Bonds</b>	<b>10,930,900</b>	<b>-</b>	<b>763,487</b>	<b>10,167,413</b>	<b>789,900</b>
<b>Long-Term Loans</b>					
1995 2.00% \$1,811,520					
OPWC Mulhauser Rd.	429,204	-	92,085	337,119	93,935
2005 0.00% \$789,748					
OPWC Cincinnati Dayton Rd.	552,822	-	39,487	513,335	39,487
2007 0.00% \$374,761					
Mulhauser and Allen Rd. Loan	396,852	-	132,284	264,568	132,284
2009 0.00% \$329,549					
OPWC Tylersville Rd.	304,833	-	16,477	288,356	16,477
2009 0.00% \$157,188					
OPWC Hamilton Eaton Slip	153,258	-	7,859	145,399	7,859
2010 0.00% \$305,000					
OPWC Reily Millville Slip Phase I	305,000	-	15,250	289,750	15,250
2010 0.00% \$365,799					
OPWC Reily Millville Slip Phase II	346,103	19,696	-	365,799	-
2011 0.00% \$348,950					
OPWC Trenton and Busenbark Rd.	-	348,950	-	348,950	-
<b>Total Long-Term Loans</b>	<b>\$ 2,488,072</b>	<b>\$ 368,646</b>	<b>\$ 303,442</b>	<b>\$ 2,553,276</b>	<b>\$ 305,292</b>

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17 – LONG-TERM OBLIGATIONS (continued)

Debt Issue	12/31/10	Increases	Decreases	12/31/11	One Year
Other Long-Term Obligations					
Capital Leases	1,461,478	-	1,021,847	439,631	439,631
Claims Payable	3,180,739	499,916	645,342	3,035,313	766,393
Compensated Absences Payable	8,075,760	5,218,706	5,475,133	7,819,333	2,829,857
Total Other Long-Term Obligations	12,717,977	5,718,622	7,142,322	11,294,277	4,035,881
Total Governmental Activities	\$ 112,053,013	\$ 6,087,268	\$ 14,181,146	\$ 103,959,135	\$ 11,211,073

GENERAL OBLIGATION BONDS

All governmental activities general obligation bonded debt are general obligations supported by the full faith and credit of the County. All unvoted general obligation bonds will be retired from the General Fund using unvoted general property tax revenues.

In October 2002, the County issued \$32,620,000 in general obligation bonds to bond notes issued for the construction of the Adult Detention Facility and the Fiber Optic Ring. The bonds were issued for a twenty-year period, with final maturity in December 2022. In April 2007, the County issued \$12,305,000 in bonds to partially refund the 2002 bonds.

In September 2004, the County issued a \$19,255,000 general obligation bond for the purpose of advance refunding \$8,225,000 of existing bonds and to bond \$10,415,000 of short-term bond anticipation notes. The bonds were issued for a twenty-year period, with final maturity in December 2024. The \$10,350,000 in new bond proceeds along with existing Butler County funds were used to pay bond anticipation notes that included the Voice of America TIF, Road Improvement TID series A and the Voice of America Sewer TIF. The \$8,905,000 portion of the bond proceeds were used to advance refund the 1996 General obligations issue, 1996 Union Center Special Assessment, 1994 Wetherington Infrastructure Special Assessment, 1992 Cox Road Special Assessment, 1992 Beacon Pt. Sewer Special Assessment and the 1992 Greencrest Sewer Special Assessment.

In September 2006, the County issued a \$17,500,000 various purpose general obligation bond for the purpose of bonding short-term bond anticipation notes for various construction projects. These projects included building expansions or renovations for Children Services, the Juvenile Detention Center, County Administration Building, Middletown Mall roof, a grand jury room and the building located at 301 South Third Street. Other projects bonded in this issue included the Symmes Road Extension, various computer hardware/software, and construction of the Metro Parks lodge and lake facility at the old Voice of America property. The bonds were issued for a twenty-year period, with the final maturity in December 2026.

In April 2007, the County issued \$12,305,000 in various purpose general obligation bonds for the purpose of advance refunding \$10,820,000 of the 2002 Adult Detention Facility bonds and \$995,000 of the 2002 Fiber Optic Bonds. The bonds were issued for a fourteen-year period, with final maturity in December 2020.

In 2007 the County pledged the Voice of America net TIF revenues (collections less debt service and school district payments) as a primary source to the Transportation Improvement District (TID) to assist in paying for the 2007 Butler County Transportation Improvement District Highway Improvement Bonds. The County has pledged one-quarter of its Non-Tax Revenues of the General Fund as a secondary or back-up pledge. The TID Bonds have three pledged receipts for payment, which include Butler County along with pledges from Liberty Township and West Chester Township. Neither the Faith and Credit nor the Taxing Power of the District, the County or the State of Ohio or any of its political subdivisions is pledged for the payment of the TID bonds.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 17– LONG-TERM OBLIGATIONS (continued)

In November 2009, the County issued \$1,935,000 in general obligation bonds for the purpose of assisting the Transportation Improvement District in widening the State Route 4 Bypass. The bonds were issued for a twenty-year period, with a final maturity in December 2029.

In August 2010, the County issued \$1,870,000 in general obligation bonds for the construction and improvement of the Butler County Regional Airport. The bonds were issued for a twenty-year period, with a final maturity in December 2029.

In August 2010, the County issued \$9,540,000 in general obligation bonds to bond short-term bond anticipation notes. The \$9,540,000 in new bond proceeds along with existing Butler County funds were used to pay the bond anticipation notes that included the Yankee Road TIF Improvement, Cincinnati-Dayton Road TIF Improvement and the Cincinnati-Dayton Road Widening. The bonds were issued for a twenty five-year period, with a maturity in December 2034.

In September 2010, the County issued \$7,200,000 in general obligation bonds for the purpose of current refunding of the 2005 Sales Tax Bonds. The County used \$190,174 in trust accounts to assist in the refunding. The bonds were issued for a ten-year period, with a final maturity in December 2019.

SALES TAX BONDS

The sales tax bonds are payable solely through sales tax revenues generated by the County's three-quarters of one percent (.75%) permanent permissive sales tax. These bonds were issued to construct the County's Government Services Center. The County is under no obligation to have such sales tax revenues directly paid to the bond trustees as long as the County finances all principal and interest payments due on the bonds sixty days prior to their payment date. Therefore, all payments made on the sales tax bonds are to be paid using sales tax revenue.

In June 2005, the County issued a \$29,365,000 sales tax bonds for the purpose of advance refunding \$31,185,000 of existing bonds issued to construct the Government Services Center Building. The bonds were issued for a twelve-year period, with final maturity in December 2016.

In September 2010, the County issued a partial refunding of \$7,200,000 general obligation bonds for the \$22,795,000 of existing bonds outstanding from the 2005 issue.

The bonds were issued for a three – year, with period principal payments beginning in 2017 and final maturity in 2019.

SPECIAL ASSESSMENT BONDS WITH GOVERNMENTAL COMMITMENT

Special assessment debt will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner defaults on an assessment, the County would be responsible for the debt payments. Special assessment bonds are retired from the Debt Service Fund using special assessment revenues.

In October 2001, the County issued \$3,045,000 of special assessment bonds to assist with the first and third phase of construction at Union Centre. The bonds were issued for a twenty-year period with final maturity in December 2021.

In August 2005, the County issued a \$1,144,000 special assessment bond for the purpose of bonding short-term bond anticipation notes for the Venice Gardens Sewer project. The bonds were issued for a forty-year period with final maturity in August 2045.

In April 2007, the County issued \$4,790,000 in special assessment bonds for the purpose of advance refunding \$220,000 of the 2000 Lakota Drive Bonds, \$650,000 of the 2000 Union Center Phase II Bonds and \$3,815,000 of the 2000 Muhlhauser Road Bonds. The bonds were issued for a fourteen-year period, with final maturity in December 2020.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 17– LONG-TERM OBLIGATIONS (continued)

In August 2008, the County issued \$3,315,000 in special assessment bonds for the purpose of bonding short-term bond anticipation notes for the University Pointe Landscaping and the Liberty Interchange (Cox Road Extension). The bonds were issued for a twenty-year period, with a final maturity in December 2028.

LONG-TERM LOANS

In 1995, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$1,811,520 to make improvements to Muhlhauser Road using proceeds from the loan. The loan was issued for twenty-years with a final payment in July 2015. The loan will be repaid from Motor Vehicle Fund revenues.

In 2005, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$789,748 to make improvements to Cincinnati Dayton Road using proceeds from the loan. The loan was issued for twenty-years with the final payment due in July 2024. The loan will be repaid from Motor Vehicle Fund revenues.

In October 2006, Butler County entered into an agreement with West Chester Township and IKEA to expand the intersection at Muhlhauser and Allen Road to accommodate traffic flow needs due to the proposed IKEA store. In 2007, West Chester Township contributed \$749,522 for this intersection expansion. Butler County's portion of the obligation to West Chester Township in 2007 was \$374,761 for the project costs and \$286,659 in 2009, totaling \$661,420. The loan will be repaid from General Fund revenues.

In 2009, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$329,549 for the widening of Tylersville Road between Cincinnati Dayton and Wetherington Drive, including the replacement of an existing bridge using proceeds from the loan. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid from Motor Vehicle Fund revenues.

In 2009, The County entered into a loan with the OPWC for \$157,188 for the restoration of the Hamilton Eaton Slip located at the intersection of State Road and Hamilton Eaton Road where Seven Mile Creek has eroded into the roadway area. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid from Motor Vehicle Fund revenues.

In 2010, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$305,000 for phase one of the restoration of the Reily Millville Road Slip. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid from Motor Vehicle Fund revenues.

In 2010, The County entered into a loan with OPWC for phase two of the restoration of the Reily Millville Road Slip not to exceed \$416,498. In 2011, the County received \$19,696 in loan proceeds. The project is expected to be completed in 2012 and will be repaid from Motor Vehicle Fund revenues.

In 2011, the County entered into a loan with OPWC not to exceed \$382,840 for the construction of new left turns lanes on Trenton and Busenbark Road. In 2011, the County received \$348,950 in loan proceeds. The project is expected to be completed in 2012 and will be repaid from Motor Vehicle Fund revenues.

OTHER PAYABLES

Capital leases are for a fire alarm system for the County Care Facility, helicopter and police cruisers for the Sheriff's Office, a County wide permitting system and computer server, a Court reporting system for Common Pleas, electronic voting machines for the Board of Elections, copiers, fiber optic cables and a voice recording system for Job and Family Services/Children Services Agency and a shelving unit for Domestic Relations.

Claims payable represent the County's liability for workers' compensation coverage for all employees. Claims liabilities and expenses are estimated through a case by case review of all claims. The claims liability will be paid from the Workers' Compensation Internal Service Fund.

Compensated absences liability will be paid from the General Fund, Developmental Disabilities, Job and Family Services/Children Services Agency, All Other Legislative and Executive, Child Support Enforcement, Health Insurance, and the Workers Compensation Funds.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 17– LONG-TERM OBLIGATIONS (continued)

Annual debt service requirements to maturity for general obligation bonds, sales tax bonds, special assessment bonds and loans for all governmental activities are as follows:

Year	General Obligation Bonds		Sales Tax Bonds	
	Principal	Interest	Principal	Interest
2012	\$ 4,010,000	\$ 2,886,988	\$ 2,070,000	\$ 535,625
2013	4,170,000	2,730,425	2,125,000	458,000
2014	4,405,000	2,574,441	2,235,000	351,750
2015	4,415,000	2,406,394	2,345,000	240,000
2016	4,630,000	2,208,206	2,455,000	122,750
2017-2021	27,895,000	7,455,463	-	-
2022-2026	12,685,000	2,476,313	-	-
2027-2031	3,910,000	604,975	-	-
2032-2035	750,000	64,600	-	-
<b>Total</b>	<b>\$ 66,870,000</b>	<b>\$ 23,407,805</b>	<b>\$ 11,230,000</b>	<b>\$ 1,708,125</b>

Year	Special Assessment Bonds		Loans	
	Principal	Interest	Principal	Interest
2012	\$ 789,900	\$ 468,039	\$ 305,292	\$ 16,858
2013	820,510	436,675	342,920	10,340
2014	851,150	403,943	212,562	2,461
2015	891,820	364,014	164,421	496
2016	932,510	322,000	114,812	-
2017-2021	3,399,000	994,043	574,059	-
2022-2026	1,151,180	483,674	495,083	-
2027-2031	643,320	187,322	308,390	-
2032-2036	181,540	112,851	35,737	-
2037-2041	222,210	72,189	-	-
2042-2045	213,090	22,419	-	-
<b>Totals</b>	<b>\$ 10,096,230</b>	<b>\$ 3,867,169</b>	<b>\$ 2,553,276</b>	<b>\$ 30,155</b>

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17 – LONG-TERM OBLIGATIONS (continued)

Changes in long-term obligations reported in the business-type activities of the County during 2011 were as follows:

Debt Issue	Balance as of 12/31/2010	Increases	Decreases	Balance as of 12/31/2011	Due Within One Year
<b>General Obligation Bonds</b>					
2005 4.125% \$600,000					
Venice Gardens Sewer	\$ 566,710	\$ -	\$ 7,500	\$ 559,210	\$ 7,810
2006 4.375% \$3,200,000					
USDA New Miami Sewer	3,068,450	-	36,560	3,031,890	38,170
2007 4.25% \$1,117,500	475,077	-	232,596	242,481	242,481
USDA Vehicle and Equipment					
2009 4.25% \$4,610,000					
1998 Sewer Revenue	2,345,000	-	1,160,000	1,185,000	1,185,000
Premium on Debt Issued	27,184	-	13,592	13,592	-
Less Calculated Difference Between Old and New Debt	(145,193)	-	(72,597)	(72,596)	-
2009 2.00-4.00% \$10,695,000					
1999 Water and Sewer Rev	8,930,000	-	1,850,000	7,080,000	1,900,000
Premium on Debt issued	204,820	-	42,112	162,708	-
Less Calculated Difference Between Old and New Debt	(354,703)	-	(60,504)	(294,199)	-
<b>Total General Obligations Bonds</b>	<b>15,117,345</b>	<b>-</b>	<b>3,209,259</b>	<b>11,908,086</b>	<b>3,373,461</b>
<b>Water Judgement Bonds</b>					
2002 1.55-5.25% \$35,030,000					
Water Judgement	5,475,000	-	1,260,000	4,215,000	1,330,000
Premium on Debt Issued	96,744	-	19,348	77,396	-
2007 4.00-5.25% \$24,135,000					
Water Judgement	23,695,000	-	15,000	23,680,000	15,000
Premium on Debt Issued	1,105,209	-	221,041	884,168	-
Less Calculated Difference Between Old and New Debt	(966,481)	-	(193,296)	(773,185)	-
<b>Total Water Judgement Bonds</b>	<b>29,405,472</b>	<b>-</b>	<b>1,322,093</b>	<b>28,083,379</b>	<b>1,345,000</b>
<b>Revenue Bonds</b>					
2004 3.20-5.10% \$19,620,000					
Sewer	14,190,000	-	970,000	13,220,000	1,000,000
Premium on Debt Issued	15,652	-	1,118	14,534	-
Less Calculated Difference Between Old and New Debt	(1,092,048)	-	(99,277)	(992,771)	-
2005 3.000-5.125% \$13,235,000					
Water	9,420,000	-	675,000	8,745,000	700,000
Premium on Debt Issued	442,461	-	39,330	403,131	-
Less Calculated Difference Between Old and New Debt	(797,793)	-	(70,915)	(726,878)	-
2005 3.00-5.00% \$19,575,000					
Sewer	18,595,000	-	420,000	18,175,000	440,000
Premium on Debt Issued	1,361,145	-	104,704	1,256,441	-
Less Calculated Difference Between old/new debt	(461,616)	-	(230,809)	(230,807)	-
2005 3-5% \$14,850,000					
Water	12,140,000	-	600,000	11,540,000	620,000
Premium on Debt Issued	387,244	-	25,816	361,428	-
2006 4.375-4.375% \$4,000,000					
USDA Sewer	3,826,700	-	48,170	3,778,530	50,270
<b>Total Revenue Bonds</b>	<b>\$ 58,026,745</b>	<b>\$ -</b>	<b>\$ 2,483,137</b>	<b>\$ 55,543,608</b>	<b>\$ 2,810,270</b>

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17 – LONG-TERM OBLIGATIONS (continued)

Debt Issue	Balance as of 12/31/2010	Increases	Decreases	Balance as of 12/31/2011	Due Within One Year
Long-Term Loans					
2005 4.19% \$4,634,892 Cincinnati Water Works	\$ 3,780,319	\$ -	\$ 187,817	\$ 3,592,502	\$ 195,839
2006 0% \$710,200 OPWC Cast Iron Watermain	648,305	-	35,044	613,261	35,044
2006 0% \$874,581 OPWC Watermain Improvements	765,258	-	43,729	721,529	43,729
2006 0% \$470,318 OPWC Cast Iron Watermain	470,318	-	15,677	454,641	15,677
2009 3.52% \$3,158,694 OWDA Polybutylene Water Line	2,650,978	507,716	55,071	3,103,623	113,067
2009 3.42% \$849,987 OWDA Shaker Creek Sewer	817,105	-	28,587	788,518	32,334
2009 3.42% \$1,153,728 OWDA Big Monroe Sewer	1,112,322	-	42,835	1,069,487	44,312
2009 2.65% \$1,587,221 (ARRA) OWDA Lesourdsville Sewer	101,988	-	8,371	93,617	-
2009 0% \$2,466,203 (ARRA) OWDA Liberty Fairfield Water Tank	1,226,568	190,622	70,859	1,346,331	70,859
2009 0% \$510,468 OWDA Sharon Creek Sewer	510,468	-	8,508	501,960	17,016
2010 0% 439,287 OPWC CastIron Watermain	392,870	207,130	-	600,000	10,000
<b>Total Long Term Loans</b>	<b>12,476,499</b>	<b>905,468</b>	<b>496,498</b>	<b>12,885,469</b>	<b>577,877</b>
Other Long Term Obligations Compensated Absences	793,936	563,550	528,537	828,949	283,420
<b>Total Business Type Activities</b>	<b>\$ 115,819,997</b>	<b>\$ 1,469,018</b>	<b>\$ 8,039,524</b>	<b>\$ 109,249,491</b>	<b>\$ 8,390,028</b>

GENERAL OBLIGATION BONDS

All business-type activities general obligation bonded debt is supported by the full faith and credit of the County. Enterprise supported general obligation bonds are being paid by Enterprise Funds.

In August 2005, the County issued a \$600,000 general obligation bond for the purpose of bonding short-term bond anticipation notes for the Venice Gardens Sewer project. The bonds were issued for a forty-year period, with final maturity in August 2045.

In September 2006, the County issued a \$3,200,000 general obligation bond for the purpose of bonding short-term bond anticipation notes for the New Miami Sewer Improvement project. These bonds are registered with the United States Department of Agriculture Rural Development (USDA). The bonds were issued for a forty-year period, with maximum maturity in August 2046.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 17– LONG-TERM OBLIGATIONS (continued)

In March 2008, the County received the remaining \$217,500 in general obligation bond proceeds in addition to the \$900,000 received in 2007. These dollars were used for Vehicle and Equipment purchases in the Water and Sewer Funds. These bonds are registered to the United States Department of Agriculture, Rural Development. The bonds were issued for a five-year period, with the final maturity in December 2012.

In February 2009, the County issued \$4,610,000 in general obligation bonds for the purpose of current refunding \$6,970,000 of the 1998 Sewer Revenue Bonds. The County used \$2,543,324 in trust accounts to assist in the refunding. The bonds were issued for a four-year period, with a final maturity in December 2012.

In November 2009, the County issued \$10,695,000 in general obligation bonds for the purpose of current refunding \$10,245,000 of the 1999 Water Revenue bonds and \$5,605,000 of the 1999 Sewer Revenue Bonds. The County used \$2,971,790 in trust accounts to assist in the refunding. The bonds were issued for a ten-year period, with a final maturity in December 2019.

WATER JUDGEMENT BONDS

The 2002 and 2007 Water Judgment Bonds are general obligation bonds that were court ordered to settle the water contract dispute between Butler County and the City of Hamilton. The principal and interest are paid from the Water fund.

In July 2002, the County issued \$35,030,000 in water judgment bonds. The bonds were issued for a twenty-five year period with final maturity in 2026. In 2007 \$24,000,000 of these bonds were advance refunded, changing the final maturity date to December 2015.

In April 2007, the County issued \$24,135,000 in Water Judgment bonds for the purpose of advance refunding \$24,000,000 of the 2002 Water Judgment Bonds. The bonds were issued for a twenty year period, with final maturity in December 2026.

REVENUE BONDS

Revenue bonds are supported by user charges and are not backed by the full faith and credit of the County. These bonds have been issued to pay for water and sewer projects.

In September 2004, the County issued a \$19,620,000 Sewer Revenue bond for the purpose of advance refunding \$13,815,000 of existing 1996 Sewer bonds and to issue a new Sewer bond for \$6,245,000 for the purpose of making replacement and improvements to the sewer system. The bonds were issued for a twenty-year period, with final maturity in December 2024.

In March 2005, the County issued a \$13,235,000 Water Revenue bond for the purpose of advance refunding \$14,075,000 of existing 1996 Water bonds. The bonds were issued for a seventeen year period, with final maturity in December 2021.

In June 2005 the County issued a \$19,575,000 Sewer Revenue bond for the purpose of partially advance refunding \$1,485,000 of existing 1997, \$5,490,000 of existing 1998, and \$12,790,000 of existing 1999 Sewer bonds. The bonds were issued for an eighteen year period, with final maturity in December 2023.

In June 2005, the County issued a \$14,850,000 Water Revenue bond for the purpose of bonding \$8,400,000 in bond anticipation notes and to issue a new Water bond for \$6,450,000 for various water system replacement and improvements within the County. The bonds were issued for a twenty-year period, with final maturity in December 2025.

In September 2006, the County issued a \$4,000,000 Sewer Revenue bond for the purpose of bonding short-term bond anticipation notes for the New Miami Sewer Improvement project. These bonds are registered to the United States Department of Agriculture, Rural Development. The bonds were issued for a forty-year period, with the final maturity in December 2045.



BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 17– LONG-TERM OBLIGATIONS (continued)

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds, Cincinnati Waterworks Loans, OPWC, and OWDA loans in the Water fund. The debt is payable solely from net revenues and are payable through 2042. Annual Principal and Interest payments on debt are expected to require 39% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$40,086,594. Of this total \$27,295,287 is for the revenue bonds, \$4,739,754 for the Cincinnati Waterworks, \$2,389,432 for the OPWC loans, and \$5,662,121 for OWDA loans.

Principal and interest paid for the current year for water revenue bonds and loans and total net revenues were \$2,875,056 and \$7,292,792 respectively. Principal and interest paid for the current year for Revenue Bonds was \$2,256,451, \$342,632 for the Cincinnati Waterworks loan, \$94,450 for the OPWC loans, and \$181,523 for the OWDA loans.

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds and OWDA loans in the Sewer fund. The debt is payable solely from net revenues and are payable through 2045. Annual Principal and interest payments on debt are expected to require 29% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$50,475,339. Of this total \$47,350,079 is for the revenue bonds, \$501,960 for the OPWC loans, and \$2,623,300 for the OWDA loans.

Principal and interest paid for the current year for sewer revenue bonds and loans and total net revenues were \$3,253,831 and \$11,071,060 respectively. Principal and interest paid for the current year for Revenue Bonds was \$3,098,665 and \$8,508 for the OPWC loan, and \$146,658 for the OWDA loans

LONG-TERM LOANS

In 2005, Butler County entered into a contractual agreement with the City of Cincinnati for \$4,634,892 to assist in financing the construction of water lines and a master meter that runs from International Boulevard to Muhlhauser Road. This expansion will allow Butler County a secondary water source and provide access to water for future development. Approximately \$549,623 of Butler County water lines were added while intangible assets of \$4,085,629 were recorded as deferred charges, now classified as depreciable capital assets, net. The balance owed to the City of Cincinnati at December 31, 2011 as a result of this project is \$3,592,502. This amount has been recorded on the County's books as a long-term liability in the Water Enterprise Fund.

In 2006, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$710,200 and \$874,581 to make improvements to watermains in Butler County using proceeds from OPWC loans. The 2006 cast iron watermain loan was issued for twenty-years with the first payment starting in July 2009 and a final payment due in January 2029. The 2006 watermain improvements loan was issued for twenty-years with the first payment starting in July 2008 and a final payment due in January 2028. Both OPWC loans will be repaid by Water fund user charges.

In 2009, the County entered into a loan with Ohio Public Works Commission (OPWC) for \$470,318 to replace watermains using proceeds from the loan. The loan was issued for thirty-years with the final payment due in 2040. The loan will be repaid by Water Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) to replace over 7,000 failing poly-butylene service lines in Butler County. In 2011, the County received an additional \$507,716 of loan proceeds to complete the project. The loan was issued for thirty-years with the final payment due in 2031. The loan will be repaid by Water Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) to restore and stabilize eroding stream banks of Shaker Creek. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid by Sewer Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$1,153,728 to reduce erosion, sedimentation and nutrient enrichment located at Mill Creek. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid by Sewer Fund revenues.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 17– LONG-TERM OBLIGATIONS (continued)

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$1,587,221 to construct a new sewage receiving facility, a new vector truck unloading facility, and install a second sludge-dewatering centrifuge. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid by Sewer Fund revenues.

In 2010, the County entered into a loan with Ohio Water Development Authority (OWDA) to design and construct a 2.0 million gallon ground-level storage tank that will serve as a buffer, isolating the pump station from other systems that are surrounding the area. In addition, control valves will be included to smooth out flow rates going into the tank and insuring that pressures are not drawn below acceptable levels. In 2011, the County received an additional \$190,622 of loan proceeds to complete the project. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid by Water Fund revenues.

In 2010, the County entered into a loan with Ohio Public Works Commission (OPWC) for \$510,468 to replace and improve an existing sanitary force main with a new sanitary force main and gravity sewer at Sharon creek. The loan proceeds also were used to increase the height of a cascade wall approximately two feet to prevent overflows that occur during heavy storm events. The loan was issued for thirty-years with the final payment due in 2041. The loan will be repaid by Sewer Fund revenues.

In 2010, the County entered into a loan with Ohio Public Works Commission (OPWC) for a total of \$600,000 in projects costs to replace over 15,000 feet of failing cast iron water mains for the subdivision of Dalewood located in West Chester Township. In 2010, \$392,870 of proceeds were received with the remaining \$207,130 in 2011. The loan was issued for thirty-years with the final payment due in 2042. The loan will be repaid by Water Fund revenues.

OTHER PAYABLES

Compensated absences liability will be paid from Water, Sewer, and GSC Parking Facility enterprise funds.

Annual debt service requirements to maturity for general obligation bonds, judgment bonds, revenue bonds and loans for all business type activities are as follows:

Year	General Obligation Bonds		Judgment Bonds	
	Principal	Interest	Principal	Interest
2012	\$ 3,373,461	\$ 405,709	\$ 1,345,000	\$ 1,304,006
2013	727,970	323,971	1,395,000	1,253,531
2014	740,040	306,592	1,450,000	1,197,731
2015	762,210	287,174	1,520,000	1,125,231
2016	784,480	263,612	1,590,000	1,062,400
2017-2021	2,679,900	882,790	9,165,000	4,101,825
2022-2026	383,100	625,320	11,430,000	1,835,363
2027-2031	473,650	534,792	-	-
2032-2036	585,580	422,859	-	-
2037-2041	723,970	284,460	-	-
2042-2046	864,220	113,335	-	-
Totals	\$12,098,581	\$4,450,614	\$ 27,895,000	\$ 11,880,087

Year	Revenue Bonds		Loans	
	Principal	Interest	Principal	Interest
2012	\$ 2,810,270	\$ 2,549,472	\$ 577,877	\$ 318,330
2013	4,432,470	2,448,048	602,901	303,306
2014	4,654,770	2,258,078	622,982	290,108
2015	4,882,170	2,055,461	639,392	273,757
2016	5,064,660	1,832,772	656,384	256,765
217-2021	24,204,840	5,371,059	3,561,123	1,004,624
2022-2026	6,665,980	1,319,221	3,689,235	476,675
2027-2031	521,490	556,434	2,021,464	107,533
2032-2036	645,980	431,931	263,464	-
2037-2041	800,220	277,704	239,280	-
2042-2045	775,680	86,656	11,367	-
Totals	\$ 55,458,530	\$ 19,186,836	\$ 12,885,469	\$ 3,031,098

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 17– LONG-TERM OBLIGATIONS (continued)

MULTIFAMILY HOUSING

The County has served as the issuer of Multifamily Housing bonds. The proceeds were used to acquire, construct, improve, and equip multifamily housing. The Multifamily Housing revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2011 was \$107,155,000.

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The County has issued industrial development revenue bonds (in the aggregate outstanding principal amount of \$8,000,000 at December 31, 2011) for facilities used by private corporations or other entities. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents.

HOSPITAL REVENUE BONDS

The County has served as the issuer of hospital revenue bonds. The proceeds were used to acquire, construct, improve, and equip hospital facilities. The hospital revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2011 was \$499,685,000 with \$155,430,000 issued in July 2011.

