

**OHIO-KENTUCKY-INDIANA  
REGIONAL COUNCIL OF GOVERNMENTS**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**





# Dave Yost • Auditor of State

Executive Committee  
Ohio Kentucky Indiana Regional Council of Governments  
720 E. Pete Rose Way, Suite 420  
Cincinnati, Ohio 45052

We have reviewed the *Independent Auditor's Report* of the Ohio Kentucky Indiana Regional Council of Governments, Hamilton County, prepared by Bastin & Company, LLC, for the audit period July 1, 2012 through June 30, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

February 19, 2014

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**

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## **ACRONYMS/ABBREVIATIONS**

CMAQ	Congestion Mitigation and Air Quality
EPA	Environmental Protection Agency
FHWA	Federal Highway Administration
FIAM	Fiscal Impact Analysis Model
FTA	Federal Transit Administration
GIS	Geographic Information System
HCEMA	Hamilton County Emergency Management Agency
HPR	Highway Planning and Research
INDOT	Indiana Department of Transportation
JARC	Job Access Reserve Commute
KYTC	Kentucky Transportation Cabinet
MAP-21	Moving Ahead for Progress in the 21 <sup>st</sup> Century
MIS	Major Investment Study
MPO	Metropolitan Planning Organization
NF	New Freedom
ODOT	Ohio Department of Transportation
OEPA	Ohio Environmental Protection Agency
OKI	Ohio-Kentucky-Indiana Regional Council of Governments
PL	Planning
SAFETEA-LU	Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users
SNK	Surface Transportation Planning (Northern Kentucky)
STP	Surface Transportation Planning (Ohio)
UPWP	Unified Planning Work Program

# Bastin & Company, LLC

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

Executive Committee  
Ohio-Kentucky-Indiana Regional  
Council of Governments  
Cincinnati, Ohio

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

We have audited the accompanying financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise OKI's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to OKI's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OKI's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of OKI as of June 30, 2013 and 2012, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise OKI's basic financial statements. The accompanying supplemental schedules 1-3 and schedules of cumulative revenues and expenditures for completed programs and programs in progress are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The supplemental schedules 1-3, schedules of cumulative revenues and expenditures for completed programs and programs in progress and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013, on our consideration of OKI's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OKI's internal control over financial reporting and compliance.

Handwritten signature in cursive script that reads "Bastin & Company, LLC".

Cincinnati, Ohio  
December 20, 2013



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2013  
(Unaudited)**

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The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) offers this narrative overview and analysis of OKI's financial performance during the fiscal year ending June 30, 2013. Please read it in conjunction with OKI's financial statements, which follow this section.

**OKI AT A GLANCE**

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) is a council of local governments, business organizations and community groups committed to developing collaborative strategies to improve the quality of life and the economic vitality of the region.

Formed in 1964, OKI has spent 49 years cultivating partnerships and alliances that range from the federal government to local councils. Its 118 members represent governmental, social and civic groups from nearly 200 communities in the eight-county, three-state region.

OKI works collaboratively with stakeholders to solve interstate dilemmas, create far-reaching development plans, break through political bureaucracy, provide services to the public and advocate for federal funding.

OKI has final authority over all federal dollars spent on transportation in the region. Each year, OKI approves roughly \$40 million in funding for projects in the region.

***PROGRAMS AND ACTIVITIES***

While OKI's primary mission has been transportation, its responsibilities are not confined to just highways and pavement.

Since federal transportation investments stimulate land use change, OKI developed a Fiscal Impact Analysis Model to give local governments a way to determine costs and benefits by analyzing the budgetary impacts of alternative land use scenarios.

OKI's Water Quality and Greenspace programs also promote practices to reduce stormwater runoff, restore streams, improve wetlands, conserve our green infrastructure and help comply with federal transportation mandates.

OKI's Clean Air Program is leading the fight for cleaner air in the region by bringing ozone and particulate matter pollution issues to the forefront of people's minds.

***PROJECTS***

**Brent Spence Bridge Cooperative:** OKI has been a leader in bringing all the necessary players to the table for this \$2.5 billion dollar project. OKI is dedicated to seeing this project built and the sooner, the better. The new and refurbished existing bridge along with eight miles of expanded and improved Interstate 75 will increase travel efficiency and safety on this nationally important corridor.

**Eastern Corridor Project:** OKI continues to assist in the development of this project that provides multi-modal solutions to transportation issues and maximizes regional benefits. The Eastern Corridor stretches

from the downtown Cincinnati urbanized core in Hamilton County to western Clermont County in Ohio and into northern Kentucky.

**Freight:** OKI completed a comprehensive freight plan that includes numerous multi-modal improvements to enhance the region's freight transportation system. Recommendations from this plan are being implemented to include a groundbreaking partnership between OKI, the Ohio Rail Development Commission and the four railroads in the region. A partnership between these types of entities has simply not existed in the past and will most definitely aid in well-planned rail infrastructure improvements.

**Uptown Transportation Study:** The Uptown area of Cincinnati was in dire need of transportation infrastructure improvements. OKI led the first phase of this \$2 million dollar transportation study which will help unleash more than \$1 billion in new development for this area, the region's 2nd largest economic employer. A preferred alternative to improve access to and from Interstate 71 and the Uptown area is under development.

**Regional Infrastructure Improvement Zones (RIIZ):** OKI is actively working with Congress on draft legislation to change federal law and allow tax deductions for private sector investment in infrastructure projects. This innovative solution leverages federal and state funds, while benefiting communities and keeping people, businesses and the economy growing and moving.

**2040 Regional Transportation Plan:** This plan serves as a blueprint for transportation projects in the OKI region through the year 2040. It addresses current and future needs created by growth and development. At the same time, it responds to Federal Highway Administration and Clean Air Act requirements to mitigate congestion and address air quality and other environmental, social and financial issues.

**RideShare:** OKI's RideShare program enables commuters to save time and money through carpools and vanpools. OKI works with individuals and major employers in the region on how RideShare can work for them.

**Homeland Security:** OKI, in cooperation with several regional partners, successfully developed a cutting-edge emergency management system known as RAVEN911. This system provides an Internet-based common operating picture allowing emergency responders from across the Greater Cincinnati region to prepare for, respond to, or recover from a large-scale emergency.

**Geographic Information System (GIS):** OKI's internationally recognized GIS department is leveraging new technologies to develop 3D visualizations, interactive mapping applications and traffic simulations. These allow elected officials, staff and the public-at-large to fully analyze proposed projects and their impacts prior to deciding upon a preferred alternative.

**Policy of Inclusion and Participation:** OKI's Title VI and Environmental Justice programs ensure the inclusion of minority, low income, disabled, elderly and zero-car households in its transportation planning process.

## **FINANCIAL HIGHLIGHTS**

During fiscal year 2013:

- OKI continued executing partnership agreements with advertising outlets to provide value added services as match for the Clean Air and RideShare programs. The value of these services was used as match for the Kentucky share of these programs. OKI plans to further develop partnerships in anticipation of the additional match that will be needed in the future when toll revenue credits are exhausted in Ohio. During fiscal year 2013 the RideShare Program received \$51,220 in contributed services and the Clean Air Program received \$202,387 in contributed services.

- OKI began partnerships with 2 counties and organizations within the region to implement the recently developed Fiscal Impact Analysis Model (FIAM). Four partnerships will continue into fiscal year 2014, providing \$10,500 in local match for fiscal year 2014 model activities. FIAM activities will continue over the next year and OKI will continue to follow up with communities that have expressed an interest in becoming new partners.
- OKI partnered with the Hamilton County Emergency Management Agency (HCEMA) to develop multi-purpose data sets and to further the RAVEN911 project. HCEMA contracted \$50,000 in local funds towards development costs; paying 50% of development costs for data sets used by both organizations and 100% of development costs for data sets for the sole use of HCEMA. These activities will carry into FY2014.
- In late 2011 OKI renewed the operating lease agreement for office facilities through June 30, 2023. The base rent was negotiated from \$467,624.50 annually down to \$403,799.50 annually. The annual base rent amount will remain at \$403,799.50 through June 30, 2018. This is a savings in excess of \$400,000 through the first half of the lease. During the second half of the lease the base rent increases are based on the CPI, up to 3.5% per year.
- Total assets exceeded liabilities as of June 30, 2012 by \$1,195,134, an increase of \$29,022 from June 30, 2012.
- OKI had operating revenues of \$5,916,514 and operating expenses of \$5,887,492, resulting in an operating gain of \$29,022.
- Contributed services in excess of match required by programs and grants totaled \$219,273.