CAPITAL FUNDING REVENUE BONDS

The capital funding revenue bonds were issued on behalf of the County Commissioners Association of Ohio for their low cost capital pooled financing program. Butler County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. The principal payments will begin in 2035. The principal balance outstanding at December 31, 2011 was \$47,325,000.

LEGAL DEBT MARGIN

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed one percent of the total assessed valuation of the County. The Code further provides that the total voted and unvoted net debt of the County, less the same exempt debt, shall never exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

The effects of the debt limitations described above at December 31, 2011 are an overall debt margin of \$147,179,066 and unvoted debt margin of \$30,691,051.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 18– SHORT-TERM OBLIGATIONS

A summary of the short-term bond anticipation notes for all governmental funds are as follows:

Fund Type	Balance			Balance 12/31/11
	12/31/10	Increase	Decrease	
<b>Capital Projects</b>				
0.65% Courts Remodeling and Expansion	\$ 2,090,000	\$ 2,000,000	\$ 2,090,000	\$ 2,000,000
0.65% Courts Remodeling Project	505,000	510,000	505,000	510,000
0.65% Courts Remodeling Project	905,000	910,000	905,000	910,000
1.50% Fiber Optic Ring II	2,655,000	2,515,000	2,655,000	2,515,000
0.65% Hutsepiller Hamilton Mason TIF	2,850,000	2,785,000	2,850,000	2,785,000
0.65% Old Jail Rehabilitation	1,030,000	1,015,000	1,030,000	1,015,000
0.65% Princeton Road Admin Building	7,700,000	7,735,000	7,700,000	7,735,000
0.65% Juvenile Justice Center Roof	-	415,000	-	415,000
0.65% Sheriff Vehicles	-	935,000	-	935,000
<b>Total Governmental Funds</b>	<b>\$ 17,735,000</b>	<b>\$ 18,820,000</b>	<b>\$ 17,735,000</b>	<b>\$ 18,820,000</b>

The notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued. They are backed by the full faith and credit of the County and will mature within one year. The liability for the notes is presented in the fund that received the note proceeds. \$784,650 are unspent proceeds.

NOTE 19– INTERFUND BALANCES AND ACTIVITY

Transfers In/Transfers Out activity for 2011, consisted of the following:

Transfers To	Transfers From				Total
	General	Non Major Governmental	Internal Service	Sewer	
General	\$ -	\$ 1,125,635	\$ 28,562	\$ -	\$ 1,154,197
Job and Family Services / Children Services Agency	1,014,526	-	-	-	1,014,526
Non Major Governmental	8,222,593	1,592,043	-	-	9,814,636
Water	-	-	-	861,452	861,452
<b>Total</b>	<b>\$ 9,237,119</b>	<b>\$ 2,717,678</b>	<b>\$ 28,562</b>	<b>\$ 861,452</b>	<b>\$ 12,844,811</b>

Due From/Due To balances at December 31, 2011 consist of the following individual fund receivables and payables:

Due To (Payable)	Due From (Receivable)				Total
	General	Mental Health	Non Major Governmental	Water	
General	\$ -	\$ -	\$ 17,221	\$ -	\$ 17,221
Developmental Disabilities Job and Family Services / Children Services Agency	749	-	940	398	2,087
Non Major Governmental	27,693	11,040	100,294	-	139,027
Sewer	109,142	-	254,338	-	363,480
Water	1,375	-	2,232	1,119	4,726
Water	1,304	-	2,232	-	3,536
<b>Total</b>	<b>\$ 140,263</b>	<b>\$ 11,040</b>	<b>\$ 377,257</b>	<b>\$ 1,517</b>	<b>\$ 530,077</b>

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 19 – INTERFUND BALANCES AND ACTIVITY (continued)

Advances From/Advances To balances at December 31, 2011 consist of the following individual fund receivables and payables:

	Advances From
Advances To	General
Non Major Governmental Funds	\$227,128

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In addition, the general fund received transfers in during 2011 from the closure of the fuel depot fund and a surplus declaration from the clerk of courts title fund.

All balances in the Due From/Due To schedule resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, and (4) internal service fund billing to other County funds.

The balance of \$227,128 due to the General Fund for advances to Non Major Governmental Funds results from cash flow issues in those funds. The amounts reported as Due From/Due to Other Funds are expected to be repaid within one year; the advances are not.

NOTE 20– CONTINGENT LIABILITIES

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for any expenses disallowed under terms of the grant. Based on prior experience the County believes such disallowances, if any, will be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County the resolution of these matters will not have a material adverse effect on the financial condition of the County.

NOTE 21 –JOINTLY GOVERNED ORGANIZATIONS/RISK SHARING POOL/INSURANCE PURCHASING POOL/RELATED ORGANIZATIONS

BUTLER COUNTY EMERGENCY MANAGEMENT AGENCY

The Butler County Emergency Management Agency is a jointly governed organization among the County, thirteen townships, five cities and seven villages created by a countywide agreement with the Butler County Commissioners. The twenty-six members of the advisory council are appointed as follows: one County Commissioner and the chief elected official of each of the thirteen townships, five cities and seven villages. The degree of control exercised by any participating government is limited to its representation on the Board. The Agency does not have any outstanding debt. The County does not have an equity interest in the Agency.

The Agency is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the County. In 2011, the County contributed \$100,000. Complete financial statements can be obtained from the Emergency Management Agency, 315 High St. Hamilton, OH 45011.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 21 –JOINTLY GOVERNED ORGANIZATIONS/RISK SHARING POOL/INSURANCE PURCHASING POOL/RELATED ORGANIZATIONS (continued)

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY

The Transportation Improvement District, a jointly governed organization, provides the opportunity to construct roads, bridges and accompanying improvements within the County. The Transportation Improvement District Board, which consists of representatives from each of the participating governments, including the County, oversees the operation of the District. Complete financial statements can be obtained from the Transportation Improvement District, 315 High St. 6<sup>th</sup> Floor Hamilton, OH 45011.

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

The Ohio Kentucky Indiana Regional Council of Governments (OKI), a jointly governed organization, was formed in 1964. OKI is a council of local governments, business organizations and community groups that work together to improve the economic development of the Tri-State.

BUTLER/CLERMONT/WARREN WORKFORCE POLICY BOARD (AREA 12)

The Butler/Clermont/Warren Workforce Policy Board is a jointly governed organization with thirty-one board members consisting of representatives from business, education, labor and government. The Butler County Commissioners appoint two of the members of the board. The Policy Board is a regional organization developed as a result of the Workforce Investment Act. The role of the Policy Board is to assess the workforce needs of area employers, assess the employment and training needs of job seekers and to identify fiscal and other available resources to meet current and future workforce needs in the region.

COMMUNITY-BASED CORRECTIONAL FACILITY

The Community-Based Correctional Facility is a jointly governed organization that provides an alternative to prison incarceration for felony offenders. The Facility is the last step in the continuum of increasing punishment before prison incarceration. The Facility is a minimum-security operation. The Facility's governing board oversees the operations of the organization. Common Pleas Judges from the participating counties comprise a Judicial Advisory Board. The Judicial Advisory Board appoints two-thirds of the members of the Facility Governing Board and advises the Facility's Governing Board regarding Facility matters. The Board includes at least one Common Pleas Court Judge from each participating county. The Facility serves Butler, Clermont, and Warren County.

The Facility's Governing Board has contracted with Talbert House for daily operational functions, a non-profit organization. Talbert House is responsible for essentially all management decisions related to the Facility, subject to the Facility Governing Board's oversight. Complete financial statements can be obtained from the Community-Based Correctional Facility, 5234 State Route 63, Lebanon, OH 45036.

SOUTHWEST OHIO COUNCIL OF GOVERNMENTS

The Southwest Ohio Council of Governments was created by the Board of Developmental Disabilities of Butler, Hamilton, Clermont and Warren Counties. The Council consists of four members representing each of the four counties. Any other County Board of Developmental Disabilities may petition for membership to the Council however membership must be approved by two-thirds vote of the Council members.

The role of the Council is to coordinate the powers and duties of the member Boards to better serve and benefit persons with developmental disabilities within the four counties. The Council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2011, Butler County contributed \$5,000 to the Council. Financial information for the Southwest Ohio Council of Governments may be obtained at 1910 Fairgrove Avenue Suite E, Hamilton Ohio 45011.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 21 – JOINTLY GOVERNED ORGANIZATIONS/RISK SHARING POOL/INSURANCE PURCHASING POOL/RELATED ORGANIZATIONS (continued)

COUNTY RISK SHARING AUTHORITY (CORSA)

The County Risk Sharing Authority (CORSA) is a risk sharing pool made up of sixty-two counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County's payment for insurance to CORSA in 2011 was \$1,105,498.

BUTLER HEALTH PLAN

Butler County Board of Developmental Disabilities participates in the Butler Health Plan (BHP), an insurance purchasing pool, formed to provide affordable and desirable dental, life, medical and other disability group insurance for member employees, eligible dependents and designated beneficiaries. The Board of Directors consists of one representative from each of the participating members and is elected by the majority vote of the board.

COUNTY EMPLOYEE BENEFITS CONSORTIUM OF OHIO, INC. (CEBCO)

The County purchases commercial health care insurance from the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation, and insurance purchasing pool with membership open to Ohio political subdivisions, to collectively pool resources to purchase employee benefits. The entire risk of loss transfers to the commercial insurance carrier.

The business and affairs of the consortium are governed by a board comprised of representatives of counties that participate in the program. Two thirds of the directors are County Commissioners of the member Counties and one third are employees of member Counties. Each member of the consortium is entitled to one vote. At all times one director is required to be a member of the board of directors of the County Commissioners Association of Ohio and another is required to be a board member of the County Risk Sharing Authority, Inc.

REGIONAL TRANSIT AUTHORITY (RTA)

The Regional Transit Authority (RTA) is a related organization to the County. The County Commissioners are responsible for appointing the board of directors of the RTA; however, the County Commissioners cannot influence the RTA's operations, nor does the RTA represent a potential financial benefit or burden to the County. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the RTA, its role is limited to a ministerial function. Once the RTA determines to present a levy to the voters, including the determination of the rate and duration, the County must place the levy on the ballot. The RTA may issue debt and determine its own budget. Financial information for the RTA may be obtained at 3045 Moser Ct. Hamilton, OH 45011.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 21 – JOINTLY GOVERNED ORGANIZATIONS/RISK SHARING POOL/INSURANCE PURCHASING POOL/RELATED ORGANIZATIONS (continued)

BUTLER COUNTY CONVENTION AND VISITOR BUREAU

The Butler County Convention and Visitor Bureau is a related organization established to promote economic activity and development through tourism. The County Commissioners appoint fifteen members to serve on the Convention and Visitor Bureau Board. Nine of the Board members represent local community interests. Three members include representatives from existing Convention and Visitor Bureaus already established in the County. The remaining board members consist of a member from Butler County Metroparks, Butler County Chamber Caucus and a board member recommended by the Commissioners.

The County Commissioners passed a three-percent hotel excise tax in August of 2003 pursuant to the regulations in Ohio Revised Code 5739.09. The hotel tax collections are collected by Butler County and can only be distributed to a Convention and Visitor Bureau according to the statute. The County is not required to contribute any of their own resources to the Convention and Visitor Bureau in the event of fiscal stress, nor would Butler County benefit from any significant financial resources of the Butler County Visitor and Convention Bureau. Complete financial statements can be obtained from the Butler County Convention and Visitor Bureau, 315 High Street, Hamilton, OH 45011.

BUTLER COUNTY PORT AUTHORITY

On July 29, 2004, the Butler County Commissioners established the Butler County Port Authority to undertake various projects that would create or preserve jobs and employment opportunities within the County. The Butler County Port Authority is a related organization of the County. The Port Authority Board consists of 7 voting members of which 4 members must have businesses or places of employment within Butler County. The remaining 3 members of the board need not possess either of the preceding qualifications. The President of the Butler County Transportation Improvement District (BCTID) shall serve as an ex officio member of the Port Authority Board without voting privileges. The Agency is not accumulating significant financial resources or experiencing financial stress which would cause additional financial benefit to or burden on the County. Financial information for the Butler County Port Authority may be obtained at 315 High Street, Hamilton, OH 45011.

METROPARKS OF BUTLER COUNTY

The Park District Commissioners are appointed by the Probate Judge of the County. The Commissioners adopt their own budget, authorize expenditures, hire and fire staff, and do not rely on the County to finance deficits. Metroparks provides educational programs along with recreational opportunities throughout the year. The County is not financially accountable for the District nor is the District fiscally dependent on the County. The District serves as its own taxing and debt issuance authority and is a related organization of the County. Financial information for the Metroparks of Butler County may be obtained at 2051 Timberman Road, Hamilton, OH 45013.



BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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NOTE 22– CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

The County has several outstanding contracts for construction and professional services. The following amounts remain on these contracts as of December 31, 2011.

<u>Project</u>	<u>Outstanding Balance</u>
Hazen and Sawyer	\$ 1,129,761
PCS Technology	178,812
Bowser Morner	88,653
Frebco	1,459,267
ESI Electrical	4,691,109
W. Rogers Construction	25,492,817
Total	<u>\$ 33,040,419</u>

NOTE 23 – SUBSEQUENT EVENT

In June 2012, the County issued \$13,880,000 in various purpose general obligation bonds for the purpose of advance refunding \$1,870,000 of 2001 Union Center Phase I& III Special Assessment Bonds; \$4,285,000 of 2002 Water Judgment Bonds; and \$7,725,000 of 2002 Adult Detention Center Bonds. The bonds were issued for an eleven-year period with maximum maturity in 2022.

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Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2011

Butler County reports its infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following three sections for 2011, 2008, and 2007. Beginning with reporting year 2009, the County moved to a three year conditional assessment rotation cycle.

County Roads

The condition of road pavement is evaluated and measured using a physical condition rating system. This approach assigns a numerical rating to each road, or section thereof, based on the following criteria: age of pavement, date of last surface maintenance, traffic flow and volume, traffic type and availability of funds. The physical condition rating is determined by a committee of experts from the County Engineer's Office based on the criteria below:

Pavement Rating	Condition Rating	Description
1	Excellent	Pavements not in need of maintenance. New condition. Typically pavements 1-4 years old fall into this category. Older pavements with lower traffic counts and low truck traffic also fall into this category.
2	Good	Pavement in need of minor maintenance to restore to Excellent condition. Typically pavements 5-8 years old with high traffic counts or a large percentage of truck traffic.
3	Fair	Pavement in need of major maintenance to restore to Excellent condition. Typically pavements are 9-12 years old.
4	Poor	Pavement in need of major repair or heavy overlays to bring to Excellent condition. Pavements over 12 years old, or with high traffic volume and/or high truck traffic could be rated 4.

It is the County policy that at least 90% of the roadways will have a rating of 3 (Fair) or higher. The County Engineer's Office has implemented a system whereby the total mileage of the roadway in the County will be re-paved on a 12-year rotational basis. Historical data has shown that with yearly inspection and maintenance, the average road of the County will be maintained at a usable level for a 12-year period. Each roadway in the County will be assessed once every three years, with higher emphasis on older and more heavily used pavements.

*The following summarizes the physical condition assessment of county roads as of December 31 for 2011, 2008, and 2007:*

Road Condition	2011		2008		2007	
	Road Miles	% of Total	Road Miles	% of Total	Road Miles	% of Total
<i>Fair or Better</i>	241	90%	263	96%	256	96%
<i>Less than Fair</i>	26	10%	12	4%	12	4%
<i>Total</i>	267	100%	275	100%	268	100%

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2011

The following is a comparison of County budgeted and actual expenditures for preservation of the existing roadways:

Year	Budgeted Expenditures	Actual Expenditures	Difference
2011	\$4,306,251	\$3,462,529	\$843,722
2010	2,413,314	1,965,281	448,033
2009	2,755,258	2,626,854	128,404
2008	2,747,701	2,402,175	345,526
2007	12,148,485	3,873,674	8,274,811

County Bridges

The condition of the County's bridges is determined using a general appraisal and operational status rating which is a conditional coding system developed by the Federal Highway Administration. This system is comprised of ratings for the individual elements of the structure. The primary elements of this appraisal system include the following:

- *bridge decks* (riding surface, roadway approaches, end joints, curbing and sidewalks)
- *superstructures* (side rails, above-road piers and overhead truss)
- *substructures* (undercarriage, piers, footings, abutments and erosion protection)

The Federal Highway Administration has defined specific criteria for each element of the bridge, based on its construction. For each element, a 0-9 rating scale is used, where 4 or less is defined as "poor" condition. The ratings of all elements are combined to summarize the structural condition of a bridge as follows:

Bridge Rating	Condition Rating	Description
9	Excellent	Superior to present desirable criteria.
8	Very Good	Equal to present desirable criteria.
7	Good	Better than present minimum criteria.
6	Satisfactory	Equal to present minimum criteria.
5	Fair	Better than minimum adequacy to tolerate being left in place as is.
4	Poor	Meets minimum tolerable condition requiring high priority to repair.
3	Serious	Basically intolerable condition requiring high priority to repair.
2	Critical	Basically intolerable condition requiring high priority of replacement.
1	Imminent Failure	Immediate repair necessary to put back into service.
0	Closed	Bridge closed.

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2011

It is the County policy to maintain the bridge system in the County where 85% of the structures have a general appraisal summary of 5 (Fair) condition or higher. *The following is a summary of the conditional assessment for bridges as of December 31 for 2011, 2008, and 2007:*

Bridge Condition	2011		2008		2007	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Fair or Better	374	94%	357	90%	345	92%
Less than Fair	25	6%	38	10 %	31	8%
Total	399	100%	395	100%	376	100%

The following is a comparison of County budgeted and actual expenditures for preservation of the existing bridges:

Year	Budgeted Expenditures	Actual Expenditures	Difference
2011	\$2,345,182	\$1,885,692	\$459,491
2010	4,789,750	4,334,282	455,468
2009	6,672,617	5,310,974	1,361,643
2008	8,232,687	7,300,786	931,901
2007	3,253,089	2,891,296	361,793

County Culverts

The Butler County Engineer maintains a culvert inventory system. All culverts are inspected every three years with any critical structure being inspected as needed, as per the Engineer's internal policy. A committee of experts from the County Engineer's Office determines the condition rating, and a general appraisal of the condition is categorized as follows:

Culvert Rating	Condition Rating	Description
1	Good	No repair required.
2	Fair	Minor deficiency, culvert still functioning as designed.
3	Poor	Major deficiency, culvert in need of repair to continue functioning as designed.
4	Critical	Culvert no longer functioning as designed.

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2011

It is the goal of the Butler County Engineer to maintain 75% of culverts in a condition of 2-Fair or better. *The following is a summary of the conditional assessment for culverts as of December 31 for 2011, 2008, and 2007:*

<i>Culvert Condition</i>	<i>2011</i>		<i>2008</i>		<i>2007</i>	
	<i>Number of Culverts</i>	<i>% of Total</i>	<i>Number of Culverts</i>	<i>% of Total</i>	<i>Number of Culverts</i>	<i>% of Total</i>
<i>Fair or Better</i>	834	82%	836	79%	855	80%
<i>Less than Fair</i>	189	18%	226	21%	217	20%
<i>Total</i>	1023	100%	1062	100%	1072	100%

The following is a comparison of County budgeted and actual expenditures for preservation of the existing culverts:

<i>Year</i>	<i>Budgeted Expenditures</i>	<i>Actual Expenditures</i>	<i>Difference</i>
2011	\$188,159	\$151,293	\$36,866
2010	228,718	94,784	133,934
2009	204,160	121,563	82,597
2008	152,429	83,107	69,322
2007	249,236	188,099	61,137

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## Combining Statements and Individual Fund Schedules



## Combining Statements – Non-major Governmental Funds

### Non-major Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of each non-major special revenue fund:

Real Estate Assessment – To account for State mandated county-wide real estate appraisals that are funded by charges to the County's political subdivisions.

All Other Legislative and Executive – To account for all other legislative and executive activities not presented on an individual basis.

All Other Judicial – To account for all other judicial activities not presented on an individual basis.

All Other Public Safety – To account for all other Public Safety activities not presented on an individual basis.

Motor Vehicle – To account for the revenues derived from motor vehicle licenses and gasoline taxes. Expenditures in this special revenue fund are restricted by State law to County roads and bridge repair/improvement programs.

All Other Public Works – To account for all other public works activities not presented on an individual basis.

Child Support Enforcement – To account for the poundage fees collected by the Bureau of Child Support that are restricted by State statute to finance the operation of the Child Support Enforcement Agency.

Alcohol and Drug Addiction – To account for Federal and State grants that are used to pay the costs of contracts with local agencies that provide services to the public.

All Other Health – To account for all other health activities not presented on an individual basis.

County Care Facility – To account for the collection of Medicaid and fees from residents' families for the operation of the County Home.

Elderly Services Levy – To account for a county-wide property tax and the expenditures of those funds.

All Other Human Services – To account for all other human services activities not presented on an individual basis.

All Other Conservation and Recreation – To account for fees collected on permits by the County to finance erosion and sediment control activities.

Residential Incentive Districts and Tax Incremental Financings (RIDS and TIFS) – To account for Residential Incentive Districts and Tax Incremental Financings revenues collected through the real estate tax collection process. This fund is used to hold the dollars until payments are required to be made.

## Combining Statements – Non-major Governmental Funds (Continued)

### Non-major Capital Project Funds

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the Proprietary funds). The following are descriptions of each non-major capital project fund:

Technology – To account for the financing and related cost of County technology activities.

Other Capital Improvements – To account for all other capital improvements not presented on an individual basis.

Road Improvements – To account for projects related to the construction of roads.

Buildings Construction and Renovations – To account for improvements and new construction of buildings.

### Non-major Bond Retirement

The Bond Retirement Fund is used to account for proceeds and payments on Butler County bonds. The County's Bond Retirement Fund accounts for financing and related costs of issuing and paying County bonds.

### Non-major Permanent Funds

The Developmental Disabilities Permanent Fund is used to account for nonspendable gifts and investment earnings that are donor restricted to assist individuals with developmental disabilities.

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
**December 31, 2011**

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Bond Retirement Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 55,136,538	\$ 1,090,879	\$ 1,234,891	\$ 848,304	\$ 58,310,612
Cash and Cash Equivalents:					
In Segregated Accounts	423,741	-	-	-	423,741
Receivables:					
Property Taxes	9,235,431	-	-	-	9,235,431
Other Local Taxes	260,981	-	-	-	260,981
Payments in Lieu of Taxes	7,867,151	-	-	-	7,867,151
Accounts	590,960	-	-	-	590,960
Due from Other Governments	17,112,680	3,000	-	-	17,115,680
Special Assessments	1,532,995	-	8,486,612	-	10,019,607
Loans	700,214	-	-	-	700,214
Due from Other Funds	377,257	-	-	-	377,257
Prepaid Items	284,388	-	-	-	284,388
Materials and Supplies Inventory	747,005	-	-	-	747,005
<b>Total Assets</b>	<b>94,269,341</b>	<b>1,093,879</b>	<b>9,721,503</b>	<b>848,304</b>	<b>105,933,027</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	219,097	-	-	-	219,097
Contracts Payable	2,252,371	169,161	-	-	2,421,532
Retainage Payable	40,562	-	-	-	40,562
Accrued Wages and Benefits Payable	1,446,827	-	-	-	1,446,827
Matured Compensated Absences Payable	18,114	-	-	-	18,114
Due to Other Funds	363,480	-	-	-	363,480
Due to Other Governments	32,917	-	-	-	32,917
Deferred Revenue	33,097,682	-	8,486,612	-	41,584,294
Advances from Other Funds	157,128	70,000	-	-	227,128
Matured Bonds Payable	-	-	13,250	-	13,250
Matured Interest Payable	-	-	5,543	-	5,543
Accrued Interest Payable	-	42,870	-	-	42,870
Notes Payable	-	18,820,000	-	-	18,820,000
<b>Total Liabilities</b>	<b>37,628,178</b>	<b>19,102,031</b>	<b>8,505,405</b>	<b>-</b>	<b>65,235,614</b>
<b>Fund Balances</b>					
Nonspendable	1,731,607	-	-	761,305	2,492,912
Restricted	54,909,556	-	1,212,854	86,999	56,209,409
Committed	-	-	3,244	-	3,244
Unassigned (Deficit)	-	(18,008,152)	-	-	(18,008,152)
<b>Total Fund Balances (Deficit)</b>	<b>56,641,163</b>	<b>(18,008,152)</b>	<b>1,216,098</b>	<b>848,304</b>	<b>40,697,413</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 94,269,341</b>	<b>\$ 1,093,879</b>	<b>\$ 9,721,503</b>	<b>\$ 848,304</b>	<b>\$ 105,933,027</b>

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**Butler County, Ohio**  
**Combining Balance Sheet**  
**Non-major Special Revenue Funds**  
**December 31, 2011**

	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,308,134	\$ 3,009,762	\$ 2,191,116	\$ 4,997,222
Cash and Cash Equivalents:				
In Segregated Accounts	-	200,394	186,785	25,352
Receivables:				
Property Taxes	-	-	-	-
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Accounts	-	152,281	101,716	32,881
Due from Other Governments	-	6,812	7,938	2,354,519
Special Assessments	-	-	-	-
Loans	-	-	-	-
Due from Other Funds	-	-	-	193,551
Prepaid Items	21,968	67,414	113,840	8,734
Materials and Supplies Inventory	7,277	10,918	5,737	32,281
<b>Total Assets</b>	<b>2,337,379</b>	<b>3,447,581</b>	<b>2,607,132</b>	<b>7,644,540</b>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts Payable	181	21,467	10,268	41,090
Contracts Payable	720	13,852	44,115	174,885
Retainage Payable	-	-	-	-
Accrued Wages and Benefits Payable	69,460	103,655	80,756	424,593
Matured Compensated Absences Payable	-	2,368	154	-
Due to Other Funds	-	-	-	20,620
Due to Other Governments	-	1,996	-	860
Deferred Revenue	-	-	-	1,613,965
Advances from Other Funds	-	-	-	38,928
<b>Total Liabilities</b>	<b>70,361</b>	<b>143,338</b>	<b>135,293</b>	<b>2,314,941</b>
Fund Balances				
Nonspendable	29,245	78,332	119,577	41,015
Restricted	2,237,773	3,225,911	2,352,262	5,288,584
<b>Total Fund Balances</b>	<b>2,267,018</b>	<b>3,304,243</b>	<b>2,471,839</b>	<b>5,329,599</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,337,379</b>	<b>\$ 3,447,581</b>	<b>\$ 2,607,132</b>	<b>\$ 7,644,540</b>

Motor Vehicle	All Other Public Works	Child Support Enforcement	Alcohol and Drug Addiction	All Other Health	County Care Facility	Elderly Services Levy
\$10,664,364	\$ 10,540,657	\$ 1,271,609	\$ 1,257,499	\$ 420,094	\$ 699,897	\$ 15,965,524
10,047	-	105	-	1,050	8	-
-	-	-	-	-	-	9,235,431
260,981	-	-	-	-	-	-
-	-	-	-	-	-	-
46,204	76,770	99,491	4,000	4,761	72,856	-
4,794,665	3,580,460	2,022,405	842,876	3,771	324,907	561,818
-	1,532,995	-	-	-	-	-
-	700,214	-	-	-	-	-
177,260	-	1,430	-	-	5,016	-
7,675	42,535	6,848	6,775	178	8,421	-
673,721	7,559	3,655	861	2,340	2,656	-
<u>16,634,917</u>	<u>16,481,190</u>	<u>3,405,543</u>	<u>2,112,011</u>	<u>432,194</u>	<u>1,113,761</u>	<u>25,762,773</u>
36,926	61,133	1,147	3,257	-	43,628	-
186,860	475,360	3,172	428,374	-	8,088	916,945
-	40,562	-	-	-	-	-
249,553	59,975	161,987	25,480	14,361	247,185	-
15,592	-	-	-	-	-	-
739	178,739	160,660	258	925	986	-
1,870	12,459	1,854	-	-	13,878	-
4,109,258	4,857,959	1,565,836	677,533	725	2,129	9,797,249
-	45,000	-	73,200	-	-	-
<u>4,600,798</u>	<u>5,731,187</u>	<u>1,894,656</u>	<u>1,208,102</u>	<u>16,011</u>	<u>315,894</u>	<u>10,714,194</u>
681,396	750,308	10,503	7,636	2,518	11,077	-
<u>11,352,723</u>	<u>9,999,695</u>	<u>1,500,384</u>	<u>896,273</u>	<u>413,665</u>	<u>786,790</u>	<u>15,048,579</u>
<u>12,034,119</u>	<u>10,750,003</u>	<u>1,510,887</u>	<u>903,909</u>	<u>416,183</u>	<u>797,867</u>	<u>15,048,579</u>
<u>\$ 16,634,917</u>	<u>\$ 16,481,190</u>	<u>\$ 3,405,543</u>	<u>\$ 2,112,011</u>	<u>\$ 432,194</u>	<u>\$ 1,113,761</u>	<u>\$ 25,762,773</u>

(Continued)

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Non-major Special Revenue Funds (Continued)**  
**December 31, 2011**