### **USING THIS ANNUAL REPORT**

The following is a list of the basic financial statements included in this report:

Management Discussion and Analysis  
*Basic Financial Statements:*  
 Statement of Net Position  
 Statement of Revenues, Expenses and Changes in Net Position  
 Statement of Cash Flows  
 Notes to the Financial Statements

OKI is a single enterprise fund using proprietary fund accounting, which means these statements are presented in a manner similar to private-sector business. The statements are presented using economic resource management focus and the accrual basis of accounting. The statements are designed to provide readers with a broad overview of OKI's finances.

### *The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position*

Our analysis of OKI as a whole begins here. One of the most important questions asked about OKI's finances is "Is OKI as a whole better off as a result of the year's activities?". Although net position increased by just \$29,022, we feel that the financial position of OKI is more secure than it has been in a decade. Over the past few years, at the direction of the Board, OKI has increased its net position to assist with day to day cash flow and in anticipation of future activities requiring local match. Net position is now at the level desired by the Board. The question we hope that we are answering is, "Where is OKI going and are we headed in the right direction?".

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about OKI as a whole and about its activities in a way that helps answer those two questions. These statements include all the assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accruals of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report OKI's net position and changes to it. One can think of OKI's net position, the difference between assets (what OKI owns) and liabilities (what OKI owes), as one way to measure OKI's financial health, or financial position. Over time, increases or decreases in OKI's net position are one indicator of whether its financial health is improving or deteriorating. The Statement of Revenues, Expenses and Changes in Net Position measures the success of operations over the past year and can be used to determine whether OKI has successfully recovered all the costs through member contribution, federal, state of Ohio, state of Kentucky, state of Indiana, local reimbursements, and other revenues.

In addition to the results of operating activities, one needs to consider other nonfinancial factors such as prevailing economic conditions, growth or decline in population, and new or changed legislation as contributing to the net change in position.

### *Statement of Cash Flows*

The Statement of Cash Flows provides information about OKI's cash receipts and cash payments during the year. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, capital and related financing activities and investing activities.

These financial statements can be found on pages 12 through 14 of this report.

### *Notes to the Financial Statements*

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 15 through 20 of this report.

## FINANCIAL ANALYSIS OF OKI

### STATEMENT OF NET POSITION

The following table represents condensed statements of net position.

#### Statement of Net Position (\$ in Thousands)

	<u>FY2013</u>	<u>FY2012</u>	<u>FY2011</u>
Current assets	\$ 1,910	\$ 1,958	\$ 1,918
Capital assets, net	<u>63</u>	<u>67</u>	<u>78</u>
Total assets	<u>1,973</u>	<u>2,025</u>	<u>1,996</u>
Current liabilities	673	761	734
Non-current liabilities	<u>105</u>	<u>98</u>	<u>100</u>
Total liabilities	<u>778</u>	<u>859</u>	<u>834</u>
Net position:			
Net invested in capital assets	63	58	62
Unrestricted	<u>1,132</u>	<u>1,108</u>	<u>1,100</u>
Total net position	<u>\$ 1,195</u>	<u>\$ 1,166</u>	<u>\$ 1,162</u>

**Current assets** decreased by \$48k, or 2.5%, in 2013 due to a decrease in cash and investments combined with a decrease in receivables related to fewer activities in the New Freedom programs. In 2012 current assets increased by \$40k, or 2.1%, due to an increase in cash and investments and an increase in prepaid expenses related to first quarter fiscal 2013 travel, offset by a decrease in receivables related to completion of the Indiana Department of Environmental Management ARRA water project.

**Capital assets** decreased by \$4k, or 6.0%, in 2013 due to the disposal of \$40k in obsolete furniture and equipment with in-service dates between 2009 and 1993 and depreciation of existing equipment. In 2012 capital assets decreased by \$11k, or 14.1%, due to the donation of \$4k in obsolete computers and computer equipment with in-service dates between 2005 and 2006 and depreciation of existing equipment.

**Current liabilities** decreased by \$88k, or 11.6%, in 2013 due to the capital lease obligation with the Sawyer Point building for office furnishings being paid off, combined with a decrease in open payables related to lower spending on marketing and New Freedom pass through activities, offset by spending for the spring travel model data collection activities. In 2012 current liabilities increased by \$27k, or 3.7%, due to an increase in open payables related to the RideShare and Clean Air marketing activities and increased activities in the New Freedom pass through projects, offset by a decrease in deferred revenues related to the timing of county funding payments.

**Non-current liabilities** increased by \$7k, or 7.1%, in 2013 due to an increase in leave liabilities associated with lower average leave usage. In 2012 non-current liabilities decreased by \$2k, or 2.0%, due to an increased compensated absences liability associated with falling average leave usage combined with decreased capital lease balances due to payments made during the year.

**Unrestricted net position** – the part of net position that can be used to finance day-to-day operations without constraints or legal requirements – increased by \$24k, or 2.2%, in 2013 due to effective management of general and administrative activities combined with timing of current projects. In 2012 unrestricted net position increased by \$8k, or 0.7%, due to effective management of general and administrative activities combined with timing of current projects.

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following table reflects the Statements of Revenues, Expenses, and Changes in Net Position.

### Statement of Revenues, Expenses and Changes in Fund Net Position (\$ in Thousands)

Operating revenues	<u>FY2013</u>	<u>FY2012</u>	<u>FY2011</u>
Federal and state	\$ 4,369	\$ 4,097	\$ 4,691
State, local and county matching	1,038	1,001	1,076
Other revenue	38	12	55
Contributed services	<u>472</u>	<u>570</u>	<u>605</u>
Total operating revenue	<u>5,917</u>	<u>5,680</u>	<u>6,427</u>
Operating expenses			
Salaries and wages	2,381	2,402	2,358
Fringe benefits	998	995	1,006
Travel, subsistence and professional development	114	99	121
Printing, marketing and contractual	1,233	894	1,637
Depreciation	40	42	37
Other expenses	650	674	722
Contributed services	<u>472</u>	<u>570</u>	<u>605</u>
Total operating expenses	<u>5,888</u>	<u>5,676</u>	<u>6,486</u>
Operating income	<u>29</u>	<u>4</u>	<u>(59)</u>
Non-operating revenues (expenses)			
Contributed services	219	233	404
Contributed marketing	<u>(219)</u>	<u>(233)</u>	<u>(404)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	29	4	(59)
Net position, beginning of year	<u>1,166</u>	<u>1,162</u>	<u>1,221</u>
Net position, end of year	<u>\$ 1,195</u>	<u>\$ 1,166</u>	<u>\$ 1,162</u>

**Operating revenues** increased by 4.2% from 2012 to 2013 due to an increase in federal and state revenues associated with transportation modeling data collection activities, increased Rideshare and Clean Air activities due to being back into the annual advertising cycle, and increased water quality activities, offset by completion of the freight study and lower activity levels in the JARC and New Freedom projects due to completion of the coordinated transportation plan update. Revenue increases were also due to an increase in other revenues associated with timing of OKI's annual meeting, offset by a decrease in contributed services associated with decreased New Freedom pass through project activities. Operating revenues decreased by 11.6% from 2011 to 2012 due to completion of the Transit on Board study, Freight study, OEPA ARRA water project, and the Indiana Department of Environmental Management (IDEM) ARRA water project. In addition, Clean Air expenditures were lower due to missing an advertising campaign early in the fiscal year because of KYTC delays in reviewing the marketing RFQ. These were offset by higher activity levels in the JARC and New Freedom projects.