	All Other Human Services	All Other Conservation and Recreation	Residential Incentive Districts and Tax Incremental Financings	Total Non-major Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 32,454	\$14,095	\$ 1,764,111	\$ 55,136,538
Cash and Cash Equivalents:				
In Segregated Accounts	-	-	-	423,741
Receivables:				
Property Taxes	-	-	-	9,235,431
Other Local Taxes	-	-	-	260,981
Payments in Lieu of Taxes	-	-	7,867,151	7,867,151
Accounts	-	-	-	590,960
Due from Other Governments	18,468	-	2,594,041	17,112,680
Special Assessments	-	-	-	1,532,995
Loans	-	-	-	700,214
Due from Other Funds	-	-	-	377,257
Prepaid Items	-	-	-	284,388
Materials and Supplies Inventory	-	-	-	747,005
<b>Total Assets</b>	<u>50,922</u>	<u>14,095</u>	<u>12,225,303</u>	<u>94,269,341</u>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts Payable	-	-	-	219,097
Contracts Payable	-	-	-	2,252,371
Retainage Payable	-	-	-	40,562
Accrued Wages and Benefits Payable	9,822	-	-	1,446,827
Matured Compensated Absences Payable	-	-	-	18,114
Due to Other Funds	553	-	-	363,480
Due to Other Governments	-	-	-	32,917
Deferred Revenue	11,836	-	10,461,192	33,097,682
Advances from Other Funds	-	-	-	157,128
<b>Total Liabilities</b>	<u>22,211</u>	<u>-</u>	<u>10,461,192</u>	<u>37,628,178</u>
Fund Balances				
Nonspendable	-	-	-	1,731,607
Restricted	28,711	14,095	1,764,111	54,909,556
<b>Total Fund Balances</b>	<u>28,711</u>	<u>14,095</u>	<u>1,764,111</u>	<u>56,641,163</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 50,922</u>	<u>\$ 14,095</u>	<u>\$ 12,225,303</u>	<u>\$ 94,269,341</u>

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Non-major Capital Projects Funds**  
**December 31, 2011**

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 341,389	\$ -	\$ 749,490	\$ 1,090,879
Due from Other Governments	-	3,000	-	-	3,000
<b>Total Assets</b>	<b>-</b>	<b>344,389</b>	<b>-</b>	<b>749,490</b>	<b>1,093,879</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Contracts Payable	-	169,161	-	-	169,161
Advances from Other Funds	-	70,000	-	-	70,000
Accrued Interest Payable	9,316	1,924	5,731	25,899	42,870
Notes Payable	2,515,000	935,000	2,785,000	12,585,000	18,820,000
<b>Total Liabilities</b>	<b>2,524,316</b>	<b>1,176,085</b>	<b>2,790,731</b>	<b>12,610,899</b>	<b>19,102,031</b>
<b>Fund Balances</b>					
Unassigned (Deficit)	(2,524,316)	(831,696)	(2,790,731)	(11,861,409)	(18,008,152)
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 344,389</b>	<b>\$ -</b>	<b>\$ 749,490</b>	<b>\$ 1,093,879</b>



**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-major Governmental Funds**  
**For the Year Ended December 31, 2011**

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
<b>Revenues</b>					
Property Taxes	\$ 8,715,303	\$ -	\$ -	\$ -	\$ 8,715,303
Other Local Taxes	2,476,974	-	-	-	2,476,974
Charges for Services	21,315,350	-	-	-	21,315,350
Licenses and Permits	673,815	-	-	-	673,815
Fines and Forfeitures	1,140,211	-	-	-	1,140,211
Intergovernmental	41,719,469	1,222,595	-	-	42,942,064
Special Assessments	1,622,150	-	899,300	-	2,521,450
Payments in Lieu of Taxes	9,817,092	-	-	-	9,817,092
Investment Earnings	41,012	-	585,339	3,620	629,971
Other	554,830	362,670	71,966	-	989,466
<b>Total Revenues</b>	<b>88,076,206</b>	<b>1,585,265</b>	<b>1,556,605</b>	<b>3,620</b>	<b>91,221,696</b>
<b>Expenditures</b>					
<b>Current:</b>					
<b>General Government:</b>					
Legislative and Executive	5,546,771	-	-	-	5,546,771
Judicial	2,638,095	-	-	-	2,638,095
Public Safety	9,189,576	-	-	-	9,189,576
Public Works	22,167,487	1,478,009	-	-	23,645,496
Health	6,319,703	-	-	-	6,319,703
Human Services	23,472,784	-	-	-	23,472,784
Conservation and Recreation	7,380	-	-	-	7,380
Intergovernmental	7,839,719	-	-	-	7,839,719
Capital Outlay	-	730,315	-	-	730,315
<b>Debt Service:</b>					
Principal Retirement	171,158	-	6,554,300	-	6,725,458
Interest and Fiscal Charges	8,126	205,547	4,136,282	-	4,349,955
<b>Total Expenditures</b>	<b>77,360,799</b>	<b>2,413,871</b>	<b>10,690,582</b>	<b>-</b>	<b>90,465,252</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>10,715,407</b>	<b>(828,606)</b>	<b>(9,133,977)</b>	<b>3,620</b>	<b>756,444</b>
<b>Other Financing Sources (Uses):</b>					
Proceeds of Loans	-	368,646	-	-	368,646
Proceeds from Sale of Capital Assets	13,490	-	-	-	13,490
Transfers - In	126,067	416,741	9,271,828	-	9,814,636
Transfers - Out	(2,717,678)	-	-	-	(2,717,678)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,578,121)</b>	<b>785,387</b>	<b>9,271,828</b>	<b>-</b>	<b>7,479,094</b>
<b>Net Change in Fund Balances</b>	<b>8,137,286</b>	<b>(43,219)</b>	<b>137,851</b>	<b>3,620</b>	<b>8,235,538</b>
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>48,503,877</b>	<b>(17,964,933)</b>	<b>1,078,247</b>	<b>844,684</b>	<b>32,461,875</b>
<b>Fund Balances (Deficit) at End of Year</b>	<b>\$ 56,641,163</b>	<b>\$ (18,008,152)</b>	<b>\$ 1,216,098</b>	<b>\$ 848,304</b>	<b>\$ 40,697,413</b>

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**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Non-major Special Revenue Funds**  
**For the Year Ended December 31, 2011**

	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety	Motor Vehicle
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	2,476,974
Charges for Services	3,044,974	3,635,688	2,378,688	4,537,804	2,938,530
Licenses and Permits	-	-	3,878	110,004	-
Fines and Forfeitures	-	778,999	59,928	1,844	258,808
Intergovernmental	-	-	891	6,178,542	13,416,643
Special Assessments	-	-	-	-	4,021
Payments in Lieu of Taxes	-	-	-	-	-
Interest	-	8,279	549	-	17,144
Other	11,263	14,908	-	-	504,263
Total Revenues	<u>3,056,237</u>	<u>4,437,874</u>	<u>2,443,934</u>	<u>10,828,194</u>	<u>19,616,383</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	1,980,049	3,566,722	-	-	-
Judicial	-	-	2,638,095	-	-
Public Safety	-	-	-	9,189,576	-
Public Works	-	-	-	-	15,691,666
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	171,158
Interest and Fiscal Charges	-	-	-	-	8,126
Issuance Costs	-	-	-	-	-
Total Expenditures	<u>1,980,049</u>	<u>3,566,722</u>	<u>2,638,095</u>	<u>9,189,576</u>	<u>15,870,950</u>
Excess of Revenues Over (Under) Expenditures	<u>1,076,188</u>	<u>871,152</u>	<u>(194,161)</u>	<u>1,638,618</u>	<u>3,745,433</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	-	-	-	-	13,490
Transfers - In	-	-	-	8,705	-
Transfers - Out	-	(1,125,635)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,125,635)</u>	<u>-</u>	<u>8,705</u>	<u>13,490</u>
Net Change in Fund Balance	1,076,188	(254,483)	(194,161)	1,647,323	3,758,923
Fund Balances at Beginning of Year	<u>1,190,830</u>	<u>3,558,726</u>	<u>2,666,000</u>	<u>3,682,276</u>	<u>8,275,196</u>
Fund Balances at End of Year	<u>\$ 2,267,018</u>	<u>\$ 3,304,243</u>	<u>\$ 2,471,839</u>	<u>\$ 5,329,599</u>	<u>\$ 12,034,119</u>

All Other Public Works	Child Support Enforcement	Alcohol and Drug Addiction	All Other Health	County Care Facility	Elderly Services Levy	All Other Human Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$8,715,303	\$ -
-	-	-	-	-	-	-
1,235,153	1,278,333	113,562	7,323	2,139,490	-	-
-	-	-	551,643	-	-	-
-	-	-	40,632	-	-	-
5,328,641	4,116,222	5,090,891	2,000	5,545,454	1,883,081	157,104
1,618,129	-	-	-	-	-	-
-	-	-	-	-	12,869	-
15,040	-	-	-	-	-	-
13,307	86	107	1,547	8,783	-	566
<u>8,210,270</u>	<u>5,394,641</u>	<u>5,204,560</u>	<u>603,145</u>	<u>7,693,727</u>	<u>10,611,253</u>	<u>157,670</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,475,821	-	-	-	-	-	-
-	-	5,773,293	546,410	-	-	-
-	4,690,752	-	-	7,277,436	11,295,948	208,648
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,475,821</u>	<u>4,690,752</u>	<u>5,773,293</u>	<u>546,410</u>	<u>7,277,436</u>	<u>11,295,948</u>	<u>208,648</u>
<u>1,734,449</u>	<u>703,889</u>	<u>(568,733)</u>	<u>56,735</u>	<u>416,291</u>	<u>(684,695)</u>	<u>(50,978)</u>
-	-	-	-	-	-	-
9,168	-	55,000	-	-	-	53,194
-	-	-	-	-	-	-
<u>9,168</u>	<u>-</u>	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,194</u>
1,743,617	703,889	(513,733)	56,735	416,291	(684,695)	2,216
<u>9,006,386</u>	<u>806,998</u>	<u>1,417,642</u>	<u>359,448</u>	<u>381,576</u>	<u>15,733,274</u>	<u>26,495</u>
<u>\$ 10,750,003</u>	<u>\$ 1,510,887</u>	<u>\$ 903,909</u>	<u>\$ 416,183</u>	<u>\$ 797,867</u>	<u>\$ 15,048,579</u>	<u>\$ 28,711</u>

(Continued)

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Non-major Special Revenue Funds**  
**For the Year Ended December 31, 2011 (Continued)**

	All Other Conservation and Recreation	Residential Incentive Districts and Tax Incremental Financings	Total Non-major Special Revenue Funds
Revenues			
Property Taxes	\$ -	\$ -	\$ 8,715,303
Other Local Taxes	-	-	2,476,974
Charges for Services	5,805	-	21,315,350
Licenses and Permits	8,290	-	673,815
Fines and Forfeitures	-	-	1,140,211
Intergovernmental	-	-	41,719,469
Special Assessments	-	-	1,622,150
Payments in Lieu of Taxes	-	9,804,223	9,817,092
Interest	-	-	41,012
Other	-	-	554,830
Total Revenues	<u>14,095</u>	<u>9,804,223</u>	<u>88,076,206</u>
Expenditures			
Current:			
General Government			
Legislative and Executive	-	-	5,546,771
Judicial	-	-	2,638,095
Public Safety	-	-	9,189,576
Public Works	-	-	22,167,487
Health	-	-	6,319,703
Human Services	-	-	23,472,784
Conservation and Recreation	7,380	-	7,380
Intergovernmental	-	7,839,719	7,839,719
Debt Service:			
Principal Retirement	-	-	171,158
Interest and Fiscal Charges	-	-	8,126
Issuance Costs	-	-	-
Total Expenditures	<u>7,380</u>	<u>7,839,719</u>	<u>77,360,799</u>
Excess of Revenues Over (Under) Expenditures	<u>6,715</u>	<u>1,964,504</u>	<u>10,715,407</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	-	-	13,490
Transfers - In	-	-	126,067
Transfers - Out	-	(1,592,043)	(2,717,678)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,592,043)</u>	<u>(2,578,121)</u>
Net Change in Fund Balance	6,715	372,461	8,137,286
Fund Balances (Deficit) at Beginning of Year	<u>7,380</u>	<u>1,391,650</u>	<u>48,503,877</u>
Fund Balances at End of Year	<u>\$ 14,095</u>	<u>\$ 1,764,111</u>	<u>\$ 56,641,163</u>

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-major Capital Projects Funds**  
**For the Year Ended December 31, 2011**

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
Revenues					
Intergovernmental	\$ -	\$ -	\$ 1,222,595	\$ -	\$ 1,222,595
Other	-	32,670	-	330,000	362,670
Total Revenues	<u>-</u>	<u>32,670</u>	<u>1,222,595</u>	<u>330,000</u>	<u>1,585,265</u>
Expenditures					
Current:					
Public Works	-	234,832	1,243,177	-	1,478,009
Capital Outlay	-	623,695	3,915	102,705	730,315
Debt Service:					
Interest and Fiscal Charges	46,152	5,839	28,272	125,284	205,547
Total Expenditures	<u>46,152</u>	<u>864,366</u>	<u>1,275,364</u>	<u>227,989</u>	<u>2,413,871</u>
Excess of Revenues Over (Under) Expenditures	<u>(46,152)</u>	<u>(831,696)</u>	<u>(52,769)</u>	<u>102,011</u>	<u>(828,606)</u>
Other Financing Sources (Uses):					
Proceeds of Loans	-	-	368,646	-	368,646
Transfers-In	193,163	-	95,136	128,442	416,741
Total Other Financing Sources (Uses)	<u>193,163</u>	<u>-</u>	<u>463,782</u>	<u>128,442</u>	<u>785,387</u>
Net Change in Fund Balances	147,011	(831,696)	411,013	230,453	(43,219)
Fund Balances (Deficit) at Beginning of Year	<u>(2,671,327)</u>	<u>-</u>	<u>(3,201,744)</u>	<u>(12,091,862)</u>	<u>(17,964,933)</u>
Fund Balances (Deficit) at End of Year	<u>\$ (2,524,316)</u>	<u>\$ (831,696)</u>	<u>\$ (2,790,731)</u>	<u>\$ (11,861,409)</u>	<u>\$ (18,008,152)</u>

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## Internal Service Funds

The Internal Service Funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis. The following are descriptions of each Internal Service Fund:

Health Insurance – To account for monies received from governmental and proprietary funds and regional governmental agencies to pay for the actual expense of medical, dental and life insurance costs for employees.

Workers' Compensation – To account for funds received from governmental and proprietary funds and regional governmental agencies to pay for the actual expense of workers' compensation benefits.

County Fuel Depot – To account for funds received from governmental and proprietary funds to pay for the actual expenses of operating the County gas facility.



**Butler County, Ohio**  
**Combining Statement of Fund Net Assets**  
**Internal Service Funds**  
**December 31, 2011**

	Health Insurance	Workers' Compensation	Total
Assets			
Current Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 629,561	\$ 1,571,641	\$ 2,201,202
Receivables:			
Accounts	10,981	-	10,981
Prepaid Items	458	702	1,160
Total Assets	<u>641,000</u>	<u>1,572,343</u>	<u>2,213,343</u>
Liabilities			
Current Liabilities			
Accounts Payable	-	400	400
Contracts Payable	218	-	218
Accrued Wages and Benefits Payable	5,663	14,681	20,344
Due to Other Governments	-	781,126	781,126
Claims Payable	-	766,393	766,393
Compensated Absences Payable	3,354	13,026	16,380
Total Current Liabilities	<u>9,235</u>	<u>1,575,626</u>	<u>1,584,861</u>
Non-Current Liabilities			
Claims Payable	-	2,268,920	2,268,920
Compensated Absences Payable	7,205	33,072	40,277
Total Non-Current Liabilities	<u>7,205</u>	<u>2,301,992</u>	<u>2,309,197</u>
Total Liabilities	<u>16,440</u>	<u>3,877,618</u>	<u>3,894,058</u>
Total Net Assets (Deficit)	<u>\$ 624,560</u>	<u>\$ (2,305,275)</u>	<u>\$ (1,680,715)</u>

**Butler County, Ohio**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Net Assets**  
**Internal Service Funds**  
**For the Year Ended December 31, 2011**

	Health Insurance	Workers' Compensation	County Fuel Depot	Total
Operating Revenues				
Charges for Services	\$ 14,798,704	\$ 1,569,575	\$ 541,959	\$ 16,910,238
Operating Expenses				
Personal Services	132,721	332,104	-	464,825
Contractual Services	14,682,953	950,551	3,809	15,637,313
Claims and Judgments	-	499,916	-	499,916
Materials and Supplies	9,907	-	471,907	481,814
Other	227	-	-	227
Total Operating Expenses	14,825,808	1,782,571	475,716	17,084,095
Operating Income (Loss)	(27,104)	(212,996)	66,243	(173,857)
Other Non-Operating Revenues	23,483	87,311	-	110,794
Income (Loss) Before Transfers	(3,621)	(125,685)	66,243	(63,063)
Transfers Out	-	-	(28,562)	(28,562)
Change in Net Assets	(3,621)	(125,685)	37,681	(91,625)
Net Assets (Deficit) at Beginning of Year - Restated	628,181	(2,179,590)	(37,681)	(1,589,090)
Net Assets (Deficit) at End of Year	\$ 624,560	\$ (2,305,275)	\$ -	\$ (1,680,715)

**Butler County**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2011**

	Health Insurance	Workers' Compensation	County Fuel Depot	Total
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Paid to Suppliers	\$ (14,693,805)	\$ (928,959)	\$ (526,065)	\$ (16,148,829)
Cash Paid to Employees	(131,246)	(326,815)	-	(458,061)
Cash Received from Interfund Services Provided	14,798,274	2,350,701	617,786	17,766,761
Other Operating Expenses	(227)	-	-	(227)
Other Non-Operating Revenues	12,932	40,616	-	53,548
Cash Paid for Claims	-	(645,342)	-	(645,342)
Net Cash Provided by (Used for) Operating Activities	<u>(14,072)</u>	<u>490,201</u>	<u>91,721</u>	<u>567,850</u>
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers-out to Other Funds	-	-	(28,562)	(28,562)
Repayment of Short-Term Advances from Other Funds	-	-	(112,500)	(112,500)
Short-Term Advances from Other Funds	-	-	12,500	12,500
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(128,562)</u>	<u>(128,562)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(14,072)	490,201	(36,841)	439,288
Cash and Cash Equivalents at Beginning of Year	<u>643,633</u>	<u>1,081,440</u>	<u>36,841</u>	<u>1,761,914</u>
Cash and Cash Equivalents at End of Year	<u>\$ 629,561</u>	<u>\$ 1,571,641</u>	<u>\$ -</u>	<u>\$ 2,201,202</u>
<u>Reconciliation of Operating (Loss) to Net Cash Provided by (Used For) Operating Activities:</u>				
Operating Income (Loss)	\$ (27,104)	\$ (212,996)	\$ 66,243	\$ (173,857)
<u>Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used For) Operating Activities:</u>				
Other Non-Operating Revenues	12,932	40,616	-	53,548
<u>Changes in Assets and Liabilities:</u>				
Increase (Decrease) in Accounts Receivable	(430)	-	4,970	4,540
Decrease in Due from Other Funds	-	781,126	70,857	851,983
Decrease in Materials and Supplies Inventory	-	-	40,027	40,027
(Increase) Decrease in Prepaid Items	(458)	114	-	(344)
Increase in Accrued Wages and Benefits Payable	494	1,452	-	1,946
Increase (Decrease) in Accounts Payable	-	400	(90,376)	(89,976)
Decrease in Contracts Payable	(487)	-	-	(487)
Increase in Compensated Absences Payable	3,733	3,837	-	7,570
Decrease in Due to Other Funds	(2,752)	-	-	(2,752)
Increase in Due to Other Governments	-	21,078	-	21,078
Decrease in Claims Payable	-	(145,426)	-	(145,426)
Total Adjustments	<u>13,032</u>	<u>703,197</u>	<u>25,478</u>	<u>741,707</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (14,072)</u>	<u>\$ 490,201</u>	<u>\$ 91,721</u>	<u>\$ 567,850</u>

## Agency Funds

Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results and operations. The following are the County's agency funds:

Undivided Tax – Accounts for various agency funds used for the collection and distribution of taxes by the County.

All Other Agency – Accounts for various individual agency funds combined for reporting purposes.

**Butler County, Ohio**  
**Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2011**

	Undivided Tax	All Other Agency	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 17,555,953	\$ 10,605,750	\$ 28,161,703
Cash and Cash Equivalents in Segregated Accounts	13,751	3,719,439	3,733,190
Accrued Interest Receivable	-	379	379
Property Taxes Receivable	429,225,354	-	429,225,354
Revenue in Lieu of Taxes Receivable	36,110,896	-	36,110,896
Special Assessments Receivable	14,092,212	-	14,092,212
Due from Other Governments	12,126,922	229,473	12,356,395
<b>Total Assets</b>	<b>509,125,088</b>	<b>14,555,041</b>	<b>523,680,129</b>
<b>Liabilities</b>			
Undistributed Monies	-	14,272,418	14,272,418
Deposits Held and Due to Others	-	146,494	146,494
Due to Other Governments	509,125,088	125,815	509,250,903
Loans Payable	-	10,314	10,314
<b>Total Liabilities</b>	<b>\$ 509,125,088</b>	<b>\$ 14,555,041</b>	<b>\$ 523,680,129</b>

**Butler County, Ohio**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2011**

	Beginning Balance 12/31/10	Additions	Deductions	Ending Balance 12/31/11
<b>Undivided Tax Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 16,644,183	\$ 502,099,167	\$ 501,187,397	\$ 17,555,953
Cash and Cash Equivalents				
In Segregated Accounts	16,022	13,751	16,022	13,751
Due from Other Funds	-	29,773	29,773	-
Property Taxes Receivable	420,581,600	429,225,354	420,581,600	429,225,354
Revenue in Lieu of Taxes Receivable	39,988,139	36,110,896	39,988,139	36,110,896
Special Assessments Receivable	15,253,098	13,539,798	14,700,684	14,092,212
Due from Other Governments	12,837,810	12,126,922	12,837,810	12,126,922
<b>Total Assets</b>	<b>505,320,852</b>	<b>993,145,661</b>	<b>989,341,425</b>	<b>509,125,088</b>
<b>Liabilities</b>				
Due to Other Governments	505,320,852	993,145,661	989,341,425	509,125,088
<b>All Other Agency Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	7,336,384	128,829,911	125,560,545	10,605,750
Cash and Cash Equivalents				
In Segregated Accounts	4,394,356	66,748,555	67,423,472	3,719,439
Accrued Interest Receivable	335	379	335	379
Due from Other Funds	-	19,223	19,223	-
Special Assessments Receivable				
Due from Other Governments	261,281	229,473	261,281	229,473
<b>Total Assets</b>	<b>11,992,356</b>	<b>195,827,541</b>	<b>193,264,856</b>	<b>14,555,041</b>
<b>Liabilities</b>				
Undistributed Monies	11,789,316	140,573,812	138,090,710	14,272,418
Deposits Held and Due to Others	-	6,762,645	6,616,151	146,494
Due to Other Funds	-	39,711,917	39,711,917	-
Due to Other Governments	153,360	8,768,853	8,796,398	125,815
Loans Payable	49,680	10,314	49,680	10,314
<b>Total Liabilities</b>	<b>\$ 11,992,356</b>	<b>\$ 195,827,541</b>	<b>\$ 193,264,856</b>	<b>\$ 14,555,041</b>

(Continued)

**Butler County, Ohio**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2011 (Continued)**

	Beginning Balance 12/31/10	Additions	Deductions	Ending Balance 12/31/11
Total - All Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 23,980,567	\$ 630,929,078	\$ 626,747,942	\$28,161,703
Cash and Cash Equivalents				
In Segregated Accounts	4,410,378	66,762,306	67,439,494	3,733,190
Accrued Interest Receivable	335	379	335	379
Due from Other Funds	-	48,996	48,996	-
Property Taxes Receivable	420,581,600	429,225,354	420,581,600	429,225,354
Revenue in Lieu of Taxes Receivable	39,988,139	36,110,896	39,988,139	36,110,896
Special Assessments Receivable	15,253,098	13,539,798	14,700,684	14,092,212
Due from Other Governments	13,099,091	12,356,395	13,099,091	12,356,395
<b>Total Assets</b>	<b>517,313,208</b>	<b>1,188,973,202</b>	<b>1,182,606,281</b>	<b>523,680,129</b>
Liabilities				
Undistributed Monies	11,789,316	140,573,812	138,090,710	14,272,418
Deposits Held and Due to Others	-	6,762,645	6,616,151	146,494
Due to Other Funds	-	39,711,917	39,711,917	-
Due to Other Governments	505,474,212	1,001,914,514	998,137,823	509,250,903
Loans Payable	49,680	10,314	49,680	10,314
<b>Total Liabilities</b>	<b>\$ 517,313,208</b>	<b>\$ 1,188,973,202</b>	<b>\$ 1,182,606,281</b>	<b>\$ 523,680,129</b>

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**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 12,000,000	\$ 12,964,071	\$ 12,964,071	\$ -
Sales Taxes	30,000,000	30,503,629	30,503,664	35
Charges for Services	18,142,843	16,688,743	16,808,138	119,395
Licenses and Permits	14,570	1,442,400	1,454,414	12,014
Fines and Forfeitures	1,629,750	1,445,871	1,446,568	697
Intergovernmental	7,688,305	7,942,132	7,987,681	45,549
Special Assessments	-	3,700	5,021	1,321
Payments in Lieu of Taxes	20,500	19,449	19,449	-
Interest	2,500,000	2,885,000	2,886,177	1,177
Other	715,558	744,890	797,479	52,589
<b>Total Revenues</b>	<b>72,711,526</b>	<b>74,639,885</b>	<b>74,872,662</b>	<b>232,777</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
<b>Legislative and Executive</b>				
<b>Information Services</b>				
Personal Services	1,448,916	1,407,896	1,396,200	11,696
Materials and Supplies	6,127	30,688	30,612	76
Contractual Services	62,678	157,562	156,269	1,293
Capital Outlay	-	77,173	77,173	-
Other	-	10,417	10,417	-
<b>Total Information Services</b>	<b>1,517,721</b>	<b>1,683,736</b>	<b>1,670,671</b>	<b>13,065</b>
<b>Audit Services</b>				
Contractual Services	177,689	230,381	230,358	23
<b>Auditor</b>				
Personal Services	1,119,143	1,089,147	1,086,202	2,945
Materials and Supplies	7,544	34,034	32,650	1,384
Contractual Services	74,540	78,941	68,176	10,765
Capital Outlay	-	29,000	26,640	2,360
Other	1,155	948	933	15
<b>Total Auditor</b>	<b>1,202,382</b>	<b>1,232,070</b>	<b>1,214,601</b>	<b>17,469</b>
<b>Commissioners</b>				
Personal Services	933,256	966,154	964,648	1,506
Materials and Supplies	14,669	14,933	12,283	2,650
Contractual Services	11,555	9,702	8,039	1,663
Other	258	8,250	8,227	23
<b>Total Commissioners</b>	<b>959,738</b>	<b>999,039</b>	<b>993,197</b>	<b>5,842</b>
<b>Department of Development</b>				
Personal Services	827,669	872,730	865,710	7,020
Materials and Supplies	7,697	7,497	6,943	554
Contractual Services	163,981	140,561	136,630	3,931
Other	1,050	1,050	900	150
<b>Total Department of Development</b>	<b>1,000,397</b>	<b>1,021,838</b>	<b>1,010,183</b>	<b>11,655</b>
<b>Mailroom</b>				
Personal Services	84,627	87,798	87,798	-
Materials and Supplies	513,426	546,139	546,092	47
<b>Total Mailroom</b>	<b>\$ 598,053</b>	<b>\$ 633,937</b>	<b>\$ 633,890</b>	<b>\$ 47</b>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Maintenance				
Personal Services	\$ 188,519	\$ 174,430	\$ 173,727	\$ 703
Materials and Supplies	122,103	160,937	140,205	20,732
Contractual Services	3,047,023	2,906,641	2,820,207	86,434
Total Maintenance	<u>3,357,645</u>	<u>3,242,008</u>	<u>3,134,139</u>	<u>107,869</u>
Records Center				
Personal Services	220,530	282,868	282,298	570
Materials and Supplies	5,113	3,893	3,728	165
Contractual Services	14,702	5,268	5,147	121
Total Records Center	<u>240,345</u>	<u>292,029</u>	<u>291,173</u>	<u>856</u>
Insurance, Pension and Taxes				
Contractual Services	1,188,083	1,171,080	1,170,088	992
Other	448,165	564,698	562,577	2,121
Total Insurance, Pension and Taxes	<u>1,636,248</u>	<u>1,735,778</u>	<u>1,732,665</u>	<u>3,113</u>
Commissioners-Other				
Personal Services	-	35,816	-	35,816
Materials and Supplies	-	59,684	52,126	7,558
Contractual Services	367,737	655,924	407,449	248,475
Other	43,708	64,278	64,067	211
Total Commissioners-Other	<u>411,445</u>	<u>815,702</u>	<u>523,642</u>	<u>292,060</u>
Board of Elections				
Personal Services	1,943,100	1,839,631	1,831,117	8,514
Materials and Supplies	275,256	230,014	223,621	6,393
Contractual Services	293,073	353,777	349,025	4,752
Capital Outlay	-	110,400	110,318	82
Total Board of Elections	<u>2,511,429</u>	<u>2,533,822</u>	<u>2,514,081</u>	<u>19,741</u>
Prosecuting Attorney				
Personal Services	3,306,154	3,372,125	3,368,746	3,379
Materials and Supplies	30,836	23,203	22,732	471
Contractual Services	78,186	104,122	98,999	5,123
Other	57,852	57,852	57,852	-
Total Prosecuting Attorney	<u>3,473,028</u>	<u>3,557,302</u>	<u>3,548,329</u>	<u>8,973</u>
CSEA Prosecutor				
Personal Services	273,048	306,047	303,179	2,868
Materials and Supplies	1,818	1,018	904	114
Contractual Services	23,400	27,200	25,310	1,890
Total CSEA Prosecutor	<u>298,266</u>	<u>334,265</u>	<u>329,393</u>	<u>4,872</u>
Public Defender Area Courts				
Personal Services	153,009	182,326	181,245	1,081
Materials and Supplies	-	2,780	2,240	540
Total Public Defender Area Courts	<u>153,009</u>	<u>185,106</u>	<u>183,485</u>	<u>1,621</u>
Public Defender Common Pleas				
Personal Services	-	447,590	439,186	8,404
Materials and Supplies	-	9,060	8,560	500
Total Public Defender Common Pleas	<u>\$ -</u>	<u>\$ 456,650</u>	<u>\$ 447,746</u>	<u>\$ 8,904</u>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Public Defender Municipal				
Personal Services	\$ -	\$ 299,828	\$ 284,912	\$ 14,916
Materials and Supplies	-	2,613	2,613	-
Total Public Defender Municipal	-	302,441	287,525	14,916
Recorder				
Personal Services	742,706	742,700	721,489	21,211
Materials and Supplies	2,001	2,001	1,694	307
Contractual Services	1,000	4,225	3,670	555
Other	3,595	2,950	2,610	340
Total Recorder	749,302	751,876	729,463	22,413
Treasurer				
Personal Services	594,875	604,473	604,346	127
Materials and Supplies	7,606	4,557	3,756	801
Contractual Services	91,388	94,570	90,903	3,667
Other	1,915	197	197	-
Total Treasurer	695,784	703,797	699,202	4,595
Unclaimed Monies				
Other	10,000	35,951	35,951	-
Total General Government: Legislative and Executive	18,992,481	20,747,728	20,209,694	538,034
General Government:				
Judicial				
Area Courts				
Personal Services	975,116	975,330	960,958	14,372
Materials and Supplies	19,127	26,841	26,821	20
Contractual Services	63,870	40,709	37,654	3,055
Other	168	175	175	-
Total Area Courts	1,058,281	1,043,055	1,025,608	17,447
Clerk of Courts				
Personal Services	1,399,848	1,499,767	1,495,830	3,937
Materials and Supplies	47,094	68,597	66,852	1,745
Contractual Services	11,226	15,709	9,800	5,909
Total Clerk of Courts	1,458,168	1,584,073	1,572,482	11,591
Judicial Postage				
Materials and Supplies	300,000	290,795	279,956	10,839
Common Pleas Court				
Personal Services	1,615,382	1,673,503	1,661,838	11,665
Materials and Supplies	14,650	27,163	23,536	3,627
Contractual Services	1,140,046	945,271	917,532	27,739
Total Common Pleas Court	2,770,078	2,645,937	2,602,906	43,031
Court Services				
Personal Services	356,076	369,228	355,395	13,833
Total Court Services	\$ 356,076	\$ 369,228	\$ 355,395	\$ 13,833