**Operating expenses** increased by 3.7% from 2012 to 2013. Travel, subsistence, and professional development increased 14.9% due to increased board travel costs, which are now at their fiscal year 2011 level. Printing, marketing and contractual increased 37.9% due to travel model data collection activities

during the year. OKI had consultants perform Ohio River bridge counts and principal arterial counts; purchased wireless travel data; and had several data sets previously collected reviewed, verified and analyzed. This was offset by a decrease in contributed services associated with decreased New Freedom pass through project activities. Operating expenses decreased by 12.5% from 2011 to 2012. Travel, subsistence, and professional development decreased 18.2% due to decreased professional development costs and decreased board travel costs. Printing, marketing and contractual decreased 45.4% due to completion of the Transit on Board Survey and the Freight study. Depreciation increased by 13.5% due to network equipment purchased late in fiscal year 2011 being depreciated for a full year in fiscal year 2012, offset by the copy machines and postage equipment being in their final year of depreciation and having a partial year of depreciation expense. Total contributed services decreased by 20.4% due to lower contributed services associated with the New Freedom pass through projects, combined with lower Clean Air contributed services due to missing an advertising campaign early in the fiscal because of KYTC delays in reviewing the marketing RFQ.

**Contributed services in excess of required match** decreased by 6.0% from 2012 to 2013 due to a decrease in RideShare contributed services offset by an increase in Clean Air contributed services associated with marketing strategy changes implemented during the year. Contributed services in excess of required match decreased by 42.3% from 2011 to 2012 due to a decrease in Clean Air contributed services associated with KYTC delays in reviewing the marketing RFQ for the marketing campaign at the beginning of the fiscal year.

## BUDGET VS ACTUAL INFORMATION

The following table reflects a budget to actual comparison.

### BUDGET VS ACTUAL (\$ in Thousands)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating revenues			
Federal and state	\$ 4,369	\$ 4,442	\$ (73)
State, local and county matching	1,038	1,057	(19)
Other revenue	38	35	3
Contributed services	<u>472</u>	<u>398</u>	<u>74</u>
Total operating revenue	<u>5,917</u>	<u>5,932</u>	<u>(15)</u>
Operating expenses			
Salaries and wages	2,381	2,420	39
Fringe benefits	998	1,102	104
Travel, subsistence and professional development	114	138	24
Printing, marketing and contractual	1,233	1,155	(78)
Other expenses	690	749	59
Contributed services	<u>472</u>	<u>398</u>	<u>(74)</u>
Total operating expenses	<u>5,888</u>	<u>5,962</u>	<u>74</u>
Non-operating revenues (expenses)			
Contributed services	219	76	143
Contributed marketing	<u>(219)</u>	<u>(76)</u>	<u>(143)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	29	(30)	59
Net position, beginning of year	<u>1,166</u>	<u>1,166</u>	<u>-</u>
Net position, end of year	<u>\$ 1,195</u>	<u>\$ 1,136</u>	<u>\$ 59</u>

Operating revenues were on budget. Federal, state and local revenues were lower than budgeted due to the Eastern Corridor, Fiscal Impact Analysis Model, and Banks High Occupancy Vehicle projects progressing slower than budgeted and due to the bus rapid transit study budgeted but not undertaken. This was offset by contributed services revenues that were higher than budgeted due to timing of the New Freedom pass-through funded projects.

Operating expenses were on budget. Fringe benefits were lower than budgeted due to less than full participation in the voluntary 403b Plan and leave liability adjustments lower than budgeted, due to higher leave usage and a resignation. Travel and professional development expenses were lower than budget due to several budgeted professional development trips not being taken and savings experienced on trips taken. Printing, marketing and contractual expenses were ahead of budget due to travel model data collection activities added during the year and approved by the board, offset by the bus rapid transit study that was budgeted but not undertaken. Contributed services expenses were higher than budgeted due to timing of the New Freedom pass-through funded projects.

In fiscal year 2013, OKI was able to stay under budget. Careful management of general and administrative activities along with regional planning activities under budget contributed to an increase in net position of \$29k.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

As of June 30, 2013, 2012 and 2011, OKI's capital assets are reflected in the following schedule.

#### **CAPITAL ASSETS (\$ in Thousands)**

	<u>FY2013</u>	<u>FY2012</u>	<u>FY2011</u>
Office furniture and equipment	\$ 663	\$ 667	\$ 641
Accumulated depreciation	<u>(600)</u>	<u>(600)</u>	<u>(563)</u>
Total	<u>\$ 63</u>	<u>\$ 67</u>	<u>\$ 78</u>

Capital assets declined during fiscal year 2013 primarily due to the disposal of \$40k in obsolete furniture and equipment with in-service dates between 2009 and 1993 and depreciation of existing equipment, offset by the purchase of furniture and network equipment. OKI replaced worn chairs, disposed of an obsolete color copier and an obsolete plotter. An additional server was purchased for the ESX virtualization farm to increase OKI's processing power and a 70" white board with stand and wireless keyboard was purchased for in office professional development and to assist with development of presentation materials.

Capital assets declined during fiscal year 2012 primarily due to depreciation and donation of obsolete laptops and monitor with in-service dates between 2000 and 2003 offset by the purchase of network equipment. OKI donated \$4K in obsolete laptops and monitor to the Cincinnati Computer Cooperative. An additional server was purchased for the ESX virtualization farm to increase OKI's processing power and an Equilogic SAN array was purchased to increase the storage capacity of the OKI network.

Additional information on OKI's capital assets can be found in Note 4.



## **Debt**

OKI continues to maintain an \$850,000 bank line of credit if needed. The line of credit was not used during fiscal year 2013.

Additional information on OKI's debt can be found in Note 7.

## **ECONOMIC CONDITIONS**

OKI considered many factors when setting the fiscal year 2013 budget, including funding from federal and state agencies, the eight counties supporting the council and program demands from the member agencies.

OKI continues to rely on federal and state grants, local program grants, special studies, and other local projects to fund its many programs. At present, federal and state funding sources are secure; however, legislative action can affect both revenue streams. The eight counties that comprise the region are contributing funding for local match and OKI's administrative costs based on each county's population at a per capita rate of \$0.33.

The region's population has remained steady in recent years, but there are many developments occurring throughout the counties. Additionally, the region is directly impacted by the Ohio River and the need for transportation services to link the region's counties and the nation. The focal point of that linkage is the Brent Spence Bridge Cooperative; OKI continues to work closely with the business community, the Kentucky Transportation Cabinet, and the Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.

The federal MAP-21 legislation was signed into law July 6, 2012. This legislation reauthorized the funding levels for Metropolitan Planning Organization's and other transportation related organizations at a slightly higher rate than previous bills. However, looking at the anticipated project trends, it is prudent for OKI to develop its operating plan based on level funding.

## **CONTACTING OKI**

This financial report is designed to provide federal and state oversight agencies, taxpayers, and creditors with a general overview of OKI's finances and to demonstrate OKI's accountability for the money it receives. Additional financial information can be obtained by contacting the Director of Finance, Ohio-Kentucky-Indiana Regional Council of Governments, 720 E. Pete Rose Way, Suite 420, Cincinnati, OH 45202.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013 AND 2012**

<b>ASSETS</b>		
	2013	2012
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 956,822	\$ 970,570
Accounts receivable	932,920	967,619
Prepaid expenses	20,159	20,139
TOTAL CURRENT ASSETS	1,909,901	1,958,328
<b>NONCURRENT ASSETS:</b>		
Capital assets, net	62,789	66,987
TOTAL NONCURRENT ASSETS	62,789	66,987
TOTAL ASSETS	1,972,690	2,025,315
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	245,343	338,940
Accrued expenses	54,721	46,484
Compensated absences	212,305	203,031
Capital lease obligations	-	8,625
Deferred revenue	160,378	164,210
TOTAL CURRENT LIABILITIES	672,747	761,290
<b>NONCURRENT LIABILITIES</b>		
Compensated absences	104,809	97,913
TOTAL NONCURRENT LIABILITIES	104,809	97,913
TOTAL LIABILITIES	777,556	859,203
<b>NET POSITION</b>		
Net invested in capital assets	62,789	58,362
Unrestricted	1,132,345	1,107,750
TOTAL NET POSITION	\$ 1,195,134	\$ 1,166,112

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	2013	2012
<b>OPERATING REVENUES:</b>		
Federal and state grants	\$ 4,368,623	\$ 4,096,746
State, local and county matching funds	1,037,833	1,001,322
Other revenues	37,998	11,721
Contributed services	472,060	570,331
Total Operating Revenues	5,916,514	5,680,120
<b>OPERATING EXPENSES:</b>		
Direct expenses		
Personnel	1,412,263	1,436,510
Fringe benefits	944,805	986,968
Travel, subsistence and professional	88,967	76,780
Printing, marketing and contractual	1,187,958	844,377
Other direct expenses	69,453	77,963
Indirect costs	1,711,986	1,682,643
Contributed services	472,060	570,331
Total Operating Expenses	5,887,492	5,675,572
<b>OPERATING INCOME</b>	29,022	4,548
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Contributed services revenues	219,273	232,790
Contributed services expenses	(219,273)	(232,790)
Total Non-operating Revenues (Expenses)	-	-
<b>CHANGE IN NET POSITION</b>	29,022	4,548
Net Position Beginning of Year	1,166,112	1,161,564
Net Position End of Year	\$ 1,195,134	\$ 1,166,112

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	2013	2012
<b>Cash flows from operating activities:</b>		
Receipts from federal and state grants	\$ 4,409,739	\$ 4,022,757
Receipts from local grants and matching funds	1,064,290	1,035,253
Payments to employees	(3,352,912)	(3,386,277)
Payments to suppliers	(2,090,158)	(1,587,818)
Net cash provided by (used for) operating activities	30,959	83,915
 <b>Cash flows from capital related activities:</b>		
Purchase of fixed assets	(36,082)	(30,679)
Capital lease retirements	(8,625)	(8,124)
Net cash provided by (used for) capital financing activities	(44,707)	(38,803)
 Net increase (decrease) in cash and cash equivalents	(13,748)	45,112
 Cash and cash equivalents at beginning of year	970,570	925,458
Cash and cash equivalents at end of year	\$ 956,822	\$ 970,570
 <b>Reconciliation of operating income to net cash used for operating activities:</b>		
Operating income	\$ 29,022	\$ 4,548
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	40,280	41,922
Changes in assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	34,699	14,264
Prepaid expenses	(20)	(9,540)
Increase (Decrease) in:		
Accounts payable	(93,597)	88,413
Accrued expenses	8,237	7,437
Deferred revenue	(3,832)	(67,527)
Compensated absences	16,170	4,398
Net cash provided by (used for) operating activities	\$ 30,959	\$ 83,915

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), organized under Chapter 167 of the Ohio Revised Code, assists in coordinating area-wide planning of transportation, economic development, water and air quality, and other aspects of regional development. In addition, OKI coordinates a regional ridesharing program funded by federal funds and contributed services.

OKI also acts as the area-wide review agency on state and local applications for U.S. Government financial assistance on projects located in the regional area comprised of Butler, Clermont, Hamilton, and Warren Counties in Ohio; Boone, Campbell, and Kenton Counties in Kentucky; and Dearborn County in Indiana.

Funds are provided primarily by federal, state, and local government agencies.

**Basis of Accounting**

OKI uses the accrual basis of accounting to prepare its financial statements and maintains subsidiary ledgers to identify revenues and expenses by detailed program. Activities not specifically related to a program are classified as general and administrative transactions. The Statement of Revenues, Expenses and Changes in Net Position reflects activities by major program category.

***Revenue Recognition***

Authorizations under U.S. Government and state and local agency grants or contracts are obtained by requisitioning such agencies for reimbursement of eligible costs incurred up to the maximum amounts specified under the grants or contract commitments. OKI recognizes program grant revenue at the time eligible costs are incurred.

Local matching funds, including member county supporting contributions and in-kind contributions from other agencies, are generally recognized as operating revenues to the extent required to fund eligible program costs and/or to meet program matching requirements.

Contributed services included in local matching funds are valued at the equivalent OKI hourly pay rate for such services for the amount of hours spent by individuals involved. In-kind contributions are valued at the fair market price on the date of receipt. Such contributed services are accounted for as revenue and as program expenses.

***Indirect Costs***

Indirect costs and fringe benefits are originally charged to individual programs based on provisional rates. Differences in amounts billed and actual costs incurred are adjusted to actual costs at year end. Indirect costs and fringe benefits in the Statement of Revenues, Expenses, and Changes in Net Position represent the application of actual indirect and fringe benefit rates, plus any related indirect or fringe benefit costs charged directly to general and administrative activities.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012  
(continued)**

*Capital Assets*

Capital assets with a cost of \$5,000 or greater are capitalized at cost and are depreciated on the straight-line method over the asset's estimated useful life. OKI's capital assets consist primarily of office furniture and computers. OKI depreciates office furniture and equipment over a ten year period with one-half year depreciation taken in the year of purchase and disposal. Computers are depreciated over a three year period beginning in the month of purchase.

*Income Taxes*

OKI is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

**2. DEPOSITS**

Statutes authorize OKI to invest in obligations of the U.S. Treasury and U.S. agencies, the State Treasurer's (Ohio) investment pool, repurchase agreements, certificates of deposit, and other instruments authorized by Section 135 of the Ohio Revised Code.

Custodial credit risk is the risk that in the event of a bank failure OKI's deposits may not be returned. Protection of OKI's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institutions holding the assets. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which OKI places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by FDIC. The securities pledged as collateral are pledged to a pool for each individual financial institution in amount equal to at least 105 percent of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligation of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. At June 30, 2013, the carrying amount of OKI's deposits was \$956,822 and the bank balance was \$957,492. FDIC insurance covered \$250,000 of the bank balance. The remaining balance of \$707,492 was uninsured and collateralized with securities held by the pledging financial institution's trust department.

For purposes of the Statement of Cash Flows, OKI considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012  
(continued)**

**3. ACCOUNTS RECEIVABLE**

Accounts receivable are from federal, state and local governmental agencies. Amounts reported are as follows:

	2013	2012
Receivables Under Contracts and Grants		
Federal	\$ 49,853	\$ 150,587
Ohio	729,294	691,589
Kentucky	127,623	110,118
Indiana	7,192	6,616
Local and County	18,766	7,225
Receivables Other	192	1,484
Total Receivables	\$ 932,920	\$ 967,619

**4. CAPITAL ASSETS**

Changes in capital assets for the year that ended June 30, 2013 are summarized below:

<u>Description</u>	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Office furniture and equipment	\$ 667,234	\$ 36,159	\$ (40,385)	\$ 663,008
Less: accumulated depreciation	<u>(600,247)</u>	<u>(40,280)*</u>	<u>40,308</u>	<u>(600,219)</u>
Furniture and Equipment net	<u>\$ 66,987</u>	<u>\$( 4,121)</u>	<u>\$ (77)</u>	<u>\$ 62,789</u>

\*Depreciation expense of \$37,067 was charged to the indirect cost pool and \$3,213 was charged directly to general and administrative activities, as directed by ODOT Office of Audits.

Changes in capital assets for the year that ended June 30, 2012 are summarized below:

<u>Description</u>	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
Office furniture and equipment	\$ 640,637	\$ 30,679	\$(4,082)	\$ 667,234
Less: accumulated depreciation	<u>(562,407)</u>	<u>(41,922)**</u>	<u>4,082</u>	<u>(600,247)</u>
Furniture and Equipment net	<u>\$ 78,230</u>	<u>\$(11,243)</u>	<u>\$ -</u>	<u>\$ 66,987</u>

\*\* Depreciation expense of \$40,316 was charged to the indirect cost pool and \$1,606 was charged directly to general and administrative activities, as directed by ODOT Office of Audits.