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Domestic Relations Court				
Personal Services	\$ 1,239,954	\$ 1,239,268	\$ 1,211,043	\$ 28,225
Materials and Supplies	13,939	11,690	11,086	604
Contractual Services	86,644	94,909	92,922	1,987
Other	530	545	489	56
Total Domestic Relations Court	<u>1,341,067</u>	<u>1,346,412</u>	<u>1,315,540</u>	<u>30,872</u>
Parenting Education				
Contractual Services	<u>50,000</u>	<u>53,000</u>	<u>53,000</u>	<u>-</u>
Juvenile Court				
Personal Services	2,387,224	2,312,421	2,305,062	7,359
Materials and Supplies	38,534	98,556	95,261	3,295
Contractual Services	1,515,602	1,634,095	1,414,819	219,276
Other	1,795	325	30	295
Total Juvenile Court	<u>3,943,155</u>	<u>4,045,397</u>	<u>3,815,172</u>	<u>230,225</u>
Probate Court				
Personal Services	599,235	599,158	580,740	18,418
Materials and Supplies	14,777	16,267	16,212	55
Contractual Services	19,119	22,306	20,266	2,040
Total Probate Court	<u>633,131</u>	<u>637,731</u>	<u>617,218</u>	<u>20,513</u>
Court of Appeals				
Personal Services	211,197	208,938	184,372	24,566
Materials and Supplies	13,358	37,721	34,294	3,427
Contractual Services	433,127	430,427	421,888	8,539
Other	3,134	6,255	6,085	170
Total Court of Appeals	<u>660,816</u>	<u>683,341</u>	<u>646,639</u>	<u>36,702</u>
Municipal Courts				
Personal Services	373,002	396,906	396,251	655
Contractual Services	366,496	171,691	169,209	2,482
Total Municipal Courts	<u>739,498</u>	<u>568,597</u>	<u>565,460</u>	<u>3,137</u>
Total General Government: Judicial	<u>13,310,270</u>	<u>13,267,566</u>	<u>12,849,376</u>	<u>418,190</u>
Public Safety				
Adult Probation				
Personal Services	1,430,628	1,482,892	1,471,055	11,837
Materials and Supplies	41,994	39,584	33,713	5,871
Contractual Services	425,429	455,695	447,614	8,081
Total Adult Probation	<u>\$ 1,898,051</u>	<u>\$ 1,978,171</u>	<u>\$ 1,952,382</u>	<u>\$ 25,789</u>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
General Communications Sales Tax				
Personal Services	\$ 6,629	\$ 9,674	\$ 6,622	\$ 3,052
Materials and Supplies	18,278	88,166	86,064	2,102
Contractual Services	2,609,273	2,519,363	2,500,413	18,950
Capital Outlay	-	40,000	40,000	-
Other	-	5,095	3,217	1,878
Total General Communications Sales Tax	<u>2,634,180</u>	<u>2,662,298</u>	<u>2,636,316</u>	<u>25,982</u>
Coroner				
Personal Services	643,129	643,179	612,298	30,881
Materials and Supplies	7,371	5,916	5,737	179
Contractual Services	1,000	2,443	2,372	71
Total Coroner	<u>651,500</u>	<u>651,538</u>	<u>620,407</u>	<u>31,131</u>
Coroner's Morgue				
Materials and Supplies	11,510	10,163	8,810	1,353
Contractual Services	252,741	255,677	253,978	1,699
Total Coroner's Morgue	<u>264,251</u>	<u>265,840</u>	<u>262,788</u>	<u>3,052</u>
Juvenile Facilities				
Personal Services	1,743,209	1,702,517	1,666,434	36,083
Materials and Supplies	118,659	167,713	159,121	8,592
Contractual Services	35,719	38,208	32,263	5,945
Total Juvenile Facilities	<u>1,897,587</u>	<u>1,908,438</u>	<u>1,857,818</u>	<u>50,620</u>
Sheriff's Academy				
Materials and Supplies	11,653	12,283	11,222	1,061
Contractual Services	10,526	39,494	19,676	19,818
Total Sheriff's Academy	<u>22,179</u>	<u>51,777</u>	<u>30,898</u>	<u>20,879</u>
Sheriff's Resolutions				
Personal Services	74,828	99,432	98,500	932
Materials and Supplies	198,694	358,259	356,211	2,048
Contractual Services	3,702,403	3,683,221	3,522,399	160,822
Capital Outlay	-	106,336	106,336	-
Total Sheriff's Resolutions	<u>3,975,925</u>	<u>4,247,248</u>	<u>4,083,446</u>	<u>163,802</u>
Sheriff				
Personal Services	18,419,338	18,481,224	17,633,581	847,643
Materials and Supplies	475,937	703,008	702,774	234
Contractual Services	513,761	588,618	555,931	32,687
Other	220,133	298,709	298,253	456
Total Sheriff	<u>\$ 19,629,169</u>	<u>\$ 20,071,559</u>	<u>\$ 19,190,539</u>	<u>\$ 881,020</u>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Paramedics				
Personal Services	\$ 712,447	\$ 770,805	\$ 768,258	\$ 2,547
Materials and Supplies	479	479	479	-
Contractual Services	573,007	711,899	710,664	1,235
Total Paramedics	<u>1,285,933</u>	<u>1,483,183</u>	<u>1,479,401</u>	<u>3,782</u>
E911 Dispatch				
Personal Services	1,100,537	1,075,485	1,012,337	63,148
Materials and Supplies	16,198	36,634	34,595	2,039
Contractual Services	4,825	6,389	483	5,906
Other	2,300	2,300	2,138	162
Total Paramedics	<u>1,123,860</u>	<u>1,120,808</u>	<u>1,049,553</u>	<u>71,255</u>
Total Public Safety	<u>33,382,635</u>	<u>34,440,860</u>	<u>33,163,548</u>	<u>1,277,312</u>
Public Works				
Solid Waste Landfill				
Contractual Services	14,934	14,934	13,500	1,434
Engineers-Plat Room				
Personal Services	162,389	162,077	161,897	180
Total Public Works	<u>177,323</u>	<u>177,011</u>	<u>175,397</u>	<u>1,614</u>
Health				
Other-Health				
Contractual Service	848,395	848,395	848,395	-
Registration Vital Statistics				
Other	3,638	3,669	3,521	148
Total Health	<u>852,033</u>	<u>852,064</u>	<u>851,916</u>	<u>148</u>
Human Services				
Veterans Memorial				
Materials and Supplies	4,550	3,506	3,506	-
Contractual Services	10,010	11,053	9,718	1,335
Total Veterans Memorial	<u>14,560</u>	<u>14,559</u>	<u>13,224</u>	<u>1,335</u>
Veterans Services				
Personal Services	611,243	670,477	667,006	3,471
Materials and Supplies	11,367	37,290	33,570	3,720
Contractual Services	510,510	459,738	430,617	29,121
Other	194,761	209,822	198,392	11,430
Total Veterans Services	<u>1,327,881</u>	<u>1,377,327</u>	<u>1,329,585</u>	<u>47,742</u>
Total Human Services	<u>\$ 1,342,441</u>	<u>\$ 1,391,886</u>	<u>\$ 1,342,809</u>	<u>\$ 49,077</u>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Conservation and Recreation				
Agricultural				
Contractual Services	\$ 1,003	\$ 1,003	\$ 254	\$ 749
Other	345,977	345,977	345,977	-
Total Agricultural	<u>346,980</u>	<u>346,980</u>	<u>346,231</u>	<u>749</u>
Emergency Management				
Other	100,000	100,000	100,000	-
Total Conservation and Recreation	<u>446,980</u>	<u>446,980</u>	<u>446,231</u>	<u>749</u>
Debt Service:				
Principal Retirement	1,326,451	1,326,450	1,326,450	-
Interest and Fiscal Charges	60,707	60,704	60,704	-
Total Debt Service	<u>1,387,158</u>	<u>1,387,154</u>	<u>1,387,154</u>	<u>-</u>
Total Expenditures	<u>69,891,321</u>	<u>72,711,249</u>	<u>70,426,125</u>	<u>2,285,124</u>
Excess of Revenues Over (Under) Expenditures	<u>2,820,205</u>	<u>1,928,636</u>	<u>4,446,537</u>	<u>2,517,901</u>
Other Financing Sources (Uses):				
Other Financing Sources	2,597,573	2,502,023	2,545,860	43,837
Proceeds from Sale of Capital Assets		2,448	3,264	816
Advances - In		279,546	261,546	(18,000)
Advances - Out		(210,719)	(185,556)	25,163
Transfers - In		1,154,197	1,154,197	-
Transfers - Out	(9,311,104)	(9,256,690)	(9,237,119)	19,571
Total Other Financing Sources (Uses)	<u>(6,713,531)</u>	<u>(5,529,195)</u>	<u>(5,457,808)</u>	<u>71,387</u>
Net Change in Fund Balance	(3,893,326)	(3,600,559)	(1,011,271)	2,589,288
Fund Balance at Beginning of Year	8,501,923	8,501,923	8,501,923	-
Prior Year Encumbrances Appropriated	1,525,810	1,525,810	1,525,810	-
Fund Balance at End of Year	<u>\$ 6,134,407</u>	<u>\$ 6,427,174</u>	<u>\$ 9,016,462</u>	<u>\$ 2,589,288</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Developmental Disabilities-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 19,600,941	\$ 17,523,000	\$ 17,523,532	\$ 532
Charges for Services	-	65,650	67,185	1,535
Intergovernmental	8,373,880	11,905,918	11,906,549	631
Payments in Lieu of Taxes	25,179	23,629	23,652	23
Other	-	33,253	42,750	9,497
Total Revenues	<u>28,000,000</u>	<u>29,551,450</u>	<u>29,563,668</u>	<u>12,218</u>
Expenditures:				
Current:				
Health				
Developmental Disabilities				
Personal Services	14,643,253	15,672,253	15,352,071	320,182
Materials and Supplies	892,000	1,010,161	719,357	290,804
Contractual Services	13,989,000	14,363,650	13,140,204	1,223,446
Capital Outlay	600,000	854,927	750,805	104,122
Other	84,000	100,901	21,401	79,500
Total Expenditures	<u>30,208,253</u>	<u>32,001,892</u>	<u>29,983,838</u>	<u>2,018,054</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,208,253)</u>	<u>(2,450,442)</u>	<u>(420,170)</u>	<u>2,030,272</u>
Other Financing Sources :				
Other Financing Sources	-	62,550	62,581	31
Proceeds from Sales of Capital Assets	-	-	19,000	19,000
Total Other Financing Sources	<u>-</u>	<u>62,550</u>	<u>81,581</u>	<u>19,031</u>
Net Change in Fund Balance	(2,208,253)	(2,387,892)	(338,589)	2,049,303
Fund Balance at Beginning of Year	28,490,879	28,490,879	28,490,879	-
Prior Year Encumbrances Appropriated	1,793,639	1,793,639	1,793,639	-
Fund Balance at End of Year	<u>\$ 28,076,265</u>	<u>\$ 27,896,626</u>	<u>\$ 29,945,929</u>	<u>\$ 2,049,303</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Job and Family Services/Children Services Agency-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 13,255,000	\$ 13,407,000	\$ 13,407,968	\$ 968
Charges for Services	-	300,000	300,000	-
Intergovernmental	30,719,514	23,325,319	23,491,957	166,638
Payments in Lieu of Taxes	10,000	11,894	11,894	-
Other	983,300	916,225	924,746	8,521
<b>Total Revenues</b>	<b>44,967,814</b>	<b>37,960,438</b>	<b>38,136,565</b>	<b>176,127</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Human Services</b>				
<b>Job and Family/Children Services</b>				
Personal Services	20,011,220	19,100,754	19,044,424	56,330
Materials and Supplies	363,680	367,592	348,408	19,184
Contractual Services	26,245,435	24,892,518	21,032,025	3,860,493
Other	1,698,824	1,852,012	1,574,953	277,059
<b>Total Human Services</b>	<b>48,319,159</b>	<b>46,212,876</b>	<b>41,999,810</b>	<b>4,213,066</b>
<b>Debt Service:</b>				
Principal Retirement	21,950	15,850	15,850	-
Interest and Fiscal Charges	2,548	667	667	-
<b>Total Debt Service</b>	<b>24,498</b>	<b>16,517</b>	<b>16,517</b>	<b>-</b>
<b>Total Expenditures</b>	<b>48,343,657</b>	<b>46,229,393</b>	<b>42,016,327</b>	<b>4,213,066</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,375,843)</b>	<b>(8,268,955)</b>	<b>(3,879,762)</b>	<b>4,389,193</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	147,380	305,756	307,221	1,465
Transfers - In	1,049,613	1,014,526	1,014,526	-
<b>Total Other Financing Sources</b>	<b>1,196,993</b>	<b>1,320,282</b>	<b>1,321,747</b>	<b>1,465</b>
<b>Net Change in Fund Balance</b>	<b>(2,178,850)</b>	<b>(6,948,673)</b>	<b>(2,558,015)</b>	<b>4,390,658</b>
Fund Balance at Beginning of Year	7,689,785	7,689,785	7,689,785	-
Prior Year Encumbrances Appropriated	1,724,933	1,724,933	1,724,933	-
<b>Fund Balance at End of Year</b>	<b>\$ 7,235,868</b>	<b>\$ 2,466,045</b>	<b>\$ 6,856,703</b>	<b>\$ 4,390,658</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Mental Health-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 8,639,813	\$ 8,428,000	\$ 8,428,184	\$ 184
Charges for Services	1,200	1,200	1,500	300
Intergovernmental	18,891,628	20,874,641	20,952,589	77,948
Payments in Lieu of Taxes	3,001	2,801	2,819	18
Other	464,358	37,258	37,908	650
<b>Total Revenues</b>	<b>28,000,000</b>	<b>29,343,900</b>	<b>29,423,000</b>	<b>79,100</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Health</b>				
<b>Mental Health</b>				
Personal Services	906,740	908,261	824,762	83,499
Materials and Supplies	29,100	47,362	28,786	18,576
Contractual Services	31,052,772	32,251,240	29,523,927	2,727,313
Capital Outlay	-	217,267	217,267	-
Other	-	39,672	39,672	-
<b>Total Expenditures</b>	<b>31,988,612</b>	<b>33,463,802</b>	<b>30,634,414</b>	<b>2,829,388</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,988,612)</b>	<b>(4,119,902)</b>	<b>(1,211,414)</b>	<b>2,908,488</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	-	206,100	207,499	1,399
<b>Net Change in Fund Balance</b>	<b>(3,988,612)</b>	<b>(3,913,802)</b>	<b>(1,003,915)</b>	<b>2,909,887</b>
Fund Balance at Beginning of Year	13,827,870	13,827,870	13,827,870	-
Prior Year Encumbrances Appropriated	75,189	75,189	75,189	-
<b>Fund Balance at End of Year</b>	<b>\$ 9,914,447</b>	<b>\$ 9,989,257</b>	<b>\$ 12,899,144</b>	<b>\$ 2,909,887</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Sewer-Enterprise Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 17,907,164	\$ 17,652,664	\$ 17,932,297	\$ 279,633
Contributed Capital	2,232,650	4,160,380	4,166,615	6,235
Special Assessments	65,000	66,150	66,180	30
Other Non-Operating Revenues	55,980	202,700	206,994	4,294
Other Operating Revenues	287,464	253,364	258,648	5,284
<b>Total Revenues</b>	<u>20,548,258</u>	<u>22,335,258</u>	<u>22,630,734</u>	<u>295,476</u>
<b>Expenses:</b>				
Personal Services	5,895,754	5,919,370	5,739,824	179,546
Contractual Services	12,416,928	23,348,310	16,008,631	7,339,679
Materials and Supplies	1,308,605	1,541,633	1,463,998	77,635
Other Operating Expenses	638,953	645,299	346,064	299,235
<b>Debt Service:</b>				
Principal Retirement	3,890,593	3,827,407	3,759,851	67,556
Interest and Fiscal Charges	2,109,398	2,043,139	1,909,712	133,427
<b>Total Expenses</b>	<u>26,260,231</u>	<u>37,325,158</u>	<u>29,228,080</u>	<u>8,097,078</u>
<b>Net Change in Fund Equity</b>	(5,711,973)	(14,989,900)	(6,597,346)	8,392,554
<b>Fund Equity at Beginning of Year</b>	36,306,698	36,306,698	36,306,698	-
<b>Prior Year Encumbrances Appropriated</b>	1,458,836	1,458,836	1,458,836	-
<b>Fund Equity at End of Year</b>	<u>\$ 32,053,561</u>	<u>\$ 22,775,634</u>	<u>\$ 31,168,188</u>	<u>\$ 8,392,554</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Water-Enterprise Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 20,992,817	\$ 20,339,417	\$ 20,680,923	\$ 341,506
Contributed Capital	1,278,600	1,673,745	1,706,404	32,659
Special Assessments	-	50,000	59,206	9,206
Other Non-Operating Revenues	201,500	306,500	371,317	64,817
Other Operating Revenues	191,512	116,747	144,541	27,794
Proceeds from Loans	-	890,255	905,468	15,213
<b>Total Revenues</b>	<b>22,664,429</b>	<b>23,376,664</b>	<b>23,867,859</b>	<b>491,195</b>
<b>Expenses:</b>				
Personal Services	3,587,413	3,563,797	3,488,272	75,525
Contractual Services	16,517,567	19,249,815	17,855,733	1,394,082
Materials and Supplies	653,836	729,322	625,090	104,232
Other Operating Expenses	677,876	768,745	463,034	305,711
Capital Outlay	-	84,000	30,113	53,887
Debt Service:				
Principal Retirement	4,084,544	4,151,309	3,972,135	179,174
Interest and Fiscal Charges	2,830,057	2,830,057	2,772,691	57,366
<b>Total Expenses</b>	<b>28,351,293</b>	<b>31,377,045</b>	<b>29,207,068</b>	<b>2,169,977</b>
<b>Net Change in Fund Equity</b>	<b>(5,686,864)</b>	<b>(8,000,381)</b>	<b>(5,339,209)</b>	<b>2,661,172</b>
Fund Equity at Beginning of Year	15,251,048	15,251,048	15,251,048	-
Prior Year Encumbrances Appropriated	2,471,874	2,471,874	2,471,874	-
<b>Fund Equity at End of Year</b>	<b>\$ 12,036,058</b>	<b>\$ 9,722,541</b>	<b>\$ 12,383,713</b>	<b>\$ 2,661,172</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**GSC Parking Facility-Enterprise Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 134,000	\$ 110,000	\$ 115,418	\$ 5,418
Expenses:				
Personal Services	99,312	99,312	78,502	20,810
Contractual Services	3,300	7,800	5,035	2,765
Materials and Supplies	5,800	18,800	10,316	8,484
Other Operating Expenses	24,000	8,365	1,368	6,997
Total Expenses	<u>132,412</u>	<u>134,277</u>	<u>95,221</u>	<u>39,056</u>
Net Change in Fund Equity	1,588	(24,277)	20,197	44,474
Fund Equity at Beginning of Year	51,187	51,187	51,187	-
Prior Year Encumbrances Appropriated	1,865	1,865	1,865	-
Fund Equity at End of Year	<u>\$ 54,640</u>	<u>\$ 28,775</u>	<u>\$ 73,249</u>	<u>\$ 44,474</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Real Estate Assessment-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 3,083,000	\$ 3,041,085	\$ 3,044,974	\$ 3,889
Other	-	10,515	11,263	748
Total Revenues	<u>3,083,000</u>	<u>3,051,600</u>	<u>3,056,237</u>	<u>4,637</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Real Estate Assessment				
Personal Services	2,000,533	1,926,740	1,768,908	157,832
Materials and Supplies	91,000	90,913	66,195	24,718
Contractual Services	444,500	562,846	451,232	111,614
Total Expenditures	<u>2,536,033</u>	<u>2,580,499</u>	<u>2,286,335</u>	<u>294,164</u>
Excess of Revenues Over (Under) Expenditures	546,967	471,101	769,902	298,801
Other Financing Sources:				
Other Financing Sources	-	6,400	6,479	79
Net Change in Fund Balance	546,967	477,501	776,381	298,880
Fund Balance at Beginning of Year	1,260,486	1,260,486	1,260,486	-
Prior Year Encumbrances Appropriated	44,467	44,467	44,467	-
Fund Balance at End of Year	<u>\$ 1,851,920</u>	<u>\$ 1,782,454</u>	<u>\$ 2,081,334</u>	<u>\$ 298,880</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Legislative and Executive-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 3,160,397	\$ 3,431,397	\$ 3,480,223	\$ 48,826
Fines and Forfeitures	927,500	756,100	799,903	43,803
Interest	7,000	7,000	8,279	1,279
Other	-	14,000	14,908	908
<b>Total Revenues</b>	<b>4,094,897</b>	<b>4,208,497</b>	<b>4,303,313</b>	<b>94,816</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Personal Services	2,778,120	2,862,508	2,459,100	403,408
Materials and Supplies	195,361	937,511	448,097	489,414
Contractual Services	1,441,688	870,789	677,784	193,005
Other	133,943	157,205	150,027	7,178
<b>Total Expenditures</b>	<b>4,549,112</b>	<b>4,828,013</b>	<b>3,735,008</b>	<b>1,093,005</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(454,215)</b>	<b>(619,516)</b>	<b>568,305</b>	<b>1,187,821</b>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	-	3,400	4,230	830
Transfers - Out	-	(1,125,635)	(1,125,635)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(1,122,235)</b>	<b>(1,121,405)</b>	<b>830</b>
<b>Net Change in Fund Balance</b>	<b>(454,215)</b>	<b>(1,741,751)</b>	<b>(553,100)</b>	<b>1,188,651</b>
Fund Balance at Beginning of Year	3,349,003	3,349,003	3,349,003	-
Prior Year Encumbrances Appropriated	138,076	138,076	138,076	-
<b>Fund Balance at End of Year</b>	<b>\$ 3,032,864</b>	<b>\$ 1,745,328</b>	<b>\$ 2,933,979</b>	<b>\$ 1,188,651</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Judicial-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,386,958	\$ 2,194,950	\$ 2,291,175	\$ 96,225
Fines and Forfeitures	37,200	45,665	61,428	15,763
Intergovernmental	-	800	891	91
Interest	-	500	549	49
Total Revenues	<u>2,424,158</u>	<u>2,241,915</u>	<u>2,354,043</u>	<u>112,128</u>
Expenditures:				
Current:				
General Government:				
Judicial				
Other Judicial				
Personal Services	1,754,368	1,818,624	1,739,313	79,311
Materials and Supplies	159,441	175,338	122,039	53,299
Contractual Services	531,857	851,012	670,187	180,825
Other	140,935	325,330	300,330	25,000
Total Expenditures	<u>2,586,601</u>	<u>3,170,304</u>	<u>2,831,869</u>	<u>338,435</u>
Other Financing Sources (Uses):				
Advances - In	-	14,800	14,800	-
Advances - Out	-	(14,800)	(14,800)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(162,443)	(928,389)	(477,826)	450,563
Fund Balance at Beginning of Year	2,498,949	2,498,949	2,498,949	-
Prior Year Encumbrances Appropriated	115,588	115,588	115,588	-
Fund Balance at End of Year	<u>\$ 2,452,094</u>	<u>\$ 1,686,148</u>	<u>\$ 2,136,711</u>	<u>\$ 450,563</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Public Safety-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 3,756,076	\$ 4,518,246	\$ 4,625,328	\$ 107,082
Licenses and Permits	105,000	103,163	110,004	6,841
Fines and Forfeitures	2,000	1,500	1,859	359
Intergovernmental	4,244,044	5,906,546	5,919,081	12,535
Total Revenues	<u>8,107,120</u>	<u>10,529,455</u>	<u>10,656,272</u>	<u>126,817</u>
Expenditures:				
Current:				
Public Safety				
Other Public Safety				
Personal Services	7,020,491	7,611,476	7,088,306	523,170
Materials and Supplies	978,530	1,189,428	1,056,872	132,556
Contractual Services	856,203	1,069,729	925,317	144,412
Capital Outlay	155,000	396,879	392,278	4,601
Other	49,000	40,380	37,745	2,635
Total Expenditures	<u>9,059,224</u>	<u>10,307,892</u>	<u>9,500,518</u>	<u>807,374</u>
Excess of Revenues Over (Under) Expenditures	<u>(952,104)</u>	<u>221,563</u>	<u>1,155,754</u>	<u>934,191</u>
Other Financing Sources (Uses):				
Other Financing Sources	24,000	38,400	40,322	1,922
Advances - In	-	67,539	67,539	-
Advances - Out	-	(30,111)	(30,111)	-
Transfers - In	452,100	8,705	8,705	-
Total Other Financing Sources (Uses)	<u>476,100</u>	<u>84,533</u>	<u>86,455</u>	<u>1,922</u>
Net Change in Fund Balance	(476,004)	306,096	1,242,209	936,113
Fund Balance at Beginning of Year	3,248,393	3,248,393	3,248,393	-
Prior Year Encumbrances Appropriated	155,389	155,389	155,389	-
Fund Balance at End of Year	<u>\$ 2,927,778</u>	<u>\$ 3,709,878</u>	<u>\$ 4,645,991</u>	<u>\$ 936,113</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Motor Vehicle-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other Local Taxes	\$ 2,500,000	\$ 2,460,000	\$ 2,466,280	\$ 6,280
Charges for Services	126,000	2,770,779	2,772,773	1,994
Fines and Forfeitures	240,000	256,300	263,021	6,721
Intergovernmental	13,838,000	13,325,859	13,465,008	139,149
Special Assessments	4,000	4,000	4,071	71
Interest	5,000	5,000	17,094	12,094
Other	785,000	616,912	619,663	2,751
Total Revenues	<u>17,498,000</u>	<u>19,438,850</u>	<u>19,607,910</u>	<u>169,060</u>
Expenditures:				
Current:				
Public Works				
Motor Vehicle				
Personal Services	6,021,873	6,033,796	5,699,074	334,722
Materials and Supplies	1,723,750	2,224,178	1,327,963	896,215
Contractual Services	9,757,000	14,573,381	9,656,353	4,917,028
Capital Outlay	-	576,414	489,414	87,000
Other	440,000	434,000	97,437	336,563
Total Expenditures	<u>17,942,623</u>	<u>23,841,769</u>	<u>17,270,241</u>	<u>6,571,528</u>
Excess of Revenue Over (Under) Expenditures	<u>(444,623)</u>	<u>(4,402,919)</u>	<u>2,337,669</u>	<u>6,740,588</u>
Other Financing Sources:				
Proceeds from Sale of Capital Assets	5,000	10,988	13,490	2,502
Other Financing Sources	55,000	47,600	47,669	69
Total Other Financing Sources	<u>60,000</u>	<u>58,588</u>	<u>61,159</u>	<u>2,571</u>
Net Change in Fund Balance	(384,623)	(4,344,331)	2,398,828	6,743,159
Fund Balance at Beginning of Year	5,713,511	5,713,511	5,713,511	-
Prior Year Encumbrances Appropriated	2,026,209	2,026,209	2,026,209	-
Fund Balance at End of Year	<u>\$ 7,355,097</u>	<u>\$ 3,395,389</u>	<u>\$ 10,138,548</u>	<u>\$ 6,743,159</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Public Works-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,184,600	\$ 1,075,981	\$ 1,172,230	\$ 96,249
Intergovernmental	6,801,059	5,394,308	5,398,370	4,062
Special Assessments	1,580,000	1,610,500	1,618,129	7,629
Interest	16,000	13,700	14,039	339
Other	73,500	76,700	79,920	3,220
Total Revenues	<u>9,655,159</u>	<u>8,171,189</u>	<u>8,282,688</u>	<u>111,499</u>
Expenditures:				
Current:				
Public Works				
Other Public Works				
Personal Services	1,301,692	1,339,954	1,289,236	50,718
Materials and Supplies	218,704	273,508	102,177	171,331
Contractual Services	7,842,657	7,162,164	5,389,891	1,772,273
Other	447,625	206,295	196,295	10,000
Total Expenditures	<u>9,810,678</u>	<u>8,981,921</u>	<u>6,977,599</u>	<u>2,004,322</u>
Excess of Revenues Over (Under) Expenditures	<u>(155,519)</u>	<u>(810,732)</u>	<u>1,305,089</u>	<u>2,115,821</u>
Other Financing Sources (Uses):				
Other Financing Sources	-	11,598	11,850	252
Transfers - In	80,000	9,168	9,168	-
Advances - Out	-	(60,000)	(60,000)	-
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>(39,234)</u>	<u>(38,982)</u>	<u>252</u>
Net Change in Fund Balance	(75,519)	(849,966)	1,266,107	2,116,073
Fund Balance at Beginning of Year	8,642,150	8,642,150	8,642,150	-
Prior Year Encumbrances Appropriated	460,817	460,817	460,817	-
Fund Balance at End of Year	<u>\$ 9,027,448</u>	<u>\$ 8,253,001</u>	<u>\$ 10,369,074</u>	<u>\$ 2,116,073</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Child Support Enforcement-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,084,700	\$ 1,170,700	\$ 1,177,579	\$ 6,879
Intergovernmental	4,550,561	4,056,561	4,099,445	42,884
Total Revenues	<u>5,635,261</u>	<u>5,227,261</u>	<u>5,277,024</u>	<u>49,763</u>
Expenditures:				
Current:				
Human Services				
Child Support Enforcement				
Personal Services	4,311,558	4,081,196	3,754,864	326,332
Materials and Supplies	138,000	138,066	102,114	35,952
Contractual Services	1,386,500	1,663,738	880,785	782,953
Other	203,000	103,000	32,121	70,879
Total Expenditures	<u>6,039,058</u>	<u>5,986,000</u>	<u>4,769,884</u>	<u>1,216,116</u>
Excess of Revenues Over (Under) Expenditures	(403,797)	(758,739)	507,140	1,265,879
Other Financing Sources:				
Other Financing Sources	<u>8,000</u>	<u>11,000</u>	<u>12,815</u>	<u>1,815</u>
Net Change in Fund Balance	(395,797)	(747,739)	519,955	1,267,694
Fund Balance at Beginning of Year	473,290	473,290	473,290	-
Prior Year Encumbrances Appropriated	277,305	277,305	277,305	-
Fund Balance at End of Year	<u>\$ 354,798</u>	<u>\$ 2,856</u>	<u>\$ 1,270,550</u>	<u>\$ 1,267,694</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Alcohol and Drug Addiction-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 101,544	\$ 54,939	\$ 116,245	\$ 61,306
Intergovernmental	4,826,408	6,176,623	6,196,882	20,259
Other	-	107	107	-
Total Revenues	<u>4,927,952</u>	<u>6,231,669</u>	<u>6,313,234</u>	<u>81,565</u>
Expenditures:				
Current:				
Health				
Alcohol and Drug Addiction				
Personal Services	546,547	555,395	544,851	10,544
Materials and Supplies	18,685	23,854	11,855	11,999
Contractual Services	4,627,015	5,629,674	5,254,023	375,651
Other	8,490	680	225	455
Total Expenditures	<u>5,200,737</u>	<u>6,209,603</u>	<u>5,810,954</u>	<u>398,649</u>
Excess of Revenues Over (Under) Expenditures	<u>(272,785)</u>	<u>22,066</u>	<u>502,280</u>	<u>480,214</u>
Other Financing Sources (Uses):				
Other Financing Sources	500	5,738	5,738	-
Advances - Out	-	(4,200)	(4,200)	-
Transfers - In	110,000	55,000	55,000	-
Total Other Financing Sources (Uses)	<u>110,500</u>	<u>56,538</u>	<u>56,538</u>	<u>-</u>
Net Change in Fund Balance	(162,285)	78,604	558,818	480,214
Fund Balance at Beginning of Year	179,011	179,011	179,011	-
Prior Year Encumbrances Appropriated	392,149	392,149	392,149	-
Fund Balance at End of Year	<u>\$ 408,875</u>	<u>\$ 649,764</u>	<u>\$ 1,129,978</u>	<u>\$ 480,214</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Health-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 5,600	\$ 5,600	\$ 5,890	\$ 290
License and Permits	511,500	511,500	546,882	35,382
Fines and Forfeitures	29,600	29,600	39,916	10,316
Intergovernmental	2,000	2,000	2,000	-
Other	-	-	1,547	1,547
Total Revenues	<u>548,700</u>	<u>548,700</u>	<u>596,235</u>	<u>47,535</u>
Expenditures:				
Current:				
Health				
Other Health				
Personal Services	314,610	329,847	328,416	1,431
Materials and Supplies	23,600	31,098	27,792	3,306
Contractual Services	23,500	22,860	22,020	840
Other	179,996	180,386	179,650	736
Total Expenditures	<u>541,706</u>	<u>564,191</u>	<u>557,878</u>	<u>6,313</u>
Excess of Revenues Over (Under) Expenditures	6,994	(15,491)	38,357	53,848
Other Financing Sources:				
Other Financing Sources	-	-	722	722
Net Change in Fund Balance	6,994	(15,491)	39,079	54,570
Fund Balance at Beginning of Year	370,439	370,439	370,439	-
Prior Year Encumbrances Appropriated	1,846	1,846	1,846	-
Fund Balance at End of Year	<u>\$ 379,279</u>	<u>\$ 356,794</u>	<u>\$ 411,364</u>	<u>\$ 54,570</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**County Care Facility-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,950,000	\$ 2,042,200	\$ 2,065,694	\$ 23,494
Intergovernmental	5,820,000	5,147,650	5,258,195	110,545
Other	-	4,650	4,723	73
Total Revenues	<u>7,770,000</u>	<u>7,194,500</u>	<u>7,328,612</u>	<u>134,112</u>
Expenditures:				
Current:				
Human Services				
County Care Facility				
Personal Services	5,850,506	5,662,525	5,662,461	64
Materials and Supplies	1,030,072	1,147,502	1,019,058	128,444
Contractual Services	609,674	740,413	669,524	70,889
Other	317,000	267,186	242,341	24,845
Total Expenditures	<u>7,807,252</u>	<u>7,817,626</u>	<u>7,593,384</u>	<u>224,242</u>
Excess of Revenues Over (Under) Expenditures	(37,252)	(623,126)	(264,772)	358,354
Other Financing Sources:				
Other Financing Sources	<u>60,000</u>	<u>39,500</u>	<u>44,625</u>	<u>5,125</u>
Net Change in Fund Balance	22,748	(583,626)	(220,147)	363,479
Fund Balance at Beginning of Year	587,476	587,476	587,476	-
Prior Year Encumbrances Appropriated	179,486	179,486	179,486	-
Fund Balance at End of Year	<u>\$ 789,710</u>	<u>\$ 183,336</u>	<u>\$ 546,815</u>	<u>\$ 363,479</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Elderly Services Levy-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,548,758	\$ 8,767,000	\$ 8,767,456	\$ 456
Intergovernmental	1,401,486	1,882,631	1,883,081	450
Payments in Lieu of Taxes	13,000	12,869	12,869	-
Total Revenues	<u>9,963,244</u>	<u>10,662,500</u>	<u>10,663,406</u>	<u>906</u>
Expenditures:				
Current:				
Human Services				
Contractual Services	<u>12,000,000</u>	<u>12,912,614</u>	<u>11,491,042</u>	<u>1,421,572</u>
Excess of Revenues Over (Under) Expenditures	(2,036,756)	(2,250,114)	(827,636)	1,422,478
Fund Balance at Beginning of Year	15,452,554	15,452,554	15,452,554	-
Prior Year Encumbrances Appropriated	912,614	912,614	912,614	-
Fund Balance at End of Year	<u>\$ 14,328,412</u>	<u>\$ 14,115,054</u>	<u>\$ 15,537,532</u>	<u>\$ 1,422,478</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Human Services-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 193,959	\$ 146,062	\$ 166,145	\$ 20,083
Other	50	566	566	-
Total Revenues	<u>194,009</u>	<u>146,628</u>	<u>166,711</u>	<u>20,083</u>
Expenditures:				
Current:				
Human Services				
Other Human Services				
Personal Services	249,753	211,376	201,853	9,523
Materials and Supplies	1,207	3,284	2,791	493
Contractual Services	2,439	2,135	1,188	947
Other	-	4,488	4,488	-
Total Expenditures	<u>253,399</u>	<u>221,283</u>	<u>210,320</u>	<u>10,963</u>
Excess of Revenues Over (Under) Expenditures	<u>(59,390)</u>	<u>(74,655)</u>	<u>(43,609)</u>	<u>31,046</u>
Other Financing Sources (Uses):				
Advances - In	-	18,706	18,706	-
Advances - Out	-	(34,153)	(34,153)	-
Transfers - In	47,855	51,824	53,194	1,370
Total Other Financing Sources (Uses)	<u>47,855</u>	<u>36,377</u>	<u>37,747</u>	<u>1,370</u>
Net Change in Fund Balance	(11,535)	(38,278)	(5,862)	32,416
Fund Balance at Beginning of Year	38,038	38,038	38,038	-
Prior Year Encumbrances Appropriated	279	279	279	-
Fund Balance at End of Year	<u>\$ 26,782</u>	<u>\$ 39</u>	<u>\$ 32,455</u>	<u>\$ 32,416</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Conservation and Recreation-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 13,950	\$ 5,805	\$ 5,805	\$ -
Licences and Permits	-	7,845	8,290	445
Total Revenues	<u>13,950</u>	<u>13,650</u>	<u>14,095</u>	<u>445</u>
Expenditures:				
Current:				
Conversation and Recreation				
Contractual Services	<u>20,480</u>	<u>20,480</u>	<u>7,380</u>	<u>13,100</u>
Net Change in Fund Balance	(6,530)	(6,830)	6,715	13,545
Fund Balance at Beginning of Year	7,380	7,380	7,380	-
Fund Balance at End of Year	<u>\$ 850</u>	<u>\$ 550</u>	<u>\$ 14,095</u>	<u>\$ 13,545</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Residential Incentive Districts and Tax Incremental Financings-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 3,955,220	\$ 9,779,691	\$ 9,804,223	\$ 24,532
Expenditures:				
Current:				
Intergovernmental				
Contractual Services	2,437,721	7,898,314	7,839,719	58,595
Excess of Revenues Over Expenditures	1,517,499	1,881,377	1,964,504	83,127
Other Financing Uses:				
Transfers - Out	(1,515,491)	(1,596,153)	(1,592,043)	4,110
Net Change in Fund Balance	2,008	285,224	372,461	87,237
Fund Balance at Beginning of Year	1,391,650	1,391,650	1,391,650	-
Fund Balance at End of Year	<u>\$ 1,393,658</u>	<u>\$ 1,676,874</u>	<u>\$ 1,764,111</u>	<u>\$ 87,237</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Technology-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures:				
Debt Service:				
Principal Retirement	\$ 2,690,000	\$ 2,655,000	\$ 2,655,000	\$ -
Interest and Fiscal Charges	55,000	53,163	53,163	-
Total Expenditures	<u>2,745,000</u>	<u>2,708,163</u>	<u>2,708,163</u>	<u>-</u>
Excess of Revenues Under Expenditures	<u>(2,745,000)</u>	<u>(2,708,163)</u>	<u>(2,708,163)</u>	<u>-</u>
Other Financing Sources:				
Notes Issued	2,550,000	2,515,000	2,515,000	-
Transfers - In	195,000	193,163	193,163	-
Total Other Financing Sources	<u>2,745,000</u>	<u>2,708,163</u>	<u>2,708,163</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Other Capital Improvements - Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other	\$ -	\$ -	\$ 29,670	\$ 29,670
Total Revenues	<u>-</u>	<u>-</u>	<u>29,670</u>	<u>29,670</u>
Expenditures:				
Other Capital Improvement				
Contractual Services	-	274,895	220,000	54,895
Capital Outlay	-	656,190	617,192	38,998
Total Other Capital Improvements	<u>-</u>	<u>931,085</u>	<u>837,192</u>	<u>93,893</u>
Debt Service:				
Interest and Fiscal Charges	3,915	3,915	3,915	-
Total Expenditures	<u>3,915</u>	<u>935,000</u>	<u>841,107</u>	<u>93,893</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,915)</u>	<u>(935,000)</u>	<u>(811,437)</u>	<u>123,563</u>
Other Financing Sources:				
Notes Issued	935,000	935,000	935,000	-
Advances - In	-	70,000	70,000	-
Total Other Financing Sources	<u>935,000</u>	<u>1,005,000</u>	<u>1,005,000</u>	<u>-</u>
Net Change in Fund Balance	931,085	70,000	193,563	123,563
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ 931,085</u>	<u>\$ 70,000</u>	<u>\$ 193,563</u>	<u>\$ 123,563</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Road Improvements-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 1,222,595	\$ 1,222,595	\$ -
Expenditures:				
Road Improvement				
Contractual Services	-	1,591,241	1,591,241	-
Debt Service:				
Principal Retirement	3,115,000	2,850,000	2,850,000	-
Interest and Fiscal Charges	31,374	30,136	30,136	-
Total Expenditures	3,146,374	4,471,377	4,471,377	-
Excess of Revenues Under Expenditures	(3,146,374)	(3,248,782)	(3,248,782)	-
Other Financing Sources:				
Proceeds of Loans	-	368,646	368,646	-
Notes Issued	3,115,000	2,785,000	2,785,000	-
Premium on Debt Issued	12,900	-	-	-
Transfers - In	18,474	95,136	95,136	-
Total Other Financing Sources	3,146,374	3,248,782	3,248,782	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at End of Year	\$ -	\$ -	\$ -	\$ -

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Buildings Construction and Renovations-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other	\$ 100,000	\$ 380,000	\$ 380,000	\$ -
Expenditures:				
Capital Outlay				
Buildings Construction and Renovations				
Contractual Services	-	544,762	131,500	413,262
Debt Service:				
Principal Retirement	12,330,000	12,330,000	12,230,000	100,000
Interest and Fiscal Charges	211,000	164,040	131,975	32,065
Total Debt Service	12,541,000	12,494,040	12,361,975	132,065
Total Expenditures	12,541,000	13,038,802	12,493,475	545,327
Excess of Revenues Over (Under) Expenditures	(12,441,000)	(12,658,802)	(12,113,475)	545,327
Other Financing Sources:				
Notes Issued	12,286,000	12,585,000	12,585,000	-
Transfers - In	155,000	128,442	128,442	-
Total Other Financing Sources	12,441,000	12,713,442	12,713,442	-
Net Change in Fund Balance	-	54,640	599,967	545,327
Fund Balance at Beginning of Year	149,524	149,524	149,524	-
Fund Balance at End of Year	\$ 149,524	\$ 204,164	\$ 749,491	\$ 545,327

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Bond Retirement-Debt Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Special Assessments	\$ 1,450,115	\$ 1,478,375	\$ 1,484,639	\$ 6,264
Other	-	71,007	71,966	959
Total Revenues	<u>1,450,115</u>	<u>1,549,382</u>	<u>1,556,605</u>	<u>7,223</u>
Expenditures:				
Debt Service:				
Principal Retirement	6,474,300	6,554,300	6,554,300	-
Interest and Fiscal Charges	4,074,434	4,136,893	4,136,282	611
Total Expenditures	<u>10,548,734</u>	<u>10,691,193</u>	<u>10,690,582</u>	<u>611</u>
Excess of Revenues Over (Under) Expenditures	<u>(9,098,619)</u>	<u>(9,141,811)</u>	<u>(9,133,977)</u>	<u>7,834</u>
Other Financing Sources (Uses):				
Advances - In	10,451	2,011	2,011	-
Advances - Out	-	(5,782)	(5,782)	-
Transfers - In	9,275,838	9,273,829	9,271,828	(2,001)
Total Other Financing Sources (Uses)	<u>9,286,289</u>	<u>9,270,058</u>	<u>9,268,057</u>	<u>(2,001)</u>
Net Change in Fund Balance	187,670	128,247	134,080	5,833
Fund Balance at Beginning of Year	1,100,814	1,100,814	1,100,814	-
Fund Balance at End of Year	<u>\$ 1,288,484</u>	<u>\$ 1,229,061</u>	<u>\$ 1,234,894</u>	<u>\$ 5,833</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Developmental Disabilities Trust-Permanent Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Interest	\$ 3,400	\$ 3,400	\$ 3,620	\$ 220
Expenditures:				
Health	60,000	60,000	-	60,000
Net Change in Fund Balance	(56,600)	(56,600)	3,620	60,220
Fund Balance at Beginning of Year	844,684	844,684	844,684	-
Fund Balance at End of Year	<u>\$ 788,084</u>	<u>\$ 788,084</u>	<u>\$ 848,304</u>	<u>\$ 60,220</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Health Insurance-Internal Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 16,161,796	\$ 14,600,496	\$ 14,798,274	\$ 197,778
Other Non-Operating Revenues	40,000	9,200	12,932	3,732
Total Revenues	<u>16,201,796</u>	<u>14,609,696</u>	<u>14,811,206</u>	<u>201,510</u>
Expenses:				
Personal Services	118,869	135,350	131,246	4,104
Contractual Services	15,863,600	14,977,124	14,906,072	71,052
Materials and Supplies	2,900	20,250	9,907	10,343
Other	600	600	227	373
Total Expenses	<u>15,985,969</u>	<u>15,133,324</u>	<u>15,047,452</u>	<u>85,872</u>
Net Change in Fund Equity	215,827	(523,628)	(236,246)	287,382
Fund Equity at Beginning of Year	643,493	643,493	643,493	-
Prior Year Encumbrances Appropriated	140	140	140	-
Fund Equity at End of Year	<u>\$ 859,460</u>	<u>\$ 120,005</u>	<u>\$ 407,387</u>	<u>\$ 287,382</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**Workers' Compensation Benefit-Internal Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,502,000	\$ 2,398,000	\$ 2,403,452	\$ 5,452
Other Non Operating Revenues	15,000	25,000	40,616	15,616
Total Revenues	<u>2,517,000</u>	<u>2,423,000</u>	<u>2,444,068</u>	<u>21,068</u>
Expenses:				
Personal Services	291,494	327,197	326,815	382
Contractual Services	991,630	988,315	928,959	59,356
Claims and Judgments	770,000	770,000	645,342	124,658
Total Expenses	<u>2,053,124</u>	<u>2,085,512</u>	<u>1,901,116</u>	<u>184,396</u>
Net Change in Fund Equity	463,876	337,488	542,952	205,464
Fund Equity at Beginning of Year	1,028,689	1,028,689	1,028,689	-
Fund Equity at End of Year	<u>\$ 1,492,565</u>	<u>\$ 1,366,177</u>	<u>\$ 1,571,641</u>	<u>\$ 205,464</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenses, and**  
**Changes in Fund Equity-Budget and Actual**  
**County Fuel Depot-Internal Service Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2011**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 554,000	\$ 621,642	\$ 621,642	\$ -
Expenses:				
Contractual Services	8,000	3,809	3,809	-
Materials and Supplies	555,344	522,256	522,256	-
Total Expenses	563,344	526,065	526,065	-
Excess of Revenues over (under) Expenses Before Advances and Transfers	(9,344)	95,577	95,577	-
Other Financing Sources (Uses):				
Advances - In	-	12,500	12,500	-
Advances - Out	-	(112,500)	(112,500)	-
Transfers Out	-	(28,562)	(28,562)	-
Total Other Financing Sources (Uses)	-	(128,562)	(128,562)	-
Net Change in Fund Equity	(9,344)	(32,985)	(32,985)	-
Fund Equity at Beginning of Year	9,827	9,827	9,827	-
Prior Year Encumbrances Appropriated	23,158	23,158	23,158	-
Fund Equity at End of Year	<u>\$ 23,641</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# Statistical Section

## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b>	<b>148-154</b>
These schedules contain trend information to help the reader understand how the County's financial position has changed over time.	
<b>Revenue Capacity</b>	<b>155-165</b>
These schedules contain information to help the reader understand and assess the factors affecting the County's ability to generate its most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>166-170</b>
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	<b>171-172</b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	<b>173-179</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	

### **Sources:**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**Butler County, Ohio**  
**Net Assets by Component**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental Activities:</b>										
Invested in Capital Assets, Net of Related Debt	\$ 261,504,606	\$ 273,113,179	\$ 274,568,990	\$ 284,893,107	\$ 290,996,712	\$ 303,847,268	\$ 309,737,672	\$ 311,399,939	\$ 313,384,171	\$ 313,095,989
Restricted	67,150,688	80,013,671	91,557,032	94,009,926	113,494,538	143,098,392	117,767,913	149,211,906	151,719,352	158,659,165
Unrestricted (Deficit)	19,884,831	(2,953,484)	(9,110,830)	(2,854,954)	8,438,851	18,544,219	(3,284,872)	(19,510,956)	(25,202,909)	(26,878,096)
Total Governmental Activities Net Assets	348,540,125	350,173,366	357,015,192	376,048,079	412,930,101	465,489,879	424,240,113	441,100,889	439,900,614	444,877,058
<b>Business-type Activities:</b>										
Invested in Capital Assets, Net of Related Debt	142,565,025	147,192,603	175,845,751	203,448,271	218,544,211	220,104,614	206,941,720	204,061,114	208,564,765	214,007,328
Restricted	17,015,730	15,123,280	13,894,357	12,406,549	12,615,860	11,791,705	11,551,342	6,000,000	6,000,000	6,000,000
Unrestricted	28,037,520	39,070,468	30,939,460	35,131,712	32,779,386	38,024,420	50,594,713	55,953,474	50,135,882	41,967,387
Total Business-type Activities Net Assets	187,618,275	201,386,351	220,679,568	250,986,532	263,939,457	269,920,739	269,087,775	266,014,588	264,700,647	261,974,715
<b>Primary Government:</b>										
Invested in Capital Assets, Net of Related Debt	404,069,631	420,305,782	450,414,741	488,341,378	509,540,923	523,951,882	516,679,392	515,461,053	521,948,936	527,103,317
Restricted	84,166,418	95,136,951	105,451,389	106,416,475	126,110,398	154,890,097	129,318,655	155,211,906	157,719,352	164,659,165
Unrestricted	47,922,351	36,116,984	21,828,630	32,276,758	41,218,237	56,568,639	47,329,841	36,442,518	24,932,973	15,089,291
Total Primary Government Net Assets	\$ 536,158,400	\$ 551,559,717	\$ 577,694,760	\$ 627,034,611	\$ 676,869,558	\$ 735,410,618	\$ 693,327,888	\$ 707,115,477	\$ 704,601,261	\$ 706,851,773

**Butler County, Ohio**  
**Changes in Net Assets of Governmental Activities**  
**Last Nine Years**  
**(accrual basis of accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Program Revenues</b>									
Governmental Activities									
Charges for Services	\$ 26,064,981	\$ 39,481,913	\$ 26,096,369	\$ 25,539,301	\$ 25,761,198	\$ 18,925,412	\$ 16,307,020	\$ 16,543,682	\$ 17,354,615
General Government:	3,703,685	3,711,346	4,171,246	5,405,269	5,818,814	6,016,149	6,440,735	5,770,050	5,766,642
Legislative and Executive	5,996,412	6,490,098	4,435,139	9,018,145	12,368,985	13,631,099	14,803,587	11,749,950	11,621,031
Judicial	2,175,913	10,026,807	10,382,866	7,095,767	767,323	3,025,891	2,407,770	2,030,311	4,328,654
Public Safety	1,042,160	1,355,895	1,446,007	930,496	1,317,932	910,720	820,543	886,327	745,967
Health	1,945,316	1,946,389	1,928,863	2,336,047	2,448,406	3,160,525	3,051,966	3,076,694	3,717,823
Human Services					26,784	40,890	13,620	14,800	14,095
Conservation and Recreation									
Subtotal - Charges for Services	40,928,467	63,012,448	48,460,490	50,325,018	48,509,442	45,710,686	43,845,241	40,071,814	43,548,827
Operating Grants, Contributions and Interest									
General Government:									
Legislative and Executive	160,789	355,609	353,185	16,966	43,820	440,633	996,461	48,265	426,238
Judicial	1,182,707	1,020,690	1,186,715	1,246,084	986,906	1,230,555	1,682,162	1,182,265	1,284,349
Public Safety	6,721,740	6,671,901	7,086,662	7,661,085	7,087,851	4,309,488	5,306,196	5,066,305	6,205,311
Public Works	193,292	3,658,865	3,960,609	4,851,754	11,398,189	10,837,709	18,164,149	13,758,422	12,999,691
Health	30,579,700	29,222,174	30,622,659	36,549,354	32,777,452	31,433,888	36,860,053	36,458,047	39,240,707
Human Services	46,424,550	44,947,797	46,836,974	54,423,787	63,185,700	51,118,231	64,352,303	43,432,078	37,349,750
Subtotal - Operating Grants, Contributions and Interest	85,262,778	85,877,036	90,046,804	104,749,030	115,479,918	99,370,504	127,361,324	99,945,382	97,506,046
Capital Grants, Contributions and Interest									
General Government:									
Legislative and Executive	-	-	3,543,122	-	-	-	125,627	-	944,600
Judicial	-	-	89,041	-	-	-	-	-	-
Public Safety	301,836	20,272	-	-	-	15,785	-	25,000	66,163
Human Services	15,736,890	-	-	1,244,826	-	-	-	-	-
Public Works	-	13,337,057	16,317,031	11,062,312	6,785,122	13,920,646	8,999,202	5,748,244	5,315,428
Health	-	758,073	-	-	-	-	-	-	-
Subtotal - Capital Grants, Contributions and Interest	16,038,726	14,115,402	19,949,194	12,307,138	6,785,122	13,936,431	9,124,829	5,773,244	6,326,191
Total Government Activities Program Revenue	142,229,971	163,004,886	158,456,488	167,381,186	170,774,482	159,017,621	180,331,394	145,790,440	147,381,064
Business-Type Activities									
Charges for Services									
Sewer	16,464,896	17,330,204	17,547,243	18,988,269	20,980,896	21,299,055	18,346,224	18,181,460	17,513,151
Water	16,500,238	19,243,602	21,836,928	21,956,744	26,065,961	23,456,446	20,204,971	20,765,879	20,423,347
GSC Parking Facility	176,084	160,594	172,315	169,805	158,869	156,404	146,206	132,052	113,194
Capital Grants, Contributions, and Interest	21,624,175	26,867,947	34,706,212	22,321,495	14,010,237	6,595,488	8,295,657	8,540,416	5,962,256
Total Business-Type Activities Program Revenues	54,765,393	63,602,347	74,262,698	63,436,313	61,215,963	51,507,393	46,993,058	47,619,807	44,011,948
Total Primary Governmental Program Revenues	\$ 196,995,364	\$ 226,607,233	\$ 232,719,186	\$ 230,817,499	\$ 231,990,445	\$ 210,525,014	\$ 227,324,452	\$ 193,410,247	\$ 191,393,012

(Continued)

(1) In 2008, the County changed the accounting treatment applied to payment in lieu of taxes transactions. The County now views these transactions as exchange transactions, whereas in prior years, they were viewed as non-exchange transactions