**5. BANK LINE OF CREDIT**

OKI has a line of credit available of \$850,000. When used, the line of credit is collateralized by the working capital of OKI and bears interest at the prime rate less one-half percent. At June 30, 2013 and 2012, OKI had no borrowings against this line of credit.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012  
(continued)**

**6. COMPENSATED ABSENCES**

Changes in compensated absences for the year that ended June 30, 2013 are summarized below:

Balance July 1, 2012	Entitlements	Usage	Balance June 30, 2013	Due Within One Year
<u>\$300,944</u>	<u>\$381,341</u>	<u>\$(365,171)</u>	<u>\$317,114</u>	<u>\$212,305</u>

Changes in compensated absences for the year that ended June 30, 2012 are summarized below:

Balance July 1, 2011	Entitlements	Usage	Balance June 30, 2012	Due Within One Year
<u>\$299,060</u>	<u>\$385,657</u>	<u>\$(383,773)</u>	<u>\$300,944</u>	<u>\$203,031</u>

**7. LEASE COMMITMENTS**

*Capital Leases*

OKI has an operating lease agreement for office facilities (see below). A portion of the office facilities lease was for furniture, which under the terms of the lease would become the property of OKI after completion of the 5 year renewal option exercised July 1, 2008.

As a result of exercising the lease option, the portion of the office building lease attributable to the value of the furniture was considered a capital lease. Furniture covered under the lease was valued at \$38,397 at July 1, 2008. The final payment on the capital lease portion was made on June 1, 2013. All future lease payments will now be considered operating only.

*Operating Leases*

The operating lease agreement OKI has for office facilities was extended on October 1, 2011. Under the renegotiated lease, the annual lease amount is \$403,800. This base amount cannot be increased for the first seven years of the new term (through June 30, 2018). The base amount does remain subject to annual escalators, however, based on landlord cost and occupancy formulas. These escalators are cumulative in nature.

Net rental expense (after subtracting the portion attributable to the furniture capital lease) was \$430,208 for the year ended June 30, 2013.

**8. EMPLOYEE RETIREMENT AND FRINGE BENEFIT PLANS**

OKI By-Laws, Article IX – Employee Retirement Plan – Social Security, authorizes the Executive Committee of the Council to establish a retirement plan for employees in writing and qualified under Section 401 of Internal Revenue Service Code of 1954. The plan is to provide for contributions by the Council and may condition participation by an employee of his or her contribution to the plan. The By-Laws direct the Executive Committee to establish a trust for the funding of the plan and to appoint a private banking institution or other organization qualified by the Internal Revenue Service to serve as Director or custodian of a Section 401 plan.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012  
(continued)**

The By-Laws state that administration of the retirement plan shall be vested in a Retirement Plan Administrative Committee. The committee will consist of the President, Treasurer, Executive Director, Fiscal Officer of the Council, and two full-time employees of the Council. Employee committee members are elected by secret ballot of all retirement plan participants and shall serve for one year. The Executive Director designates the time and conducts the election of committee members.

The By-Laws also direct OKI to enter into an agreement with the Secretary of Health and Human Services to provide coverage of the Council's employees under the Social Security system. This coverage is to supplement any retirement plan adopted according to the previous paragraphs.

The OKI Employees Retirement Plan is a trusted, contributory, defined contribution retirement plan covering all permanent full-time employees. Through December 31, 2008, OKI's Employees' retirement plan consisted of a 401(a) plan. Merrill Lynch was the custodian and trustee of the 401(a) plan. Contributions to the plan included a contribution by OKI of 6.9% of the participant's wages and a mandatory contribution by the participant of 5% of his or her wages. In June 2008 the Board approved changes to OKI's Employees Retirement Plan. Effective January 1, 2009, the retirement plan has two components, a mandatory 401(a) and a voluntary 403(b). Eligible employees are required to contribute 6% to the 401(a) plan and OKI matches 10%. Eligible employees may contribute additional funds to the 403(b) plan. OKI matches up to 4% on the first 3% of employee contributions. The Executive Director is not eligible for benefits under the new plans, and contributions, both employee and employer, remain at prior rates. Employees are fully vested upon eligibility for the new plans. For the 401(a), OKI is the Plan Administrator. The corporate trustee is Central Bank & Trust. For the ERISA 403(b), CPI is the Plan Administrator and Matrix Capital Bank & Trust is the custodian. UBS serves as investment advisor and also provides employee education for both Plans. Pension expense was \$301,770 and \$302,905 for the years ended June 30, 2013 and 2012, respectively. Forfeitures reduce the current contributions of OKI to the plan.

Beginning January 1, 2009, both employee and employer contributions are 100 percent vested at the date of contribution. Prior to January 1, 2009, employer contributions vested as follows:

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5	100%

**9. CONTINGENT LIABILITES**

Project work performed under grants and contracts is subject to final acceptance by the grantor and contracting agencies. Costs claimed for work performed under grants and contracts which are not acceptable to the grantor or contracting agency may be subject to recovery by the grantor or contracting agency. The management of OKI believes that project work has been satisfactorily performed.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012  
(continued)**

**10. CONTRIBUTED SERVICES**

OKI recognized contributed service revenues in 2013 and 2012. Revenue from services was measured based on the fair value of those services. The following projects received contributed services:

Clean Air (Ozone Awareness) and RideShare programs partner with local advertising outlets which provide value added services as match for the programs. Services can be air time, print ads, or promotional items to be given away at events. The amount of contributed services was \$253,607 (\$219,273 in excess of required match) and \$275,792 (\$232,740 in excess of required match) for the years ended June 30, 2013 and 2012, respectively.

Job Access Reverse Commute and New Freedom programs received contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of the contributed services was \$437,726 for the year ended June 30, 2013 and \$527,279 for the year ended June 30, 2012.

**11. CHANGE IN ACCOUNTING PRINCIPAL**

For 2013, OKI implemented Governmental Accounting Standard Board (GASB) Statement No. 62, *Codification of Pre November 30, 1989 FASB and AICPA Pronouncements*, and Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which supersedes GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, thereby eliminating the election provided in Paragraph 7 of that statement for business-type activities to apply post-November 30, 1989, FASB statements and interpretations that do not conflict with or contradict GASB pronouncements. GASB Statement No. 62 has been applied retrospectively and had no impact on OKI's net position, changes in net position or financial reporting disclosures.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of net position and related note disclosures. These changes were incorporated in OKI's fiscal year 2013 financial statements; however, there was no effect on beginning net position.

## **SUPPLEMENTARY INFORMATION**

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF REVENUES AND EXPENSES BY ACTIVITY**  
**FOR THE YEAR ENDED JUNE 30, 2013**  
**(with comparative summary total for 2012)**

	General & Administrative Activities	Environmental Planning Activities	Regional Planning	Ridesharing Implementation	Transportation Planning Activities	Total 2013	Total 2012
<b>Operating Revenues:</b>							
Federal & state grants	\$ -	\$ 136,676	\$ -	\$ 250,711	\$ 3,981,236	\$ 4,368,623	\$ 4,096,746
State, local and county matching funds	58,095	59,126	76,371	11	844,230	1,037,833	1,001,322
Other revenue	37,998	-	-	-	-	37,998	11,721
Contributed services	-	-	-	14,847	457,213	472,060	570,331
<b>Total Operating Revenues</b>	<b>96,093</b>	<b>195,802</b>	<b>76,371</b>	<b>265,569</b>	<b>5,282,679</b>	<b>5,916,514</b>	<b>5,680,120</b>
<b>Operating Expenses:</b>							
<b>Direct expenses</b>							
Personnel	5,862	65,614	26,414	25,563	1,288,810	1,412,263	1,436,510
Fringe benefits	3,922	43,896	17,671	17,101	862,215	944,805	986,968
Travel, subsistence, and professional	33,394	3,400	35	72	52,066	88,967	76,780
Printing, marketing and contractual	-	-	-	176,806	1,011,152	1,187,958	844,377
Other direct expenses	16,786	3,353	231	192	48,891	69,453	77,963
Indirect costs	7,107	79,539	32,020	30,988	1,562,332	1,711,986	1,682,643
Contributed services	-	-	-	14,847	457,213	472,060	570,331
<b>Total Operating Expenses</b>	<b>67,071</b>	<b>195,802</b>	<b>76,371</b>	<b>265,569</b>	<b>5,282,679</b>	<b>5,887,492</b>	<b>5,675,572</b>
<b>Non Operating Revenues (Expenses):</b>							
Contributed services revenues	-	-	-	36,373	182,900	219,273	232,790
Contributed services expenses	-	-	-	(36,373)	(182,900)	(219,273)	(232,790)
<b>Total Non Operating Revenues (Expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating Income</b>	<b>\$ 29,022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,022</b>	<b>\$ 4,548</b>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF FRINGE BENEFIT COST RATES  
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Budget</u>	<u>Actual</u>
Fringe benefit costs:		
Holidays	\$ 91,591	\$ 89,837
Sick leave	72,586	85,439
Vacation	193,627	189,895
Administrative	12,091	4,229
Retirement	346,130	319,334
Group health	524,912	484,382
FICA	176,128	168,407
Workers compensation	6,550	5,426
Unemployment	1,200	-
Employee Incentives	7,497	3,726
	<u>1,432,312</u>	<u>1,350,675</u>
Total fringe benefit costs	<u>\$ 1,432,312</u>	<u>\$ 1,350,675</u>
Allocation base: Direct and indirect personnel	<u>\$ 2,080,209</u>	<u>\$ 2,018,943</u>
Fringe benefit cost rate	<u>68.85%</u>	<u>66.90%</u>

**Notes:**

1. Approval of the fringe benefit cost rate for the year ended June 30, 2013 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional fringe benefit rate of 68.85 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the year.
3. There were no questioned costs in the fringe benefit cost pool or the direct and indirect personnel allocation base.
4. The provisional rate was utilized during the fiscal year 2013 for grant application purposes. The final 2013 fringe benefit rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Changes in Net Position reflect the application of actual rates. Individual program costs presented on pages 24 through 47 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF INDIRECT COST RATES**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budget	Actual
Indirect costs:		
Personnel	\$ 602,549	606,679
Fringe benefits	414,881	405,870
Auto allowance	8,700	8,700
Travel and professional development	22,424	11,577
Memberships	15,210	12,848
Printing	1,206	585
Repairs and maintenance	20,485	20,896
Office supplies	49,408	31,366
Postage	2,437	2,259
Rent	448,345	433,903
Telephone	8,449	8,201
Subscriptions	1,080	899
Legal and audit	59,800	47,712
Reproductions	3,992	3,722
Insurance	27,090	22,546
Professional services	48,000	37,556
Advertising	750	764
Depreciation	40,565	37,067
Payroll processing	6,381	6,485
Internet	11,059	11,597
Retirement plan admin & education fees	4,125	1,543
Other	3,346	2,528
Interest - capital lease	283	283
MCWCC cubicle lease reimbursement	(3,600)	(3,600)
Total indirect costs	\$ 1,796,965	\$ 1,711,986
Allocation base: Direct personnel	\$ 1,477,660	\$ 1,412,263
Indirect cost rate applied	<u>121.61%</u>	<u>121.22%</u>

**Notes:**

1. Approval of the provisional indirect cost rate for the year ended June 30, 2013 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional indirect cost rate of 121.61 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the fiscal year.
3. There were no questioned costs in the indirect cost pool or the direct personnel allocation base.
4. The provisional rate was utilized during fiscal year 2013 for grant application purposes. The final 2013 indirect cost rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Changes in Net Position reflect the application of actual rates. Individual program costs presented on pages 24 through 47 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

**SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES**

**COMPLETED PROGRAMS**

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2010 TRANSPORTATION PLANNING**  
**JUNE 30, 2013**

	Budget	Cumulative Revenues and Expenditures as of June 30, 2012	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2013
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (MPO-PL Funds)	\$ 2,212,979	\$ 2,212,977	\$ -	\$ 2,212,977
Kentucky: KYTC (HPR-PL Funds)	358,720	365,323	-	365,323
Kentucky: KYTC (FTA Funds)	108,641	110,640	-	110,640
Indiana: INDOT (Trans PL Funds)	5,157	5,136	-	5,136
State matching funds Ohio	276,622	276,622	-	276,622
State matching funds Kentucky	22,420	22,833	-	22,833
County matching funds	372,332	374,066	-	374,066
Local contracts	81,760	79,373	17,140	96,513
<b>Total Operating Revenues</b>	<b>3,438,631</b>	<b>3,446,970</b>	<b>17,140</b>	<b>3,464,110</b>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	1,158,945	1,161,369	5,947	1,167,316
Fringe benefits	780,022	761,274	3,978	765,252
Travel, subsistence & professional	59,132	44,390	6	44,396
Printing, marketing & contractual	7,275	8,130	-	8,130
Other direct expenses	38,100	40,665	-	40,665
Indirect costs	1,395,157	1,431,142	7,209	1,438,351
<b>Total Operating Expenses</b>	<b>3,438,631</b>	<b>3,446,970</b>	<b>17,140</b>	<b>3,464,110</b>
<b>Tasks:</b>				
Short range planning	350,500	354,202	-	354,202
Transportation improvement program	166,500	155,970	-	155,970
Surveillance	1,354,346	1,376,035	-	1,376,035
Homeland security data project (50/50)	55,508	55,508	-	55,508
Homeland security data project (100%)	54,006	51,620	17,140	68,760
Long range planning	933,300	899,953	-	899,953
UPWP administration	18,850	18,682	-	18,682
Public involvement	253,000	264,959	-	264,959
INDOT exclusive	6,446	6,419	-	6,419
KYTC exclusive safety and operating	72,175	82,929	-	82,929
Transportation annual summary	10,250	10,231	-	10,231
Air quality program	163,750	170,462	-	170,462
<b>Total Tasks</b>	<b>\$ 3,438,631</b>	<b>\$ 3,446,970</b>	<b>\$ 17,140</b>	<b>\$ 3,464,110</b>