**Butler County, Ohio**  
**Changes in Net Assets of Governmental Activities**  
**Last Nine Years**  
**(accrual basis of accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental Activities									
General Government and Executive									
Legislative and Executive	\$ 31,288,759	\$ 41,811,607	\$ 29,973,286	\$ 31,211,969	\$ 35,086,479	\$ 37,260,435	\$ 27,727,443	\$ 29,955,984	\$ 29,823,465
Judicial	12,834,297	13,961,424	15,310,560	15,952,902	16,766,093	16,978,319	17,732,020	16,189,897	14,869,492
Public Safety	36,659,180	39,076,252	39,391,890	44,865,490	51,218,782	48,709,320	46,897,900	41,154,980	44,980,435
Public Works	17,582,429	20,443,207	22,396,375	20,803,499	24,981,832	25,416,281	24,661,639	25,701,107	22,218,862
Health	46,285,012	47,785,590	47,524,463	56,672,547	54,781,525	62,320,120	58,320,120	62,355,137	68,349,134
Human Services	69,048,201	70,220,434	78,630,914	82,199,251	89,695,591	93,725,373	90,877,303	72,649,003	66,342,441
Conservation and Recreation	531,971	477,828	517,825	589,151	686,496	587,061	571,952	593,168	453,611
Other	-	-	-	-	-	-	-	11,860	-
Intergovernmental	4,795,392	4,445,020	4,546,165	5,351,240	5,459,844	5,822,661	4,884,161	4,710,532	7,839,719
Interest and Fiscal Charges	219,025,241	238,221,362	238,291,478	257,646,049	278,676,642	296,341,941	276,455,486	258,205,829	4,321,857
Total Governmental Activities Expenses	20,988,143	24,059,068	26,013,574	26,108,534	27,027,272	26,429,926	24,587,715	23,256,101	23,474,260
Sewer	21,173,268	22,957,096	28,528,100	25,975,558	29,630,418	26,323,570	26,275,587	26,275,587	24,153,925
Water	80,760	162,505	167,163	170,220	162,063	82,346	220,725	91,310	91,195
GSC Parking Garage	42,242,171	47,178,669	54,708,837	52,254,312	56,819,753	53,459,225	51,132,010	49,622,998	47,719,380
Total Business-type Activities Expenses	261,267,412	285,400,031	293,000,315	309,900,361	335,496,395	349,801,166	327,587,496	307,828,827	306,918,396
Total Primary Government Expenses	(76,795,270)	(75,216,476)	(79,834,990)	(90,264,863)	(107,902,160)	(137,324,320)	(96,124,092)	(112,415,389)	(111,817,952)
Governmental Activities	12,523,222	16,423,678	19,553,861	11,182,001	4,396,210	(1,951,832)	(4,138,952)	(2,003,191)	(3,707,432)
Business-type Activities	(64,272,048)	(58,792,798)	(60,281,129)	(79,082,862)	(103,505,950)	(139,276,152)	(100,263,044)	(114,418,580)	(115,525,384)
Total Primary Government Net (Expense)/Revenue									
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental Activities:									
Property Taxes Levied for:									
General Purposes	12,810,448	12,419,287	12,956,608	14,737,266	14,620,159	14,191,594	15,079,052	12,790,526	13,087,764
Health - Developmental Disabilities	14,890,749	14,765,474	18,467,802	20,014,999	19,665,938	19,073,043	19,323,359	17,194,685	17,754,189
Human Services - Children Services Agency	8,214,528	12,829,080	13,282,374	14,283,235	14,269,273	13,884,835	14,495,323	13,171,183	13,540,033
Health - Mental Health	1,959,018	1,920,227	1,995,109	2,239,541	9,343,505	9,023,904	8,240,166	8,284,372	8,540,022
Human Services - Elderly Services Levy	7,583,447	7,476,865	7,803,077	13,973,467	13,992,100	13,280,836	8,908,467	8,069,527	8,851,206
Animal Shelter	-	-	-	29,997	3,340,811	-	-	-	-
Sales Tax	17,182,889	18,414,113	22,607,425	40,662,394	41,317,071	33,408,493	31,843,586	30,225,506	30,779,103
Local Taxes	2,278,929	-	-	2,699,651	2,450,378	2,454,986	2,472,087	2,476,974	2,476,974
Payments in Lieu of Taxes (1)	-	-	-	93,487	3,620,542	4,438,718	3,981,481	6,129,462	9,911,360
Grants and Entitlements not									
Restricted to Specific Programs	9,966,355	11,232,408	11,954,539	6,276,571	7,659,749	7,664,080	6,603,883	8,370,821	6,771,385
Investment Earnings	651,296	1,732,089	4,921,808	10,119,758	14,879,642	10,362,722	3,875,844	3,380,084	2,889,678
Gain on Sale of Capital Assets	-	-	-	-	281,924	-	-	11,145	-
Other	2,771,852	2,412,759	4,847,763	3,277,088	5,238,068	3,707,444	4,278,573	2,679,825	2,192,682
Transfers	119,000	-	31,372	-	-	-	-	-	-
Total Governmental Activities	\$ 78,428,511	\$ 83,202,302	\$ 98,867,877	\$ 128,407,454	\$ 150,679,160	\$ 131,490,655	\$ 119,059,919	\$ 112,779,223	\$ 116,794,396

(Continued)

**Butler County, Ohio**  
**Changes in Net Assets of Governmental Activities**  
**Last Nine Years**  
**(accrual basis of accounting)**  
**(Continued)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Business-Type Activities:</b>									
Investment Earnings	\$ 77,142	\$ 276,589	\$ 781,251	\$ 635,202	\$ 462,058	\$ 125,300	\$ 468	\$ -	\$ -
Other	1,286,712	1,448,950	10,003,224	1,135,722	1,123,014	769,887	1,065,297	689,250	981,500
Transfers	(119,000)	-	(31,372)	-	-	-	-	-	-
Total Business-Type Activities	1,244,854	1,725,539	10,753,103	1,770,924	1,585,072	895,187	1,065,765	689,250	981,500
Total Primary Government	79,673,365	84,927,841	109,620,980	130,178,378	152,264,232	132,385,942	120,125,684	113,468,473	(2,725,932)
<b>Change in Net Assets</b>									
Governmental Activities	1,633,241	7,985,826	19,032,887	38,142,591	42,777,000	(5,833,665)	22,935,827	363,834	4,976,444
Business-type Activities	13,768,076	18,149,217	30,306,964	12,952,925	5,981,282	(1,056,645)	(3,073,187)	(1,313,941)	(2,725,932)
Total Primary Government Change in Net Assets	\$ 15,401,317	\$ 26,135,043	\$ 49,339,851	\$ 51,095,516	\$ 48,758,282	\$ (6,890,310)	\$ 19,862,640	\$ (850,107)	\$ 2,250,512

**Butler County, Ohio**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009 (1)	2010 (1)	2011 (1)
<b>General Fund</b>										
Reserved	\$ 4,195,492	\$ 3,657,460	\$ 4,216,411	\$ 1,912,847	\$ 7,520,543	\$ 8,048,067	\$ 11,396,642	\$ -	\$ -	\$ -
Unreserved, Designated	-	-	-	-	17,729,295	16,953,260	8,409,077	-	-	-
Unreserved, Undesignated	11,313,356	10,013,728	6,957,053	8,715,587	5,262,983	13,287,018	11,656,994	-	-	-
Restatements	-	-	-	-	-	-	-	-	-	-
Nonspendable:										
Prepaid Items	-	-	-	-	-	-	-	454,547	454,547	594,255
Materials and Supplies Inventory	-	-	-	-	-	-	-	64,571	64,198	64,198
Loans Receivables	-	-	-	-	-	-	-	480,243	423,283	314,326
Advances to Other Funds	-	-	-	-	-	-	-	369,040	261,400	227,128
Long Term:										
Intergovernmental Receivables	-	-	-	-	-	-	-	4,265,000	4,075,000	-
Other Purposes	-	-	-	-	-	-	-	2,400,467	729,254	369,363
Assigned	-	-	-	-	-	-	-	273,326	796,556	1,888,807
Unassigned	-	-	-	-	-	-	-	12,889,189	10,831,199	12,891,143
<b>Total General Fund</b>	<b>15,508,848</b>	<b>13,651,188</b>	<b>11,173,464</b>	<b>10,628,434</b>	<b>30,512,821</b>	<b>38,288,345</b>	<b>31,462,713</b>	<b>21,196,383</b>	<b>17,635,437</b>	<b>16,349,220</b>
<b>All Other Governmental Funds</b>										
Reserved	7,512,507	5,870,249	10,462,267	10,488,074	8,520,627	8,496,349	13,340,880	-	-	-
Unreserved, Undesignated, (Deficit) Reported In:										
Special Revenue Funds	26,955,861	28,827,510	38,329,806	49,050,968	60,449,732	75,216,379	66,039,506	-	-	-
Debt Service Funds	701,453	7,056,879	9,394,492	9,860,557	10,274,042	10,709,381	1,742,251	-	-	-
Capital Projects Funds	(7,405,332)	(12,841,676)	(5,623,226)	(4,529,568)	(5,673,702)	(21,970,837)	(25,382,374)	-	-	-
Restatements	-	-	-	-	-	-	-	-	-	-
Nonspendable										
Prepaid Items	-	-	-	-	-	-	-	1,463,731	1,463,731	1,119,178
Materials and Supplies Inventory	-	-	-	-	-	-	-	674,546	646,318	780,362
Loans Receivables	-	-	-	-	-	-	-	320,966	320,966	700,214
Long Term:										
Developmental Disabilities Trust	-	-	-	-	-	-	-	761,517	761,305	761,305
Developmental Disabilities	-	-	-	-	-	-	-	29,188,851	31,672,581	33,478,752
Job and Family Services/Children Services	-	-	-	-	-	-	-	-	-	-
Agency	-	-	-	-	-	-	-	-	-	-
Mental Health	-	-	-	-	-	-	-	5,667,385	7,436,664	5,232,558
Elderly Services Levy	-	-	-	-	-	-	-	14,464,029	15,715,664	12,231,531
Motor Vehicle	-	-	-	-	-	-	-	16,199,270	15,733,274	15,048,579
All Other Public Works	-	-	-	-	-	-	-	7,403,582	7,741,238	11,552,723
Other Purposes	-	-	-	-	-	-	-	5,704,597	8,669,799	9,999,695
Committed	-	-	-	-	-	-	-	15,449,544	16,469,451	19,808,412
Debt Service Payments	-	-	-	-	-	-	-	-	3,244	3,244
Unassigned (Deficit)	-	-	-	-	-	-	-	(27,655,795)	(17,964,933)	(18,008,152)
<b>Total All Other Governmental Funds</b>	<b>27,764,489</b>	<b>28,912,962</b>	<b>52,563,339</b>	<b>65,070,031</b>	<b>73,570,699</b>	<b>72,451,272</b>	<b>55,540,263</b>	<b>69,642,225</b>	<b>88,669,302</b>	<b>92,508,401</b>
<b>Total Governmental Funds</b>	<b>\$ 43,273,337</b>	<b>\$ 42,564,150</b>	<b>\$ 63,736,803</b>	<b>\$ 75,698,465</b>	<b>\$ 104,083,520</b>	<b>\$ 110,739,617</b>	<b>\$ 87,002,976</b>	<b>\$ 90,838,608</b>	<b>\$ 106,304,739</b>	<b>\$ 108,857,621</b>

Note 1: The change in fund balance accounts has occurred due to the implementation of GASB 54 for 2010 and 2011

**Butler County, Ohio**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>										
Property Taxes	\$ 56,635,633	\$ 47,667,011	\$ 49,452,124	\$ 54,548,053	\$ 63,587,785	\$ 74,811,809	\$ 69,674,972	\$ 66,870,321	\$ 58,738,278	\$ 60,757,076
Sales Taxes (2)	-	17,071,061	18,226,392	21,013,937	40,557,333	41,256,564	34,238,835	29,479,864	29,655,211	33,161,633
Other Local Taxes (1)	-	-	-	-	-	2,450,378	2,454,986	2,430,185	2,472,087	2,476,974
Charges for Services	24,051,238	37,586,693	54,430,214	39,599,181	50,623,535	45,676,573	42,536,158	41,316,620	37,075,325	38,380,844
Licenses and Permits	356,079	395,704	625,484	576,368	578,800	528,432	741,296	690,948	775,503	2,128,229
Fines and Forfeitures	1,496,642	1,577,450	1,588,923	1,596,855	1,990,868	2,123,869	2,231,081	2,090,293	2,875,370	2,573,506
Intergovernmental	116,397,421	104,819,010	115,938,364	121,141,697	115,942,162	127,289,857	119,929,792	128,666,114	118,933,561	104,796,723
Special Assessments	1,935,767	1,796,964	3,437,822	4,069,049	4,769,460	3,797,896	2,578,575	2,586,571	2,578,775	2,521,458
Payments in Lieu of Taxes	-	-	102,604	98,044	93,487	3,371,248	4,063,662	3,981,481	5,952,578	9,874,906
Investment Earnings	4,909,336	2,320,112	2,042,232	4,753,193	9,875,014	14,863,587	10,371,186	4,190,583	3,485,998	3,063,178
Contributions and Donations	-	-	-	57,442	-	-	-	-	-	-
Other	3,347,703	2,476,504	2,152,051	4,733,899	3,324,541	5,238,068	4,312,857	4,343,465	2,747,025	2,229,039
<b>Total Revenues</b>	<b>209,129,819</b>	<b>215,710,509</b>	<b>247,996,210</b>	<b>252,187,718</b>	<b>291,343,015</b>	<b>321,408,281</b>	<b>293,133,400</b>	<b>286,646,445</b>	<b>265,289,711</b>	<b>261,963,566</b>
<b>Expenditures</b>										
Current:										
General Government:										
Legislative and Executive	22,416,059	27,389,325	39,470,890	32,422,732	28,864,871	33,006,531	34,806,814	25,460,279	27,443,929	27,459,038
Judicial	11,973,877	12,417,152	13,600,268	14,903,814	15,614,805	16,293,680	16,701,077	17,584,347	15,714,806	14,413,062
Public Safety	32,038,169	33,995,976	36,712,267	37,831,821	48,197,839	60,514,200	56,351,505	50,753,912	40,499,329	41,027,667
Public Works	17,495,693	16,723,691	21,793,001	24,075,562	22,258,619	30,092,525	26,885,234	25,174,244	26,508,452	23,817,489
Health	47,016,101	47,016,129	47,080,225	46,791,219	55,828,433	54,243,058	61,761,021	57,606,967	61,607,948	65,519,364
Human Services	70,167,063	68,945,768	69,795,718	78,182,733	82,122,458	89,324,671	93,732,570	91,078,866	72,220,003	66,298,451
Conservation and Recreation	520,722	531,971	477,828	517,825	589,151	686,496	587,061	571,952	593,168	453,611
Other	-	-	-	-	-	-	-	-	11,860	-
Capital Outlay	17,202,016	2,864,741	902,028	702,757	748,995	4,254,031	10,115,027	2,388,023	-	730,315
Intergovernmental	-	-	-	-	-	-	5,572,290	4,780,375	4,710,532	7,839,719
Debt Service:										
Principal Retirement	12,196,730	14,895,447	18,282,294	19,421,622	21,760,855	5,943,125	6,770,900	7,410,684	7,673,850	7,879,589
Interest and Fiscal Charges	-	4,892,067	4,801,820	4,463,136	5,735,766	5,454,896	5,730,483	4,996,253	4,560,525	4,405,341
Issuance Costs	-	-	156,127	555,185	245,108	210,797	60,948	65,618	292,023	-
Current Refunding	-	-	-	-	-	-	-	-	192,750	-
<b>Total Expenditures</b>	<b>231,026,430</b>	<b>229,672,267</b>	<b>253,072,466</b>	<b>259,868,406</b>	<b>281,966,900</b>	<b>300,024,020</b>	<b>319,074,930</b>	<b>287,871,520</b>	<b>262,029,175</b>	<b>259,843,646</b>
Excess of Revenues Over (Under) Expenditures	(21,896,611)	(13,961,758)	(5,076,256)	(7,680,688)	9,376,115	21,384,261	(25,941,530)	(1,225,075)	3,260,536	2,119,920

(Continued)

Butler County, Ohio  
Changes in Fund Balances, Governmental Funds

Last Ten Years  
(modified accrual basis of accounting)  
(Continued)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Other Financing Sources (Uses)</b>										
General Obligation Bonds Issued	32,620,000	-	10,350,000	-	17,500,000	-	-	1,935,000	11,410,000	-
Premium on Debt Issued	2,163,461	192,695	470,259	2,042,726	578,718	960,332	83,744	30,433	682,746	-
Discount on Debt Issued	-	-	-	-	-	-	-	-	(49,894)	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	118,942	-	-	19,064	35,754
Notes Issued	11,465,000	14,485,000	15,470,000	17,105,000	-	-	-	-	-	-
Refunding Bonds Issued	-	-	8,905,000	29,365,000	-	17,095,000	-	-	7,200,000	-
Special Assessment Bonds Issued	-	-	-	1,144,000	-	-	3,315,000	-	-	-
Proceeds of Loans	-	-	768,868	-	-	374,761	-	773,396	651,103	368,646
Accrued Interest Received on Debt Issued	-	-	11,851	-	-	-	-	-	-	-
Payment to Refund Bond Escrow Agent	4,776,101	-	(8,841,258)	32,908,080	-	(17,836,926)	-	-	(7,707,424)	-
Current Refunding										
Inception of Capital Lease	87,215	72,200	-	2,862,332	83,878	1,532,939	1,218,866	1,476,982	-	-
Transfers - In	6,322,346	6,242,489	6,100,441	7,071,258	7,928,785	2,803,627	3,089,344	3,211,274	11,362,283	11,983,359
Transfers - Out	(6,703,311)	(6,123,489)	(6,100,441)	(7,039,886)	(7,928,785)	(2,803,627)	(3,089,344)	(3,211,274)	(11,362,283)	(11,954,797)
Total Other Financing Sources	50,730,812	14,868,895	27,134,720	85,458,510	18,162,596	2,245,048	4,617,610	4,215,811	12,205,595	432,962
Prior Year Restatement of Fund Balance	27,616	(1,616,324)	(1,185,811)	-	-	(16,973,312)	(2,412,721)	844,896	-	-
Net Change in Fund Balances	\$ 28,861,817	\$ (709,187)	\$ 20,872,653	\$ 77,777,822	\$ 27,538,711	\$ 6,655,997	\$ (23,736,641)	\$ 3,835,632	\$ 15,466,131	\$ 2,552,882
Debt Service as a Percentage of Noncapital Expenditures	5.78%	8.79%	9.24%	9.53%	10.10%	4.12%	4.22%	4.49%	4.95%	4.92%

\*Prior to 2007 Other Local Taxes was included with Property Taxes revenue.

\*\* .50 Sales Tax imposed in 2006 and in January 2008 .25 of the Sales Tax was removed.

**Butler County, Ohio**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Years**

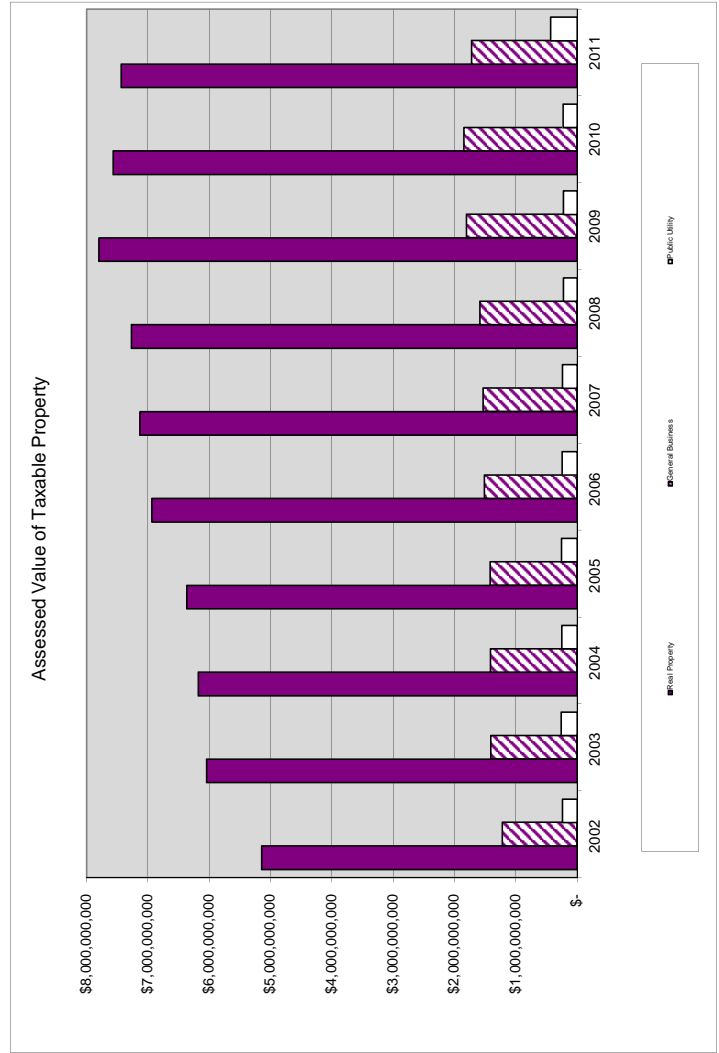
Collection Year	Real Property				General Business				Tangible Personal Property				Public Utility				Total		Weighted Average Tax Rate
	Assessed Value		Estimated Actual Value		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio		
	Residential/Agricultural	Commercial/Industrial/PU																	
2002	3,922,893,560	1,221,719,660	14,698,894,914	14,698,894,914	766,473,543	3,193,639,763	237,777,970	270,202,239	6,148,864,733	18,162,736,915	33.85%	7.44							
2003	4,638,038,390	1,405,199,000	17,266,392,543	17,266,392,543	724,768,577	3,151,167,726	258,533,610	293,788,193	7,026,539,577	20,711,348,462	33.93%	5.65							
2004	4,762,263,590	1,413,231,970	17,644,273,029	17,644,273,029	739,614,001	3,215,713,048	246,408,050	280,009,148	7,161,517,611	21,139,995,224	33.88%	7.32							
2005	4,942,502,150	1,420,219,660	18,179,205,171	18,179,205,171	744,780,872	3,238,177,704	251,886,670	286,234,852	7,359,389,352	21,703,617,728	33.91%	6.98							
2006	5,425,220,650	1,510,667,250	19,816,822,571	19,816,822,571	756,743,427	4,035,964,944	244,863,700	278,254,205	7,937,495,027	24,131,041,720	32.89%	8.65							
2007	5,593,932,480	1,530,799,300	20,356,376,514	20,356,376,514	604,188,591	4,833,508,728	236,656,000	268,927,272	7,965,576,371	25,458,812,514	31.29%	10.11							
2008	5,686,682,890	1,583,855,220	20,772,966,029	20,772,966,029	463,957,189	742,331,502	221,175,070	251,335,307	7,955,670,369	21,766,632,838	36.55%	9.57							
2009	5,993,230,710	1,803,864,330	22,277,414,400	22,277,414,400	15,192,330	151,923,300	224,151,810	254,717,966	8,036,439,180	22,684,055,666	35.43%	8.64							
2010	5,719,180,580	1,844,459,770	21,610,401,000	21,610,401,000	8,135,430	162,708,600	229,648,530	260,964,239	7,801,424,310	22,034,073,839	35.41%	8.93							
2011	5,713,922,440	1,720,761,670	21,241,954,600	21,241,954,600	0	0	431,183,570	489,981,330	7,865,867,680	21,731,935,930	36.19%	9.05							

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for machinery and equipment and 23 percent for inventories. The general business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and zero for 2009. Effective for 2009, telecommunications is the only remaining type of personal property tax. This will be phased out by 2011. The percentages for telecommunications are 10% for 2009, 5% for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, and 2 1/2% and homestead exemptions before being billed.

Source: Butler County Auditor



**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years

Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Unvoted Millage</b>										
Operating	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000
Miami Conservancy	0.030000	0.030000	0.020000	0.020000	0.020000	0.030000	0.030000	0.030000	0.025000	0.000000
<b>Voted Millage - by levy</b>										
1976 Developmental Disabilities										
Residential/Agricultural Real	0.152420	0.132031	0.131608	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.229190	0.212108	0.217192	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.500000	0.500000	0.500000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1984 Developmental Disabilities										
Residential/Agricultural Real	0.257540	0.223083	0.222369	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.311575	0.288360	0.295272	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.500000	0.500000	0.500000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1986 Developmental Disabilities										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
2000 Developmental Disabilities										
Residential/Agricultural Real	1.961432	1.699012	1.693572	1.680580	1.574030	1.562380	1.557960	1.491100	1.571612	1.491100
Commercial/Industrial and Public Utility Real	2.000000	1.850980	1.895346	1.898520	1.866870	1.889570	1.879520	1.690228	1.771412	1.690230
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2004 Mental Retardation Board										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.992330	0.929410	0.922533	0.919930	0.880446	0.927985	0.880440
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	1.000000	0.983330	0.995289	0.989994	0.890289	0.933051	0.890290
General Business and Public Utility Personal	0.000000	0.000000	0.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
1985 Mental Health Board										
Residential/Agricultural Real	0.282647	0.244832	0.244048	0.242180	0.226820	0.225140	0.224507	0.214873	0.226475	0.214873
Commercial/Industrial and Public Utility Real	0.320131	0.296278	0.303380	0.303890	0.298820	0.302460	0.300847	0.270548	0.283543	0.270548
General Business and Public Utility Personal	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000
2006 Mental Health Board										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.992597	0.989791	0.947314	0.998464	0.947314
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.994679	0.894502	0.937466	0.894502
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	1.000000	1.000000	1.000000	1.000000
2006 Animal Shelter										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.496298	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.500000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.500000	0.000000	0.000000	0.000000	0.000000
1989 Childrens Services Agency										
Residential/Agricultural Real	1.192560	1.033010	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	1.394750	1.290830	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	2.000000	2.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

(Continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (Continued)

Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>2008 Childrens Services Agency</b>										
Residential/Agricultural Real	0.000000	0.000000	1.993596	1.978300	1.852870	1.839160	1.833960	1.910580	2.000000	2.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	2.000000	2.000000	1.966660	1.990580	1.979990	1.800000	1.884962	1.943610
General Business and Public Utility Personal	0.000000	0.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
<b>1996 Senior Citizens</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>2001 Senior Citizens</b>										
Residential/Agricultural Real	1.290163	1.117552	1.113974	1.105428	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	1.300000	1.203137	1.231975	1.234037	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	1.300000	1.300000	1.300000	1.300000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>2005 Senior Citizens</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	1.873200	1.805933	1.854074	1.153429	1.215708	1.300000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	1.966660	1.990580	1.979988	1.157376	1.212966	1.300000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	2.000000	2.000000	2.000000	1.300000	1.300000	1.300000
<b>Total voted millage by type of property</b>										
Residential/Agricultural Real	5.136762	4.449520	5.399167	5.998818	6.456330	7.897440	7.380220	6.601330	6.940244	7.291217
Commercial/Industrial and Public Utility Real	5.555646	5.141693	5.943165	6.436447	7.082340	8.668480	8.125020	6.701520	7.023400	7.030946
General Business and Public Utility Personal	6.800000	6.800000	6.800000	6.800000	7.500000	9.000000	8.500000	7.800000	7.800000	7.800000
<b>Total millage by type of property</b>										
Residential/Agricultural Real	7.086762	6.389510	7.339167	7.938818	8.396330	9.847440	9.330210	8.551330	8.885244	8.950946
Commercial/Industrial and Public Utility Real	7.505646	7.081700	7.883165	8.376447	9.022340	10.618480	10.075010	8.651517	8.968400	9.211217
General Business and Public Utility Personal	8.750000	8.750000	8.750000	8.740000	9.440000	10.950000	10.450000	9.750000	9.745000	9.720000
<b>Rates by Taxing District</b>										
<b>Cities</b>										
<b>Fairfield</b>										
Residential/Agricultural Real	5.902716	5.355407	5.357406	5.349340	5.022210	5.012060	5.005792	4.883836	5.103153	5.107734
Commercial/Industrial and Public Utility Real	5.940000	5.461680	5.527773	5.584060	5.374590	5.429240	5.422343	4.995511	5.227276	5.280825
General Business and Public Utility Personal	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000
<b>Hamilton</b>										
Residential/Agricultural Real	5.120000	6.795640	6.799024	6.834730	6.694920	6.689172	6.688394	6.654314	6.739920	6.394930
Commercial/Industrial and Public Utility Real	5.120000	7.016720	7.066028	7.145890	7.090280	7.119230	7.141428	6.944668	7.038468	6.736200
General Business and Public Utility Personal	5.120000	7.120000	7.120000	7.160000	7.160000	7.160000	7.160000	7.160000	7.160000	6.810000
<b>Middletown</b>										
Residential/Agricultural Real	5.860000	5.860000	5.880000	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000
Commercial/Industrial and Public Utility Real	5.860000	5.860000	5.880000	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000
General Business and Public Utility Personal	5.860000	5.860000	5.880000	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000