**NOTES:**

- The grant period for FY 2010 Transportation Planning is July 1, 2009 through December 31, 2010. The project period for the HCEMA data project is September 9, 2009 through August 31, 2014.
- The agreement (invoicing) period for Homeland Security data project is April 23, 2009 through August 31, 2014. PO#535357 for \$78,000 was active during FY2010-11; \$42,740 to match the FY2010-11 HCEMA 50/50 data project and \$35,260 for the HCEMA 100% data project. PO#545661 for \$50,000 was active during FY2012; \$30,000 to match the FY2012 HCEMA 50/50 data project and \$20,000 for the HCEMA 100% data project. PO#549985 for \$50,000 was active during FY2012-13; \$30,000 to match the FY2012-13 HCEMA 50/50 data project and \$20,000 for the HCEMA 100% data project. PO#559784 for \$50,000 will be active during FY2013-14; \$30,000 to match the FY2013-14 HCEMA 50/50 data project and \$20,000 for the HCEMA 100% data project.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA and funding 100% the development of data sets for the exclusive use of HCEMA.
- Due to timing differences between OH and KY funding contracts, FY2011 KY revenues (PL, FTA, and state) were paired with OH FY 2010 carryover activities and billed against the FY11 KYTC contracts. See FY2011 Transportation PL footnote for total FY2011 KYTC amounts. FY2010 KYTC contracts were within budget.
- As of June 30, 2013, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2012 TRANSPORTATION PLANNING**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (MPO-PL Funds)	\$ 2,203,609	\$ 1,585,221	\$ 618,386	\$ 2,203,607
Kentucky: KYTC (HPR-PL Funds)	380,960	230,188	87,855	318,043
Kentucky: KYTC (FTA Funds)	115,377	69,714	26,608	96,322
Indiana: INDOT (Trans PL Funds)	33,262	29,812	-	29,812
State matching funds Ohio	275,451	198,153	77,298	275,451
State matching funds Kentucky	23,810	14,387	5,491	19,878
County matching funds	384,042	265,119	100,423	365,542
Local contracts	30,000	27,205	3,990	31,195
	<u>3,446,511</u>	<u>2,419,799</u>	<u>920,051</u>	<u>3,339,850</u>
<b>Total Operating Revenues</b>				
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	1,121,876	836,413	302,397	1,138,810
Fringe benefits	823,232	560,296	208,201	768,497
Travel, subsistence & professional	39,521	34,686	13,461	48,147
Printing, marketing & contractual	82,895	2,334	-	2,334
Other direct expenses	34,194	12,911	28,247	41,158
Indirect costs	1,344,793	973,159	367,745	1,340,904
	<u>3,446,511</u>	<u>2,419,799</u>	<u>920,051</u>	<u>3,339,850</u>
<b>Total Operating Expenses</b>				
<b>Tasks:</b>				
Short range planning	260,000	186,210	58,023	244,233
Transportation improvement program	128,000	96,606	32,513	129,119
Surveillance	1,203,077	886,699	377,544	1,264,243
Homeland security data project (50/50)	60,000	52,261	7,980	60,241
Long range planning	1,204,543	854,295	325,384	1,179,679
UPWP administration	18,800	9,542	7,383	16,925
Public involvement	332,000	223,206	97,636	320,842
INDOT exclusive	41,578	37,265	-	37,265
KYTC exclusive safety and operating	32,468	8,099	-	8,099
KYTC bus rapid transit	78,095	-	-	-
Transportation annual summary	3,750	2,399	1,175	3,574
Air quality program	84,200	63,217	12,413	75,630
	<u>\$ 3,446,511</u>	<u>\$ 2,419,799</u>	<u>\$ 920,051</u>	<u>\$ 3,339,850</u>
<b>Total Tasks</b>				

**NOTES:**

- The grant period for FY 2012 Transportation Planning is July 1, 2011 through December 31, 2012.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA.
- Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) from the beginning of the fiscal year were paired with OH carryover activities and appear on the FY2011 Transportation PL page. Total KY PL for FY2012 was \$69,284 + \$230,188 = \$299,472. Total KY FTA for FY2012 was \$20,984 + \$69,714 = \$90,698. Total KY state for FY2012 was \$4,330 + \$14,387 = \$18,717. All within budget.
- As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2010-12 CLEAN AIR (OZONE AWARENESS)**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 800,648	\$ 667,627	\$ 133,021	\$ 800,648
Kentucky: KYTC (CMAQ)	97,052	86,810	7,115	93,925
Kentucky: KYTC (SNK)	51,147	36,453	17,507	53,960
County matching funds	-	315	-	315
Contributed services	37,050	49,319	19,487	68,806
	<u>985,897</u>	<u>840,524</u>	<u>177,130</u>	<u>1,017,654</u>
<b>Total Operating Revenues</b>				
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	86,000	81,464	7,970	89,434
Fringe benefits	53,756	56,046	5,488	61,534
Travel, subsistence & professional	3,000	24	-	24
Printing, marketing & contractual	699,000	543,467	133,021	676,488
Other direct expenses	12,845	14,323	1,471	15,794
Indirect costs	94,246	95,881	9,693	105,574
Contributed services	37,050	49,319	19,487	68,806
	<u>985,897</u>	<u>840,524</u>	<u>177,130</u>	<u>1,017,654</u>
<b>Total Operating Expenses</b>				
<b>Non-operating Revenues (Expenses):</b>				
Contributed services revenues	-	497,798	130,275	628,073
Contributed services expenses	-	(497,798)	(130,275)	(628,073)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Non-operating Revenues (Expenses)</b>				
<b>Tasks:</b>				
Ozone awareness program	985,897	1,338,322	307,405	1,645,727
	<u>985,897</u>	<u>1,338,322</u>	<u>307,405</u>	<u>1,645,727</u>
<b>Total Tasks</b>				

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for July 1, 2009 through September 30, 2012 for \$800,648 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. UPWP KYTC funding beginning July 1, 2009 for multiple years of CMAQ and SNK funds. Expenses reimbursed to OKI at a participation rate of 15.6189 percent of program from FY09-10 CMAQ and FY10-13 SNK funding contracts, matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2013 CLEAN AIR (OZONE AWARENESS)**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: ODOT (CMAQ)	\$ 330,000	\$ 195,339	\$ 195,339
Kentucky: KYTC (SNK)	61,083	36,157	36,157
Contributed services	<u>15,271</u>	<u>-</u>	<u>-</u>
Total Operating Revenues	<u>406,354</u>	<u>231,496</u>	<u>231,496</u>
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	33,189	29,451	29,451
Fringe benefits	22,851	19,548	19,548
Travel, subsistence & professional	2,545	11	11
Printing, marketing & contractual	287,000	143,799	143,799
Other direct expenses	5,136	3,016	3,016
Indirect costs	40,362	35,671	35,671
Contributed services	<u>15,271</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>406,354</u>	<u>231,496</u>	<u>231,496</u>
<b>Non-operating Revenues (Expenses):</b>			
Contributed services revenues	-	52,625	52,625
Contributed services expenses	<u>-</u>	<u>(52,625)</u>	<u>(52,625)</u>
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>Tasks:</b>			
Ozone awareness program	<u>406,354</u>	<u>284,121</u>	<u>1,622,443</u>
Total Tasks	<u>\$ 406,354</u>	<u>\$ 284,121</u>	<u>\$ 1,622,443</u>

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for July 1, 2012 through June 30, 2015 for \$330,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. KYTC funding agreement July 1, 2012 through June 30, 2013 for \$77,948 in KYTC/SNK. Expenses reimbursed to OKI at a participation rate of 15.6189 percent of FY2013 expenses, matched with contributed services. A minimum 20% match was required and exceeded.
  - c. KYTC funding agreement July 1, 2012 through June 30, 2013 for \$77,948 in KYTC/SNK. \$17,507 in expenses and \$19,487 in contributed services paired with the FY10-12 program and \$36,157 in expenses in the FY13 program. Total from Ozone task of contract #1300000047 \$53,664 in expenses with \$19,487 in contributed services.
2. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2013 SURFACE TRANSPORTATION PROGRAM (STP)**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: ODOT (STP)	\$ 370,069	\$ 340,287	\$ 340,287
Kentucky: KYTC (SNK)	68,500	62,987	62,987
Indiana: INDOT (STP)	10,000	9,969	9,969
County matching funds	86,680	86,828	86,828
Local contracts	27,811	18,557	18,557
	<u>563,060</u>	<u>518,628</u>	<u>518,628</u>
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	190,041	176,299	176,299
Fringe benefits	130,827	117,944	117,944
Travel, subsistence & professional	10,772	7,661	7,661
Printing, marketing & contractual	-	392	392
Other direct expenses	315	2,616	2,616
Indirect costs	231,105	213,716	213,716
	<u>563,060</u>	<u>518,628</u>	<u>518,628</u>
<b>Tasks:</b>			
Long range planning land use	424,325	423,173	423,173
Long range planning FIAM implementation	123,885	80,920	80,920
FIAM maintenance & startups	2,350	2,074	2,074
INDOT	12,500	12,461	12,461
Bus Rapid Transit	-	-	-
	<u>\$ 563,060</u>	<u>\$ 518,628</u>	<u>\$ 518,628</u>