**Butler County, Ohio**  
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 (Continued)

Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Monroe</b>										
Residential/Agricultural Real	6.466460	5.789340	7.064290	6.987370	7.018950	6.181140	6.143540	5.922472	4.909746	4.906790
Commercial/Industrial and Public Utility Real	8.391480	8.214470	10.012546	10.003930	10.030010	8.519890	8.552396	8.071304	6.984608	7.160564
General Business and Public Utility Personal	9.850000	9.850000	11.170000	11.170000	11.170000	9.320000	9.320000	9.320000	8.000000	8.000000
<b>Oxford</b>										
Residential/Agricultural Real	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
Commercial/Industrial and Public Utility Real	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
General Business and Public Utility Personal	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
<b>Trenton</b>										
Residential/Agricultural Real	4.544470	4.401880	4.392710	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000
Commercial/Industrial and Public Utility Real	4.568040	4.432340	4.434132	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000
General Business and Public Utility Personal	4.740000	4.740000	4.740000	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000
<b>Villages</b>										
<b>College Corner</b>										
Residential/Agricultural Real	6.155720	5.500660	5.500662	5.500950	5.493570	5.492928	5.492701	4.817569	4.972263	11.968741
Commercial/Industrial and Public Utility Real	7.603720	6.793680	6.842042	6.842040	6.383660	6.383665	6.383665	6.254188	6.254188	13.254188
General Business and Public Utility Personal	14.400000	14.400000	14.400000	14.400000	14.400000	14.400000	14.400000	14.400000	14.400000	21.400000
<b>Jacksonburg</b>										
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial and Public Utility Real	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
<b>Millville</b>										
Residential/Agricultural Real	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	5.300000
Commercial/Industrial and Public Utility Real	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	5.300000
General Business and Public Utility Personal	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	2.300000	5.300000
<b>New Miami</b>										
Residential/Agricultural Real	7.994880	7.295260	7.302594	7.302590	7.054630	7.057468	3.300000	3.137033	6.733900	6.744869
Commercial/Industrial and Public Utility Real	8.200410	7.515880	7.515910	7.515910	7.173600	7.055503	3.300000	3.193293	6.797783	6.821690
General Business and Public Utility Personal	8.300000	8.300000	8.300000	8.300000	8.300000	8.300000	3.300000	3.300000	8.300000	8.300000
<b>Sevenmile</b>										
Residential/Agricultural Real	5.660270	5.256997	5.158510	5.157520	7.054640	3.705286	3.706631	3.615387	2.730000	2.730000
Commercial/Industrial and Public Utility Real	6.404420	6.182690	6.082690	6.082690	7.179360	4.709944	4.709945	4.569314	2.730000	2.730000
General Business and Public Utility Personal	7.020000	6.820000	6.720000	6.720000	6.720000	5.420000	5.420000	5.420000	2.730000	2.730000
<b>Somerville</b>										
Residential/Agricultural Real	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000
Commercial/Industrial and Public Utility Real	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000
General Business and Public Utility Personal	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000

**Butler County, Ohio**  
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Townships	Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fairfield	Residential/Agricultural Real	6.849750	6.008240	5.968270	5.938660	5.693140	5.634990	5.620972	5.400695	5.613072	5.617184
	Commercial/Industrial and Public Utility Real	7.190000	6.167896	6.389860	5.169550	5.754300	6.075460	5.338238	5.566851	5.814574	5.739544
	General Business and Public Utility Personal	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000
Fairfield - Fire District	Residential/Agricultural Real	11.558140	10.005530	9.931050	9.876160	9.423640	9.315810	9.289817	8.884015	-	-
	Commercial/Industrial and Public Utility Real	12.190000	10.258630	10.682240	8.370580	9.476440	10.081580	8.696778	9.130686	-	-
	General Business and Public Utility Personal	12.190000	12.190000	12.190000	12.190000	12.190000	12.190000	12.190000	12.190000	-	-
Hanover	Residential/Agricultural Real	2.720000	2.720000	2.720000	2.720000	2.720000	4.463410	4.457841	4.394456	4.470000	4.470000
	Commercial/Industrial and Public Utility Real	2.720000	2.720000	2.720000	2.720000	2.720000	4.458660	4.459544	4.364491	4.463079	4.470000
	General Business and Public Utility Personal	2.720000	2.720000	2.720000	2.720000	2.720000	4.470000	4.470000	4.470000	4.470000	4.470000
Liberty	Residential/Agricultural Real	9.447010	8.609295	8.469390	8.298120	8.080190	9.072858	9.037356	8.883259	10.013705	10.558480
	Commercial/Industrial and Public Utility Real	9.050240	8.814520	8.804170	8.515520	8.744240	9.765146	9.527537	8.767764	8.933331	10.171996
	General Business and Public Utility Personal	10.590000	10.590000	10.590000	10.590000	10.590000	11.090000	11.090000	11.090000	11.090000	11.590000
Madison	Residential/Agricultural Real	1.744020	1.671610	1.671460	1.670620	1.625840	1.626605	1.626586	1.621594	1.642768	3.643671
	Commercial/Industrial and Public Utility Real	1.887110	1.838760	1.846680	1.869080	1.849530	1.852322	1.848355	1.808983	1.809461	3.818551
	General Business and Public Utility Personal	2.260000	2.260000	2.260000	2.260000	2.260000	2.260000	2.260000	2.260000	2.260000	4.260000
Milford	Residential/Agricultural Real	4.647830	4.485000	4.494770	4.494460	4.323200	6.325170	6.310499	5.947213	6.089780	6.093804
	Commercial/Industrial and Public Utility Real	5.104500	4.996767	4.996770	4.996770	4.926520	6.887879	6.857308	6.336943	6.338946	6.389011
	General Business and Public Utility Personal	5.740000	5.740000	5.740000	5.740000	5.740000	7.740000	7.740000	7.740000	7.740000	7.740000
Morgan	Residential/Agricultural Real	5.549380	5.216150	5.467290	5.457310	5.126850	5.588967	5.584894	6.066668	6.183757	6.188990
	Commercial/Industrial and Public Utility Real	5.611320	5.023250	5.298200	5.298200	5.230220	5.684251	5.684251	5.974980	6.124875	6.115224
	General Business and Public Utility Personal	5.720000	5.720000	5.720000	5.720000	5.720000	5.720000	5.720000	6.220000	6.220000	6.220000
Oxford	Residential/Agricultural Real	5.601830	5.201140	6.959040	6.952110	6.178240	6.172409	6.148158	5.761907	6.016532	6.031050
	Commercial/Industrial and Public Utility Real	6.511880	6.488999	8.239000	8.239000	7.641700	6.480600	6.216652	3.556455	3.556455	3.590540
	General Business and Public Utility Personal	7.840000	7.840000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000
Reily	Residential/Agricultural Real	6.755790	6.448920	7.390000	7.369150	7.052330	7.045005	7.042639	7.012669	7.202841	7.206026
	Commercial/Industrial and Public Utility Real	7.236380	6.796020	7.390000	7.390000	7.327890	7.327889	7.327889	7.351738	7.291594	7.291594
	General Business and Public Utility Personal	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000
Ross	Residential/Agricultural Real	6.430500	6.107200	6.079340	6.337140	6.002720	6.578420	6.567461	6.165227	6.316230	6.322609
	Commercial/Industrial and Public Utility Real	6.503920	6.189170	6.212570	6.474850	6.226000	6.652570	6.644201	6.020518	6.123685	6.124436
	General Business and Public Utility Personal	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000

**Butler County, Ohio**  
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Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>St Clair</b>										
Residential/Agricultural Real	3.823430	3.695440	4.143910	4.468510	4.441450	4.445978	4.445095	4.158202	4.249082	4.253621
Commercial/Industrial and Public Utility Real	3.845930	3.860770	4.236340	4.466890	4.452910	4.444570	4.449051	4.419493	4.470000	4.470000
General Business and Public Utility Personal	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000
<b>Wayne</b>										
Residential/Agricultural Real	3.567170	3.464180	3.464690	4.761640	4.601550	4.596910	3.456438	3.368540	4.729232	4.731047
Commercial/Industrial and Public Utility Real	3.580000	3.480590	3.477660	4.777660	4.812740	4.812741	3.550552	3.460201	4.770201	4.770201
General Business and Public Utility Personal	3.580000	3.580000	3.580000	4.880000	4.880000	4.880000	3.580000	3.580000	4.890000	4.890000
<b>West Chester</b>										
Residential/Agricultural Real	12.390190	11.298500	11.283004	11.205488	10.869220	13.298642	13.246766	12.602738	13.028126	14.419072
Commercial/Industrial and Public Utility Real	12.440960	12.019120	12.243240	12.034369	12.226040	14.429398	14.245764	12.696286	13.165746	14.262004
General Business and Public Utility Personal	13.090000	13.090000	13.090000	13.090000	13.090000	14.590000	14.590000	14.590000	14.590000	14.590000
<b>Joint Vocational Schools</b>										
<b>Butler County JVS</b>										
Residential/Agricultural Real	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
Commercial/Industrial and Public Utility Real	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
General Business and Public Utility Personal	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
<b>Great oaks JVS</b>										
Residential/Agricultural Real	2.337120	2.138850	2.115380	2.108827	2.000000	2.000000	2.000000	2.000000	2.015685	2.030848
Commercial/Industrial and Public Utility Real	2.487280	2.345050	2.365350	2.376635	2.236930	2.219364	2.210809	2.113835	2.138073	2.213681
General Business and Public Utility Personal	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000
<b>Miami Valley Tech JVS</b>										
Residential/Agricultural Real	2.000000	2.306888	2.295850	2.275391	2.108440	2.098318	2.066068	2.039676	2.053296	2.053789
Commercial/Industrial and Public Utility Real	2.256020	2.332630	2.336540	2.348741	2.254050	2.259504	2.239154	2.165135	2.190694	2.219158
General Business and Public Utility Personal	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000
<b>Schools</b>										
<b>Edgewood City</b>										
Residential/Agricultural Real	32.737080	30.276350	30.212360	30.039707	35.280720	35.280013	35.130009	32.630020	36.802972	35.715764
Commercial/Industrial and Public Utility Real	33.741290	33.406680	33.399660	33.389481	39.834270	39.807444	39.712012	36.101977	40.731181	40.172190
General Business and Public Utility Personal	43.760000	43.760000	43.760000	43.760000	50.640000	50.640000	50.490000	47.990000	50.990000	49.876000
<b>Fairfield City</b>										
Residential/Agricultural Real	29.954670	27.057240	28.484670	33.238181	31.550480	31.401270	31.351328	28.714319	29.740269	29.842606
Commercial/Industrial and Public Utility Real	33.050700	30.285420	31.982800	36.817828	35.693840	36.141470	35.823366	31.666282	32.972128	33.336082
General Business and Public Utility Personal	54.110000	53.820000	53.820000	58.660000	58.600000	58.600000	58.600000	56.590000	56.520000	56.600000
<b>Hamilton City</b>										
Residential/Agricultural Real	27.643530	27.200020	27.437440	27.400021	27.200010	32.607930	32.607554	32.486564	33.681083	33.742977
Commercial/Industrial and Public Utility Real	34.238230	32.656640	33.392830	33.929301	32.967340	38.679349	38.964789	36.448336	37.690444	38.378912
General Business and Public Utility Personal	48.210000	48.010000	48.210000	48.210000	48.010000	53.420000	53.420000	53.310000	53.420000	53.420000
<b>Lakota Local</b>										
Residential/Agricultural Real	38.710420	34.206580	33.233840	32.928702	37.611330	37.012536	36.845748	35.757201	36.683458	37.227670
Commercial/Industrial and Public Utility Real	39.148370	36.610060	36.309440	35.710490	41.818480	41.906875	41.339911	37.509908	38.455457	40.307800
General Business and Public Utility Personal	61.880000	60.840000	60.040000	60.040000	65.640000	65.390000	65.390000	65.340000	65.340000	65.840000

(Continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (Continued)

Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Madison Local</b>										
Residential/Agricultural Real	30.000010	29.300003	29.150010	29.100005	36.500020	36.537476	36.043960	36.350004	37.856213	38.142340
Commercial/Industrial and Public Utility Real	30.202760	29.300010	29.471050	30.352334	37.177640	37.291347	36.644537	36.350016	36.868837	37.472410
General Business and Public Utility Personal	36.540000	32.140000	31.990000	31.940000	39.340000	39.340000	38.850000	39.190000	39.690000	39.940000
<b>Middletown City</b>										
Residential/Agricultural Real	31.590000	30.390000	34.898720	34.893822	41.940000	41.940000	42.576939	42.861275	45.669670	45.716950
Commercial/Industrial and Public Utility Real	31.624660	30.390000	35.330440	35.836170	45.522610	42.201794	43.004439	42.560003	44.522186	44.917230
General Business and Public Utility Personal	34.780000	33.580000	38.080000	38.080000	45.130000	45.130000	45.750000	45.750000	47.000000	46.994000
<b>Monroe Local</b>										
Residential/Agricultural Real	39.930010	0.000000	37.250010	36.620008	36.890010	41.440008	40.850008	40.100008	38.934155	37.463740
Commercial/Industrial and Public Utility Real	40.324490	0.000000	38.326150	37.678024	38.012130	42.290586	41.780025	40.100008	38.206936	38.185060
General Business and Public Utility Personal	43.360000	0.000000	40.680000	40.050000	40.320000	44.870000	44.280000	43.530000	41.038000	39.580000
<b>New Miami Local</b>										
Residential/Agricultural Real	24.329610	24.255750	24.292197	24.295220	24.241560	24.241093	24.240991	24.174075	25.316237	25.393200
Commercial/Industrial and Public Utility Real	24.331360	24.305280	24.305310	24.302314	24.286610	24.277540	24.276447	24.227391	24.517561	24.549360
General Business and Public Utility Personal	29.420000	29.420000	29.420000	29.420000	29.420000	29.420000	29.420000	29.420000	29.570000	29.570000
<b>Ross Local</b>										
Residential/Agricultural Real	24.567340	28.942950	28.874050	28.647428	26.719950	26.700024	26.500011	26.180016	25.650243	25.379749
Commercial/Industrial and Public Utility Real	27.256790	31.110140	31.172610	31.125162	29.848490	29.874938	29.648716	26.882420	26.181202	26.004626
General Business and Public Utility Personal	45.730000	51.980000	51.980000	51.980000	51.730000	51.730000	51.530000	51.210000	50.030000	49.730000
<b>Talawanda City</b>										
Residential/Agricultural Real	26.315170	24.244430	25.454270	25.371832	23.170020	23.170026	23.150032	27.820025	28.754159	28.733986
Commercial/Industrial and Public Utility Real	27.938290	25.215300	26.776220	26.868961	25.521640	25.638202	25.656717	28.002809	29.551230	30.583940
General Business and Public Utility Personal	50.300000	50.300000	51.490000	51.490000	51.470000	51.470000	51.450000	56.120000	56.170000	56.130000
<b>Out-of-County School Districts</b>										
<b>College Corner Local</b>										
Residential/Agricultural Real	24.719430	24.304880	24.322310	24.331136	24.376750	24.384300	24.383859	23.699491	24.161005	24.265730
Commercial/Industrial and Public Utility Real	25.775040	25.135070	25.236190	25.236190	24.764910	24.764910	24.764913	24.662707	24.662707	24.559660
General Business and Public Utility Personal	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000

(Continued)

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
 (Per \$1,000 Assessed Value)  
 Last Ten Years  
 (Continued)

Collection Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Mason Local										
Residential/Agricultural Real	37.735140	38.767620	37.956760	37.590621	43.747320	41.001409	42.491636	42.419539	45.489175	45.506050
Commercial/Industrial and Public Utility Real	40.647560	41.790580	42.854880	42.083885	48.179000	43.762300	45.158847	44.952516	43.980983	44.161320
General Business and Public Utility Personal	71.110000	72.610000	74.110000	74.110000	80.650000	81.760000	83.450000	83.450000	83.450000	83.450000
Northwest Local										
Residential/Agricultural Real	28.543390	26.892850	26.846691	26.802634	23.967400	23.823540	27.684315	28.158611	28.190966	28.258058
Commercial/Industrial and Public Utility Real	32.319740	30.137590	30.411120	30.765299	28.336620	27.989296	31.568016	31.648585	32.084438	32.804058
General Business and Public Utility Personal	49.800000	49.640000	49.640000	49.640000	49.640000	49.500000	53.390000	53.560000	53.570000	53.600000
Preble Shawnee Local										
Residential/Agricultural Real	25.489010	25.441300	22.990000	23.440863	23.398180	23.399192	23.399040	23.374305	23.374884	23.375830
Commercial/Industrial and Public Utility Real	25.485910	25.476799	22.990000	23.481721	23.440910	23.442185	23.442186	23.432161	23.432091	23.431880
General Business and Public Utility Personal	25.490000	25.490000	23.490000	23.490000	23.490000	23.490000	23.490000	23.490000	23.490000	23.490000
Princeton Local										
Residential/Agricultural Real	24.696310	22.936280	25.993380	25.977801	23.481060	23.423617	23.428671	23.534428	23.664862	25.193000
Commercial/Industrial and Public Utility Real	29.538320	28.039750	31.512040	31.901807	30.134730	30.370811	29.929559	29.123722	29.745365	33.112690
General Business and Public Utility Personal	46.190000	45.790000	49.030000	49.030000	49.030000	49.030000	49.030000	48.990000	48.990000	50.480000
Southwest Local										
Residential/Agricultural Real	25.745740	25.319130	25.121570	24.945052	24.468310	23.620010	23.620025	23.460014	23.350033	23.048470
Commercial/Industrial and Public Utility Real	31.042640	29.475797	29.226450	28.993897	27.081580	26.131420	26.080145	25.007211	24.917567	24.856550
General Business and Public Utility Personal	47.750000	47.440000	47.250000	47.080000	46.680000	45.300000	45.300000	45.140000	44.980000	44.680000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Real property tax rates are reduced so that inflationary increases in value do not generate ad Real property is reappraised every six years and property values are updated in the third year following each reappraisal. Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Source: Butler County Auditor

**Butler County, Ohio**  
**Property Tax Levies and Collections (1)**  
**Last Ten Years**

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2002	\$ 39,050,967	\$ 37,431,914	95.85 %	\$ 1,166,797	\$ 38,598,711	98.84 %
2003	41,908,616	40,079,541	95.64	1,288,439	41,367,980	98.71
2004	48,245,395	46,139,554	95.64	1,642,553	47,782,107	99.04
2005	53,335,484	51,293,478	96.17	1,741,707	53,035,185	99.44
2006	61,493,150	58,964,700	95.89	2,096,044	61,060,744	99.30
2007	80,547,889	74,545,921	92.55	2,937,556	77,483,477	96.20
2008	76,057,818	69,182,604	90.96	3,554,162	72,736,766	95.63
2009	69,043,097	64,983,254	94.12	2,629,019	67,612,273	97.93
2010	69,597,356	65,714,900	94.42	1,640,881	67,355,781	96.78
2011	71,186,424	67,414,921	94.70	2,638,007	70,052,928	98.41

**Source: Butler County Auditor**

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) The County does not identify delinquent tax collections by tax year.

Note: Resources have not been externally restricted for the repayment of debt.

**Butler County, Ohio  
Principal Taxpayers  
Real Estate Tax  
2011 and 2003 (1)**

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Property Assessed Value
Duke Realty Ohio	16,684,760	0.21 %
MillerCoors LLC	15,987,310	0.20
AK Steel Corporation	13,324,160	0.17
Meijer Stores LTD PRT	12,955,110	0.16
First Industrial LP	11,300,840	0.14
US Industrial REIT III Midwest	10,780,000	0.14
Boymel Sam TR	10,353,640	0.13
DCT Port Union LLC	9,311,450	0.12
Dugan Financing LLC	9,146,580	0.12
Cincinnati Lesaint Industrial	9,100,000	0.12
Totals	<u>\$118,943,850</u>	<u>1.51 %</u>
Total Assessed Valuation	<u>\$7,865,867,680</u>	
Name of Taxpayer	2003	
	Assessed Value	Percent of Real Property Assessed Value
Dugan Financing LLC	\$44,197,930	0.63 %
Cincinnati Financial Insurance	29,611,470	0.42
MillerCoors LLC	25,539,850	0.36
AK Steel Corp.	22,455,780	0.32
Meijer Stores LTD PRT	14,336,250	0.20
Security Capital	13,106,870	0.19
Centerpoint Realty	13,105,870	0.19
Distribution Funding Services	12,963,830	0.18
Duke Realty LLC	12,791,250	0.18
Smart Papers	12,782,920	0.18
.	<u>\$200,892,020</u>	<u>2.86 %</u>
Total Assessed Valuation	<u>\$7,026,539,577</u>	

**(1) The amounts presented represent the assessed values upon which 2011 and 2003 collections were based.**

**Note: Information prior to 2002 not available**

**Source: Butler County Auditor**

**Butler County, Ohio  
Principal Taxpayers  
Public Utilities Personal Property Tax  
2011 and 2003 (1)**

Name of Taxpayer	2011	
	Assessed Value	Percent of Public Utility Assessed Value
Duke Energy Ohio Inc.	\$ 133,350,920	30.92 %
Rockies Express Pipeline LLC	131,554,630	30.51
Duke Energy Kentucky Inc	24,423,480	5.66
Butler Rural Electric	10,218,250	2.37
Texas Eastern Transmission Corp	6,733,330	1.56
Bank of America Leasing	3,680,710	0.85
Texas Gas Transmission LLC	3,497,290	0.81
Dayton Power and Light Co	3,453,730	0.80
Ohio Power Company	431,650	0.10
ANR Pipeline Company	396,560	0.09
<b>Total</b>	<b>\$ 317,740,550</b>	<b>73.69 %</b>
<b>Total Assessed Valuation</b>	<b>\$ 431,183,570</b>	

Name of Taxpayer	2003	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone Co.	\$ 9,673,690	3.74 %
Dayton Power & Light	3,369,910	1.30
Norfolk Southern Combined	2,911,320	1.13
MCI Worldcom Network Svcs.	2,114,700	0.82
Qwest Communications	1,581,070	0.61
Nextel West Corp.	762,730	0.30
Ohio Telephone	523,980	0.20
KMC Funding Corp.	406,950	0.16
Mid Valley Pipeline Co.	282,280	0.11
Genuity Solutions Inc.	226,550	0.09
<b>Total</b>	<b>\$ 21,853,180</b>	<b>8.45 %</b>
<b>Total Assessed Valuation</b>	<b>\$ 258,533,610</b>	

**(1) The amounts presented represent the assessed values upon which 2011 and 2003 collections were based.**

**Note: Information prior to 2002 not available**

**Source: Butler County Auditor**



**Butler County, Ohio**  
**Ratios of Outstanding Debt By Type**  
**Last Ten Years**

Year	Governmental Activities										Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Sales Tax Bonds	Special Assessment Bonds	Loans Payable	Capital Leases	Long-Term Notes	Short-Term Notes (1)	General Obligation Bonds	Water Judgement Bonds	Revenue Bonds	Loans	Long-Term Notes	Short-Term Notes					
2002	\$ 49,173,461	\$ 25,925,000	\$ 13,511,000	\$ 1,103,476	\$ 85,516	\$11,485,000	\$ 23,085,000	\$ 918,368	\$35,552,419	\$ 93,773,315	\$ -	\$ -	\$ 1,945,000	\$ 256,537,555	2.50%	8		
2003	47,535,289	24,890,000	12,748,000	1,024,945	133,800	14,485,000	-	691,770	35,470,652	89,520,000	-	4,830,000	27,765,000	259,094,456	2.43	758		
2004	58,404,314	23,810,000	9,881,000	1,972,576	104,283	15,470,000	18,655,000	485,172	35,198,885	89,614,650	371,750	8,400,000	9,250,000	271,697,630	2.46	788		
2005	49,038,755	28,445,688	10,510,000	1,802,025	2,810,544	17,105,000	15,140,000	838,574	34,747,118	98,674,880	4,610,110	-	7,500,000	271,222,594	2.36	778		
2006	64,630,026	27,749,172	10,003,310	1,627,870	1,999,412	-	21,460,000	3,793,870	34,110,351	97,204,913	5,209,474	-	-	267,788,398	2.23	757		
2007	61,605,330	26,532,756	9,466,643	1,824,765	2,532,262	-	34,643,000	4,656,680	32,976,751	91,499,366	5,883,636	-	-	271,621,189	2.16	758		
2008	58,498,514	24,751,340	12,305,218	1,643,071	2,512,592	-	30,463,000	4,630,087	31,904,658	85,567,039	5,696,103	-	-	257,971,622	2.01	715		
2009	57,022,131	22,909,924	11,658,332	2,119,417	2,704,140	-	30,113,000	18,205,306	30,677,565	60,427,852	8,422,166	-	-	244,259,833	1.94	673		
2010	72,648,168	13,267,896	10,930,900	2,488,072	1,461,478	-	17,735,000	15,117,345	29,405,472	58,026,745	12,476,499	-	-	233,557,575	1.80	634		
2011	68,653,423	11,290,746	10,167,413	2,553,276	439,631	-	18,820,000	11,908,086	28,083,379	55,543,608	12,885,469	-	-	220,345,031	1.75	596		

(1) The Short-Term Notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued.

Source: Butler County Auditor

**Butler County, Ohio**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Years**

Year	General Obligation Bonds	Total Estimated Actual Value	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
2002	\$ 50,091,829	\$ 18,162,736,915	0.28 %	\$ 147.78
2003	48,227,059	20,711,348,462	0.23	141.11
2004	58,869,486	21,139,995,224	0.28	170.68
2005	49,877,329	21,703,617,728	0.23	143.15
2006	68,423,896	24,131,041,720	0.28	193.35
2007	66,262,010	25,458,812,514	0.26	185.03
2008	63,128,601	21,766,632,838	0.29	174.99
2009	75,227,437	22,684,055,666	0.33	207.13
2010	87,765,513	22,034,073,839	0.40	238.41
2011	80,561,509	21,731,935,930	0.37	217.73

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Computation of Legal Debt Margin**  
**Last Ten Years**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Tax Valuation	\$ 6,148,864,733	\$ 7,026,539,577	\$ 7,161,517,611	\$ 7,359,389,352	\$ 7,937,495,027	\$ 7,965,576,371	\$ 7,955,670,369	\$ 8,036,439,180	\$ 7,801,424,310	\$ 7,865,867,680
Debt Limit (1)	\$ 152,221,618	\$ 179,163,489	\$ 177,537,940	\$ 182,484,734	\$ 196,937,376	\$ 197,639,409	\$ 197,391,759	\$ 199,410,980	\$ 193,535,608	\$ 195,146,692
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	18,047,784	16,425,000	28,700,000	20,495,000	30,780,000	30,213,576	28,524,099	26,367,977	35,532,759	33,098,058
General Obligation Notes	15,385,000	15,710,000	15,600,000	14,885,000	7,205,000	15,355,000	15,995,000	15,900,000	13,865,000	14,605,000
General Obligation Loans	-	-	-	-	137,346	458,768	403,310	529,136	396,852	264,568
Amount of Debt Subject to Limit	33,432,784	32,135,000	44,300,000	35,380,000	38,122,346	46,027,344	44,922,409	42,797,113	49,784,611	47,967,626
Legal Debt Margin	\$ 1,18,788,834	\$ 147,028,489	\$ 133,237,940	\$ 147,104,734	\$ 158,815,030	\$ 151,612,065	\$ 152,469,350	\$ 156,613,867	\$ 143,750,997	\$ 147,179,066
Legal Debt Margin as a Percentage of the Debt Limit	78.04%	82.06%	75.05%	80.61%	80.64%	76.71%	77.24%	78.54%	74.28%	75.42%
Unvoted Debt Limit (2)	\$ 61,488,647	\$ 70,265,396	\$ 71,615,176	\$ 73,693,894	\$ 79,374,950	\$ 79,655,764	\$ 79,556,704	\$ 80,364,392	\$ 78,014,243	\$ 78,658,677
Amount of Debt Subject to Limit	33,432,784	32,898,000	44,300,000	35,380,000	38,122,346	46,027,344	44,922,409	42,797,113	49,784,611	47,967,626
Unvoted Legal Debt Margin	\$ 28,055,863	\$ 37,367,396	\$ 27,315,176	\$ 38,213,894	\$ 41,252,604	\$ 33,628,420	\$ 34,634,295	\$ 37,567,279	\$ 28,229,632	\$ 30,691,051
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	45.63%	53.18%	38.14%	51.93%	51.97%	42.22%	43.53%	46.75%	36.19%	39.02%

(1) Ohio Bond Law sets a limit calculated as follows:  
 Three percent of the first \$100,000,000 of the tax valuation  
 One and one-half percent of the next \$200,000,000 of the tax valuation  
 Two and one-half percent of the amount of the tax valuation in excess of \$300,000,000

(2) Ohio Bond Law sets a limit of one percent of the tax valuation

(3) Information not available prior to 2002

Source: Butler County Auditor

**Butler County, Ohio**  
**Pledged Revenue Coverage**  
**Last Ten Years**

Sewer Pledged Revenue

Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other (2)	Net Non-Operating Rev (Exp) (3)	Net Available Revenue (4)	Debt Service (5)		Coverage
								Principal (6)	Interest (6)	
2002	\$ 16,854,168	\$ 11,070,073	\$ 5,784,095	\$ 6,762,444	\$ 716,403	\$ 7,478,847	\$ 13,262,942	\$ 2,900,000	\$ 2,946,367	2.27 %
2003	16,947,133	11,944,257	5,002,876	7,958,313	612,134	8,570,447	13,573,323	3,040,000	3,077,642	2.22
2004	17,778,094	13,209,048	4,569,046	9,014,420	2,798,802	11,813,222	16,382,268	2,785,000	2,725,944	2.97
2005	18,451,160	14,517,963	3,933,197	9,196,888	10,040,054	19,236,942	23,170,139	3,645,000	2,772,472	3.61
2006	19,238,592	14,220,210	5,018,382	5,654,267	560,847	6,215,114	11,233,496	3,800,000	1,752,062	2.02
2007	21,011,439	14,409,447	6,601,992	3,952,630	561,743	4,514,373	11,116,365	3,980,580	2,639,131	1.68
2008	21,385,170	12,766,850	8,618,320	3,388,044	141,025	3,529,069	12,147,389	4,132,360	2,486,488	1.84
2009	18,759,922	11,551,662	7,208,260	3,310,028	675,006	3,985,034	11,193,294	1,354,220	1,871,886	3.47
2010	18,311,915	10,339,223	7,972,692	2,779,677	75,781	2,855,458	10,828,150	1,475,687	1,779,554	3.33
2011	17,771,799	10,937,193	6,834,606	4,166,615	69,839	4,236,454	11,071,060	1,526,471	1,727,360	3.40

Water Pledged Revenue

Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other (2)	Net Non-Operating Rev (Exp) (3)	Net Available Revenue (4)	Debt Service (5)		Coverage
								Principal (6)	Interest (6)	
2002	\$ 20,300,608	\$ 17,442,027	\$ 2,858,581	\$ 3,232,357	\$ 1,239,956	\$ 4,472,313	\$ 7,330,894	\$ 1,170,000	\$ 1,367,629	2.89
2003	16,675,326	14,266,723	2,408,603	3,368,055	1,318,859	4,686,914	7,095,517	1,215,000	1,459,589	2.65
2004	19,539,968	14,438,596	5,101,372	4,153,770	2,283,690	6,437,460	11,538,832	1,260,000	1,421,566	4.30
2005	22,029,345	18,879,165	3,150,180	4,629,241	9,168,934	13,788,175	16,938,355	1,485,000	1,370,366	5.93
2006	22,186,770	16,636,338	5,550,432	2,923,530	729,728	3,653,258	9,203,690	1,900,000	1,814,159	2.48
2007	26,395,879	20,168,090	6,227,789	2,265,660	660,300	2,925,960	9,153,749	2,113,882	1,900,573	2.28
2008	23,839,865	17,094,090	6,745,775	1,953,742	284,638	2,238,380	8,984,155	2,217,533	1,823,212	2.22
2009	20,468,437	16,456,494	4,011,943	1,688,432	534,571	2,223,003	6,234,946	1,195,000	1,064,913	2.76
2010	20,939,038	16,810,215	4,128,823	1,226,297	320,381	1,546,678	5,675,501	1,493,896	1,187,180	2.12
2011	20,567,888	14,807,125	5,760,763	1,211,259	320,770	1,532,029	7,292,792	1,683,197	1,191,859	2.54

- (1) Operating expenses are shown exclusive of depreciation, per bond covenant.
- (2) Non-Operating Revenue (Expense) Other excludes capital grants, contributions, and transfers
- (3) Net non-operating Revenue (exp) are shown exclusive of interest and fiscal charges, per bond covenant.
- (4) Net Available Revenue includes Net Operating Revenue combined with Net Non-Operating Rev(exp).
- (5) Debt Service per bond redemption schedules for revenue bonds and loans.
- (6) Principal and Interest Expense shown are less amounts for current refunding bonds

Source: Butler County Auditor

(continued)

**Butler County, Ohio**  
**Pledged Revenue Coverage**  
**Last Ten Years**  
**(continued)**

Year	Sales Tax Revenue Bonds					Special Assessment Bonds						
	Sales Tax Revenues	Debt Service			Total Debt	Coverage	Special Assessment Collections	Debt Service			Total Debt	Coverage
		Principal	Interest					Principal	Interest			
2002	\$ 16,642,460	\$ 990,000	\$ 1,291,045	\$ 2,281,045	7.3 %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2003	17,182,889	1,035,000	1,249,465	2,284,465	7.52	1,884,272	763,000	536,103	1,299,103	1,45		
2004	18,047,011	1,080,000	1,204,443	2,284,443	7.90	1,563,809	587,000	537,466	1,124,466	1.39		
2005	19,503,113	1,100,000	700,434	1,800,434	10.83	1,380,252	615,000	509,519	1,124,519	1.23		
2006	40,662,394	680,000	1,266,775	1,946,775	20.89	1,374,653	506,690	531,040	1,037,730	1.32		
2007	41,317,071	1,200,000	1,242,975	2,442,975	16.91	1,405,765	610,170	505,912	1,116,082	1.26		
2008	33,408,493	1,765,000	1,200,975	2,965,975	11.26	1,101,044	570,670	434,080	1,004,750	1.10		
2009	31,843,586	1,825,000	1,134,100	2,959,100	10.76	1,234,683	653,200	607,958	1,261,158	0.98		
2010	30,225,506	9,600,000	1,075,325	10,675,325	2.83	1,553,034	733,740	530,357	1,264,097	1.23		
2011	30,779,103	1,965,000	614,225	2,579,225	11.93	1,484,639	759,300	497,674	1,256,974	1.18		

Source: Butler County Auditor

**Butler County, Ohio**  
**Demographic and Economic Statistics**  
**Last Ten Years**

Year	Population (1)	Total Personal Income	Per Capita Personal Income	Unemployment Rate (2)
2002	338,958	\$ 10,278,562,392	\$ 30,324	5.3%
2003	341,766	10,677,111,606	31,241	5.4%
2004	344,914	11,050,699,646	32,039	5.4%
2005	348,425	11,491,404,925	32,981	5.3%
2006	353,888	12,034,315,328	34,006	5.6%
2007	358,116	12,561,634,932	35,077	5.1%
2008	360,775	12,811,481,025	35,511	5.9%
2009	363,184	12,585,778,336	34,654	9.3%
2010	368,130	12,975,478,110	35,247	9.3%
2011	369,999	12,585,955,000	34,016	8.6%

**Note 1: Bureau of Economic Analysis. The 2001 through 2009 and 2011 population is estimated. The 2010 population reflects data collected by the United States Census Bureau**

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

**Note 3: (-) Information not available.**

**Butler County, Ohio  
Principal Employers  
2011-2002**

Employer	Nature of Business	2010 *		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	3,400	1	1.94 %
Cincinnati Financial Corp.	Financial	2,900	2	1.66
AK Steel	Steel Manufacturing	2,400	3	1.37
Butler County	Government	2,000	4	1.14
Lakota Local School District	Education	1,688	5	0.97
GE Aviation	Aerospace	1,675	6	0.96
Mercy Fairfield Hospital	Health Care	1,200	7	0.69
Hamilton City Schools	Education	1,114	8	0.64
Fort Hamilton Hospital	Health Care	1,036	9	0.59
Fairfield City Schools	Education	994	10	0.57
Total		<u>18,407</u>		<u>10.52</u> %
Total Employment within the County		<u>174,900</u>		

Employer	Nature of Business	2002		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	<b>Education</b>	4,200	1	3.08 %
AK Steel Corp	<b>Steel Manufacturing</b>	4,072	2	2.99
Cincinnati Financial Corp.	<b>Financial</b>	2,861	3	2.10
Butler County Government	<b>Governmental</b>	2,500	4	1.83
Fairfield City School District	<b>Education</b>	1,740	5	1.28
Lakota Local School District	<b>Education</b>	1,600	6	1.17
Middletown Regional Hospital	<b>Medical Care</b>	1,470	7	1.08
Mercy Regional Hospital	<b>Medical Care</b>	1,407	8	1.03
Ohio Casualty	<b>Insurance</b>	1,356	9	0.99
Ft. Hamilton Hughes Memorial Hospital	<b>Medical Care</b>	1,250	10	0.92
Total		<u>22,456</u>		<u>16.46</u> %
Total Employment within the County		<u>136,387</u>		

Source: Census Bureau  
Companies & Butler County Department of Development as of 12/31/11

\* 2011 data unavailable

**Butler County, Ohio**  
**County Government Employees by Function/Activity**  
**Last Nine Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Government</b>									
<b>Legislative and Executive</b>									
Auditor	16	19	21	22	21	18	16	14	11
Auditor Administration	-	-	-	-	-	-	5	6	4
Auditor Bureau of Motor Vehicles	12	10	10	11	9	8	-	-	-
Auditor Consumer Services	6	6	5	6	6	4	1	2	2
Auditor Dog and Kennel	2	2	2	2	2	2	1	1	1
Auditor Elected Official	1	1	1	1	1	1	1	1	1
Auditor GIS	-	-	-	-	-	6	5	4	2
Auditor Health Insurance	1	1	1	1	1	1	1	1	1
Auditor Information Services	36	38	34	21	21	1	1	1	1
Auditor Real Estate	49	36	31	35	38	33	28	26	22
Board of Elections	34	48	34	44	57	97	85	91	109
* Board of Elections Election Pay	-	-	-	-	-	-	1,735	2,672	3,071
Commissioners	12	11	12	11	12	11	9	10	11
Commissioners Criminal Justice Board	1	1	1	1	1	-	-	-	-
Commissioners Department of Development	24	25	27	26	25	23	16	12	11
Commissioners Dog and Kennel	4	4	4	4	5	5	5	5	4
Commissioners Elected Official	3	3	3	3	3	3	3	3	3
Commissioners Entitlement	4	4	4	5	5	6	6	6	7
Commissioners Information Services	-	-	-	-	-	25	23	19	19
Commissioners Mail Room	3	3	3	3	3	3	2	2	2
Commissioners Maintenance	7	7	6	6	6	7	6	4	5
Commissioners Parking Garage	5	5	4	3	3	3	3	3	3
Commissioners Records Center	8	11	11	12	12	9	4	3	4
Commissioners Regional Airport	1	1	1	1	1	1	1	1	1
Commissioners Tax Abatement	1	1	1	1	1	1	-	-	-
Prosecuting Attorney	50	49	47	52	52	55	54	51	53
Prosecuting Attorney CSEA	4	4	4	4	4	5	4	4	3
Prosecuting Attorney Domestic Violence	1	1	2	1	1	1	1	-	-
Prosecuting Attorney DTAC	5	5	6	6	6	6	7	6	7
Prosecuting Attorney Elected Official	1	1	1	1	1	1	1	1	1
Prosecuting Attorney Gun Control Grant	1	-	-	-	-	-	-	-	-
Prosecuting Attorney Juvenile VOCA	2	2	-	-	-	-	-	-	-
Prosecuting Attorney VOCA	1	1	3	3	3	3	3	3	3
Public Defender								6	38
Recorder	19	19	16	17	17	17	17	14	13
Recorder Elected Official	1	1	1	1	1	1	1	1	1
Treasurer	18	19	20	18	16	17	11	11	10
Treasurer DTAC	4	4	3	4	5	4	8	8	8
Treasurer Duplicate Bill	1	2	5	-	-	-	-	-	-
Treasurer Elected Official	1	1	1	1	1	1	1	1	1
Treasurer PPTax Collector	2	2	3	2	2	1	1	-	-
Treasurer Prepayment Interest	2	1	1	3	1	1	1	-	-
<b>Judicial</b>									
Area Courts	28	27	25	24	26	26	27	16	20
Area Courts Elected Official	3	3	3	3	3	4	4	4	3
Area Courts Special Projects	8	12	19	20	23	21	21	20	18
Clerk of Courts	35	38	46	50	46	43	39	36	41
Clerk of Courts Elected Official	1	1	1	1	1	1	1	1	1
Clerk of Courts Title	34	36	38	31	36	38	43	43	30
Common Pleas Asbestos Litigation	1	1	-	-	-	-	-	-	-
Common Pleas Court	22	20	23	29	29	31	31	29	30
Common Pleas Drug Court	7	7	7	8	8	8	7	7	6
Common Pleas Elected Official	7	7	6	6	7	7	7	7	7
Common Pleas General Division Special Projects	5	6	6	7	8	8	8	8	7
Common Pleas Jury Commission	2	2	2	2	2	2	2	2	2
Common Pleas Law Library	2	2	2	2	2	2	2	4	4
Domestic Relations Court	28	29	26	29	29	32	27	24	22
Domestic Relations Elected Official	2	3	2	2	2	2	2	2	3
Domestic Relations Special Projects	1	1	1	1	-	-	-	-	-
Juvenile Court	51	52	56	52	53	59	53	47	46
Juvenile Court Driver Improvement	-	-	-	1	1	-	-	-	-
Juvenile Court Elected Official	2	2	2	2	2	2	2	2	3
Juvenile Court Special Projects	-	-	-	-	1	2	2	2	2
Juvenile Detention	54	53	51	51	52	54	45	37	39
Juvenile Family Drug Court	-	-	-	1	2	-	-	-	-
Juvenile JAIBG Grant	3	2	-	-	-	-	-	-	-
Juvenile Reclaim Grant	21	18	19	26	26	26	21	22	24
Juvenile Rehab	41	41	45	47	49	46	41	38	39
Juvenile Subsidy Grant	10	11	11	8	9	9	8	-	-
Municipal Court	26	26	28	32	36	39	39	40	42



**Butler County, Ohio**  
**County Government Employees by Function/Activity**  
**Last Nine Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Municipal Court Criminal Prosecutors	1	1	1	1	1	1	1	-	-
Municipal Court Elected Official	5	5	5	5	5	5	5	5	4
Probate Court	19	19	18	18	17	17	14	15	14
Probate Court Computer Fees	-	1	3	2	2	2	2	1	1
Probate Court Elected Official	1	1	1	1	1	1	1	1	1
<b>Public Safety</b>									
Adult Probation	37	37	37	35	34	33	34	32	32
Adult Probation ISP Grant	12	11	9	11	12	11	10	14	12
Adult Probation Misdemeanor	-	-	-	-	-	-	-	1	1
Adult Probation Services	-	3	3	1	4	8	8	5	4
Coroner	7	7	7	9	7	8	13	11	9
Coroner Elected Official	1	1	1	1	1	1	1	1	1
Coroner Lab and Morgue	3	3	2	2	2	2	2	1	1
Emergency Management	4	4	4	4	3	4	4	5	5
Sheriff	259	226	256	288	336	337	320	268	326
Sheriff Elected Official	1	1	1	1	1	1	1	1	1
Sheriff Paramedic	25	26	27	35	35	37	34	34	37
Sheriff Resolutions	38	38	-	-	-	-	-	-	-
Sheriff VOCA	1	1	1	1	1	1	3	2	2
Sheriffs Victim Assistance Program	1	1	1	1	1	1	1	1	1
<b>Public Works</b>									
Engineers	81	84	81	89	87	91	87	97	90
Engineers Elected Official	1	1	1	1	1	1	1	1	1
Engineers Plat Room	3	3	3	3	3	3	3	3	3
Water And Sewer	166	154	156	157	156	144	131	114	126
<b>Health</b>									
Alcohol and Drug Addiction	5	5	5	5	6	6	5	7	8
Board of Developmental Disabilities	350	360	319	302	297	256	243	233	242
Mental Health Board	9	10	9	8	10	10	10	8	9
<b>Human Services</b>									
Child Support Enforcement Agency	88	90	93	84	89	83	81	75	67
Children Services Board	145	173	184	197	205	183	177	176	172
County Care Facility	179	168	180	180	179	173	172	172	161
Job and Family Services	195	199	190	191	195	187	167	150	102
Job and Family Services SYEP	-	-	-	-	-	-	8	-	-
Veteran Services	11	9	9	10	10	10	10	10	11
Veteran Services Commissioners	5	4	5	5	4	5	5	5	5
<b>Internal Service</b>									
Commissioners Workers Compensation	3	3	4	5	4	4	3	3	3
<b>Agency</b>									
Court of Appeals - 12th District	20	19	23	22	22	26	25	25	24
Health Department	34	37	38	38	37	35	60	66	67
Metro Parks	13	15	15	27	29	42	36	34	52
Regional Transit Authority	11	10	12	13	12	17	-	-	-
Soil and Water Conservation	8	7	5	6	6	7	7	3	4
<b>Total</b>	<b>2,479</b>	<b>2,486</b>	<b>2,457</b>	<b>2,536</b>	<b>2,621</b>	<b>2,596</b>	<b>4,184</b>	<b>4,964</b>	<b>5,421</b>

\* Board of Elections Election Pay individuals began being treated as employees in 2009.  
Not included in employment numbers for Principal Employers

Note: Information prior to 2002 is not available

Source: Butler County Auditor

**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Government</b>										
Legislative and Executive Commissioners	2,108	2,107	3,270	2,538	2,415	2,377	2,361	2,250	1,942	6,257
Number of resolutions	69	61	66	68	59	56	61	73	68	75
Number of meetings										
<b>Auditor</b>										
Number of exempt conveyances	6,228	6,636	6,304	6,318	5,618	5,261	5,128	4,885	4,622	4,525
Number of real estate transfers	10,524	11,202	11,358	11,799	10,284	8,497	6,525	6,181	5,678	5,708
Number of parcels billed	135,506	138,839	-	-	-	147,558	148,658	156,579	156,951	150,361
Number of appropriation checks issued	68,940	71,630	71,266	72,445	73,636	75,060	75,873	69,643	61,656	56,240
Number of payroll checks issued	25,316	21,522	20,738	17,909	15,953	12,693	15,702	13,051	11,050	8,410
Number of purchase orders issued	26,938	29,940	26,893	28,967	30,129	31,355	30,304	22,927	20,914	20,067
<b>BMV</b>										
Number of tags issued	66,623	65,562	68,294	68,842	64,279	62,552	60,583	-	-	-
<b>Treasurer</b>										
Number of parcels collected	90,445	138,734	140,504	152,470	151,239	159,465	151,189	144,157	151,806	144,727
<b>Prosecuting Attorney</b>										
Number of cases - criminal	-	1,951	2,258	2,380	2,411	2,485	2,456	2,138	2,064	2,379
<b>Board of Elections</b>										
Number of registered voters	215,796	207,675	238,022	230,873	232,187	238,219	262,380	236,598	240,541	227,868
Number of voters last general election	89,568	66,169	168,976	83,090	119,521	65,797	175,132	88,097	121,742	109,965
Percentage of register voters that voted	41.51	31.86	70.99	35.98	51.48	28.00	66.75	37.23	50.61	48
<b>Recorder</b>										
Number of deeds recorded	19,010	20,035	19,923	20,252	17,981	16,128	13,512	12,586	11,740	10,626
Number of mortgages recorded	40,637	49,791	34,447	32,709	27,392	21,965	15,827	18,425	16,459	13,914
Number of military discharges recorded	38	20	29	32	43	35	30	35	32	15
<b>Community and Economic Development</b>										
Number of projects	32	57	64	79	37	51	124	123	152	149
Number of jobs created	-	-	-	7	10	105	-	-	-	821
<b>Judicial</b>										
<b>Common Pleas Court</b>										
Number of civil cases filed	3,432	3,529	4,031	4,176	2,343	2,215	5,617	5,617	5,246	5,928
Number of criminal cases filed	2,833	2,538	3,008	3,391	4,787	5,022	2,244	2,137	2,064	2,451

**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**  
**(Continued)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Probate Court</b>										
Number of civil cases filed	46	41	36	52	50	47	54	41	39	43
<b>Juvenile Court</b>										
Number of civil cases filed	1,495	1,767	2,396	3,536	3,819	3,591	2,623	2,806	2,640	2,401
Number of criminal cases filed	7,438	6,274	4,502	4,540	4,778	4,914	4,886	3,905	3,533	3,055
Number of adjudged delinquent cases filed	5,633	4,540	2,959	2,739	2,757	2,582	2,216	1,913	1,706	1,446
<b>Area Courts</b>										
Number of civil cases filed	2,023	2,215	2,183	2,613	2,985	3,284	3,558	3,267	3,795	3,351
Number of criminal cases filed	27,181	27,117	22,683	24,021	25,552	25,569	21,097	20,264	18,475	17,814
Number of small claims cases filed	412	453	471	424	488	423	311	360	386	290
<b>Clerk of Courts</b>										
Number of civil cases filed	3,432	3,529	4,031	4,176	4,782	5,022	5,617	5,708	5,246	4,558
Number of criminal cases filed	2,030	1,951	2,256	2,374	2,343	2,215	2,244	2,138	2,064	2,151
<b>Domestic Relations</b>										
Number of divorce cases files	1,529	1,496	1,571	1,493	1,567	1,559	1,547	1,516	1,515	1,449
Number of motions files	1,596	1,737	3,902	4,139	4,153	12,499	19,794	17,106	10,206	9,748
Number of protective orders	1,326	1,186	1,282	1,365	1,584	1,482	1,555	1,781	1,573	1,269
<b>Public Safety</b>										
<b>Sheriff</b>										
<b>Jail Operation</b>										
Average daily jail census	515	692	748	734	974	1,056	1,045	956	921	890
Prisoners booked	7,365	10,265	10,537	10,592	14,948	16,145	15,801	13,513	13,973	13,642
Prisoners released	7,277	10,159	10,507	10,509	14,645	16,381	15,707	13,651	14,013	13,609
Out of county bed days used	390	1,681	1,477	-	-	4,320	3,564	4,254	23,105	8,035
<b>Enforcement</b>										
Number of incidents reported	8,152	5,972	6,052	5,568	7,593	9,464	9,524	7,986	5,888	6,961
Number of citations issued	6,636	6,351	7,318	5,724	5,452	5,812	5,967	3,460	2,173	2,987
<b>Concealed Weapons Permit</b>										
Number of permits issued	-	-	-	969	992	1,104	1,031	2,061	1,755	1,608
<b>Adult Probation</b>										
Offenders supervised	2,381	2,419	2,107	1,985	2,227	2,311	2,649	2,698	2,666	2,865
<b>Coroner</b>										
Number of cases investigated	298	314	332	362	322	360	338	330	325	344

**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**  
**(Continued)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Number of autopsies performed	212	211	205	221	196	224	219	230	228	207
<b>Public Works</b>										
Engineer										
Miles of roads resurfaced	6	14	38	46	33	11	9	29	14	17
Number of bridges replaced/improved	11	12	9	6	4	28	10	4	7	8
Number of culverts built/replaced/improved	8	10	14	25	16	19	13	22	22	16
Building Department										
Number of permits issued	3,622	3,834	4,197	3,854	3,627	4,176	3,820	3,325	3,182	3,241
Number of inspections performed	27,918	29,914	29,674	31,427	25,127	19,302	15,642	11,292	10,237	10,245
Sewer District										
Average daily sewage treated	16	17	16	17	18	17	18	17	18	22
Number of tap-ins	1,131	1,570	1,653	1,863	1,443	1,055	535	518	378	383
Number of customers	33,363	35,287	36,854	38,293	41,448	40,444	41,573	42,338	42,720	43,272
Water District										
Average daily water distributed	11	11	11	13	12	13	13	12	13	12
Average daily water billed	53,439	43,206	50,676	57,883	58,529	69,388	63,914	57,296	57,707	57,777
Number of tap-ins	975	1,127	1,058	1,273	970	632	357	287	256	383
Number of customers	31,765	33,088	34,365	35,089	36,259	36,244	36,967	37,294	37,576	37,719
<b>Health</b>										
ADAS										
Average Client Count	777	1,449	1,671	2,033	1,352	2,168	1,204	1,270	1,290	1,207
Tx Episodes	2,718	2,755	2,304	2,033	2,238	2,235	1,804	1,651	1,699	1,690
BCDD										
Number of Children Served										
Early intervention program	281	437	530	669	750	870	1,026	1,099	1,100	1,100
Preschool	249	536	496	291	47	-	-	-	-	-
School age	322	426	532	582	617	400	446	440	483	464
Number of Adults Served										
Served directly	-	-	-	743	462	439	432	238	223	196
Served indirectly	-	-	-	-	218	274	270	290	326	364
Number Served in Residential	-	-	-	-	-	-	-	-	-	-
Supported living services	-	-	-	7	7	10	4	1	-	-
Individual options waiver	-	-	-	231	233	247	268	295	311	302

**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**  
**(Continued)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Level one waiver	-	-	-	98	196	179	216	280	324	359
ICFMR	-	-	-	202	196	190	167	146	146	146
Member receiving support coordination services	-	848	871	874	1,028	1,030	1,004	1,005	1,096	1,085
Member receiving family support services	-	371	496	451	465	533	552	716	688	731
Mental Health										
Average client count - intensive	1,014	2,251	2,062	2,070	2,214	2,230	2,694	2,830	3,187	3,493
Average client count - non-intensive	637	844	692	736	896	1,328	2,394	2,227	2,498	2,619
Average client count - early intervention	3,568	1,789	1,717	1,794	2,161	2,471	2,502	2,600	2,929	3,291
<b>Human Services</b>										
Jobs and Family Services										
Average client count - food stamps	15,445	18,974	21,866	23,781	25,767	26,652	29,798	39,380	46,176	48,758
Average client count - Medicaid	67,067	74,803	79,896	85,461	89,851	42,851	45,015	50,013	54,858	56,582
Average client count - day care	1,352	1,322	1,321	1,534	1,607	1,779	1,926	2,112	2,313	2,476
Average client count - WIA	477	532	583	582	413	434	567	712	652	937
Average client count - job placement	204	253	248	218	-	-	-	276	132	32
Children's Services										
Average client count - foster care	469	463	380	370	388	355	359	324	346	331
Average client count - adoption	34	67	55	55	40	36	39	51	52	98
Child Support Enforcement Agency										
Average number of active support orders	17,853	17,779	17,906	18,875	20,950	17,974	17,710	19,199	19,168	19,782
Percentage collected	71.4%	72.5%	72.7%	72.8%	71.3%	71.3%	69.9%	69.0%	68.0%	69.25%
Veteran Services										
Number of veterans and/or dependents served	3,570	4,451	8,847	12,850	12,195	10,508	17,568	15,877	13,327	11,002
Amount of benefits paid to county veterans	407,535	647,830	640,634	606,175	631,546	616,469	824,332	869,962	711,824	581,882
Community and Economic Development										

**Note: (-) Information not available.**

**Source: Butler County Auditor**

**Butler County, Ohio**  
**Capital Asset Statistics by Function/Activity**  
**Last Six Years**

	2006	2007	2008	2009	2010	2011
<b>General Government</b>						
<b>Legislative and Executive</b>						
Commissioners						
Administrative office space (sq. ft.)	9,480	9,480	9,480	9,480	9,480	9,480
Information Services						
Auditor						
Administrative office space	16,072	16,072	16,072	16,072	16,072	16,072
Treasurer						
Administrative office space	5,096	5,096	5,096	5,096	5,096	5,096
Prosecuting Attorney						
Administrative office space	16,320	16,320	16,320	16,320	16,320	16,320
Board of Elections						
Administrative office space	9,304	9,304	27,241	27,241	27,241	27,241
Voting machines	1,668	1,599	1,668	1,668	1,668	1,688
Recorder						
Administrative office space	8,728	8,728	8,728	8,728	8,728	8,728
Buildings and Grounds						
Administrative office space	600	600	600	600	600	600
<b>Judicial</b>						
Common Pleas Court						
Number of court rooms	7	7	7	7	7	7
Probate Court						
Number of court rooms	2	2	2	2	2	2
Juvenile Court						
Number of court rooms	7	7	7	7	7	8
Clerk of Courts						
Administrative office space	11,016	11,016	11,016	11,016	11,016	11,016
Domestic Relations						
Administrative office space	24,128	24,128	24,128	24,128	24,128	24,128
<b>Public Works</b>						
Engineer						
Centerline miles of roads	273	268	275	275	267	267
Number of bridges	371	376	395	396	401	399
Number of culverts	1,019	1,072	1,062	1,061	1,024	1,023
Number of traffic signs	7,252	7,513	7,697	7,607	7,601	7,530
Building Department						
Administrative office space	2,344	2,344	2,344	2,344	2,344	2,344
<b>Human Services</b>						
Jobs and Family Services						
Administrative office space	32,640	32,640	32,640	32,640	32,640	32,640
Child Support Enforcement Agency						
Administrative office space	16,320	16,320	16,320	16,320	16,320	16,320
Veteran Services						
Administrative office space	3,136	3,136	3,136	3,136	3,136	3,136
<b>Enterprise</b>						
Sewer District						
Number of treatment facilities	6	6	6	6	6	6
Number of pumping stations	34	34	34	30	30	30
Miles of sewer lines	811	720	731	733	725	739
Water District						
Number of pumping stations	5	5	5	5	5	5
Miles of water lines	674	606	617	616	591	617
Administrative office space					7,275	7,275
<b>Public Safety</b>						
Sheriff						
Administrative office space	-	-	-	-	8,500	8,500
Coroner						
Administrative office space	2,550	2,550	2,550	2,550	2,550	2,550

**Note: Information prior to 2006 not available.**

**(-) Information not available.**

**Source: Butler County Auditor**



# Dave Yost • Auditor of State

## BUTLER COUNTY FINANCIAL CONDITION

### BUTLER COUNTY

#### CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
NOVEMBER 8, 2012