**NOTES:**

- The grant period for the Surface Transportation Program agreement is July 1, 2012 through June 30, 2013.
- FHWA/ODOT STP/KYTC SNK/INDOT STP funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year.
- The land use, FIAM implementation, and INDOT tasks were funded with 80 percent federal STP funds from ODOT, KYTC, and INDOT. The land use planning task was matched 20 percent from county funds. The FIAM task was matched 20 percent from local funds. The INDOT task was matched 20 percent from a combination of county and local funds.
- After the budgeting process was complete, the FIAM project acquired two new partners for FY2013. Each partner provided \$1,175 for setup activities from local funds.
- As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2012 RIDESHARE**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 191,790	\$ 51,252	\$ 140,538	\$ 191,790
Kentucky: KYTC (SNK)	35,500	9,487	26,015	35,502
County matching funds	-	-	11	11
Contributed services	8,875	8,875	4,510	13,385
	<u>236,165</u>	<u>69,614</u>	<u>171,074</u>	<u>240,688</u>
<b>Total Operating Revenues</b>				
<b>Operating Expenses:</b>				
<b>Direct expenses</b>				
Personnel	21,206	2,269	22,191	24,460
Fringe benefits	15,561	676	15,278	15,954
Travel, subsistence & professional	99	-	65	65
Printing, marketing & contractual	164,000	55,551	101,976	157,527
Other direct expenses	1,005	68	68	136
Indirect costs	25,419	2,175	26,986	29,161
Contributed services	8,875	8,875	4,510	13,385
	<u>236,165</u>	<u>69,614</u>	<u>171,074</u>	<u>240,688</u>
<b>Total Operating Expenses</b>				
<b>Non-operating Revenues (Expenses):</b>				
Contributed services revenues	-	48,804	11,070	59,874
Contributed services expenses	-	(48,804)	(11,070)	(59,874)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Non-operating Revenues (Expenses)</b>				
<b>Tasks:</b>				
Marketing	236,165	118,418	182,144	300,562
	<u>236,165</u>	<u>118,418</u>	<u>182,144</u>	<u>300,562</u>
<b>Total Tasks</b>				

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for the period July 1, 2011 through June 30, 2014 for \$191,790 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent for the RideShare program.
  - b. UPWP KYTC funding beginning July 1, 2011 for \$35,500 in KYTC/SNK, reimbursed to OKI at a participation rate of 15.6189 percent of RideShare program from FY11-13 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2013 RIDESHARE**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: ODOT (CMAQ)	\$ 191,790	\$ 67,280	\$ 67,280
Kentucky: KYTC (SNK)	35,500	12,453	12,453
Contributed services	<u>8,875</u>	<u>10,337</u>	<u>10,337</u>
 Total Operating Revenues	 <u>236,165</u>	 <u>90,070</u>	 <u>90,070</u>
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	21,672	3,372	3,372
Fringe benefits	14,922	1,823	1,823
Travel, subsistence & professional	99	7	7
Printing, marketing & contractual	164,000	70,405	70,405
Other direct expenses	240	124	124
Indirect costs	26,357	4,002	4,002
Contributed services	<u>8,875</u>	<u>10,337</u>	<u>10,337</u>
 Total Operating Expenses	 <u>236,165</u>	 <u>90,070</u>	 <u>90,070</u>
<b>Non-operating Revenues (Expenses):</b>			
Contributed services revenues	-	25,303	25,303
Contributed services expenses	<u>-</u>	<u>(25,303)</u>	<u>(25,303)</u>
 Total Non-operating Revenues (Expenses)	 <u>-</u>	 <u>-</u>	 <u>-</u>
<b>Tasks:</b>			
Marketing	<u>236,165</u>	<u>115,373</u>	<u>115,373</u>
 Total Tasks	 <u>\$ 236,165</u>	 <u>\$ 115,373</u>	 <u>\$ 115,373</u>

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for the period July 1, 2012 through June 30, 2015 for \$191,790 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent for the RideShare program.
  - b. UPWP KYTC funding beginning July 1, 2012 for \$59,388 in KYTC/SNK, reimbursed to OKI at a participation rate of 15.6189 percent of RideShare program from FY13 SNK funding agreement and matched with contributed services. A minimum 20% match was required and exceeded.
  - c. KYTC funding agreement July 1, 2012 through June 30, 2013 for \$59,388 in KYTC/SNK. \$26,015 in expenses and \$4,510 in contributed services paired with the FY12 program and \$12,453 in expenses and \$10,337 in contributed services in the FY13 program. Total from Rideshare task of contract #1300000047 \$38,468 in expenses with \$14,847 in contributed services.
2. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2007 JOB ACCESS REVERSE COMMUTE ADMINISTRATION PROGRAM**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 118,969	\$ 117,535	\$ 1,434	\$ 118,969
County matching funds	-	-	125	125
	<u>118,969</u>	<u>117,535</u>	<u>1,559</u>	<u>119,094</u>
<b>Operating Expenses:</b>				
<b>Direct expenses</b>				
Personnel	40,595	40,162	433	40,595
Fringe benefits	26,297	25,999	290	26,289
Travel, subsistence & professional	13	13	-	13
Other direct expenses	3,202	3,025	311	3,336
Indirect costs	48,862	48,336	525	48,861
	<u>118,969</u>	<u>117,535</u>	<u>1,559</u>	<u>119,094</u>
<b>Tasks:</b>				
Job Access Reverse Commute	118,969	117,535	1,559	119,094
	<u>\$ 118,969</u>	<u>\$ 117,535</u>	<u>\$ 1,559</u>	<u>\$ 119,094</u>

**NOTES:**

1. The Job Access Reverse Commute administration grant began July 5, 2007.
2. The Job Access Reverse Commute grant is 100% federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2007 NEW FREEDOM ADMINISTRATION PROGRAM**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 76,309	\$ 76,053	\$ -	\$ 76,053
Total Operating Revenues	<u>76,309</u>	<u>76,053</u>	<u>-</u>	<u>76,053</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	26,361	26,142	-	26,142
Fringe benefits	16,200	16,311	-	16,311
Travel, subsistence & professional	25	13	-	13
Other direct expenses	1,455	1,322	-	1,322
Indirect costs	<u>32,268</u>	<u>32,265</u>	<u>-</u>	<u>32,265</u>
Total Operating Expenses	<u>76,309</u>	<u>76,053</u>	<u>-</u>	<u>76,053</u>
<b>Tasks:</b>				
New Freedom	<u>76,309</u>	<u>76,053</u>	<u>-</u>	<u>76,053</u>
Total Tasks	<u><u>\$ 76,309</u></u>	<u><u>\$ 76,053</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 76,053</u></u>

**NOTES:**

1. The New Freedom administration grant began July 5, 2007.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2013, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2008 NEW FREEDOM PASS-THROUGH PROGRAMS**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 431,787	\$ 374,236	\$ 57,443	\$ 431,679
Contributed services	<u>739,314</u>	<u>633,057</u>	<u>57,443</u>	<u>690,500</u>
Total Operating Revenues	<u>1,171,101</u>	<u>1,007,293</u>	<u>114,886</u>	<u>1,122,179</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	431,787	374,236	57,443	431,679
Contributed services	<u>739,314</u>	<u>633,057</u>	<u>57,443</u>	<u>690,500</u>
Total Operating Expenses	<u>1,171,101</u>	<u>1,007,293</u>	<u>114,886</u>	<u>1,122,179</u>
<b>Tasks:</b>				
Wesley Community Services	376,721	287,292	-	287,292
Community Cab	<u>794,380</u>	<u>720,001</u>	<u>114,886</u>	<u>834,887</u>
Total Tasks	<u>\$ 1,171,101</u>	<u>\$ 1,007,293</u>	<u>\$ 114,886</u>	<u>\$ 1,122,179</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began July 1, 2008.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. The Wesley Community Services portion of the pass through was completed June 30, 2009. The budget was for \$34,597 in federal funds and \$342,124 in match. The final program was \$34,597 in federal funds and \$252,694 in match. Although the match is not in the amount budgeted it is in excess of the 50% requirement and was accepted by FTA.
5. The Community Cab portion of the pass through was completed February 28, 2013. The budget was for \$397,190 in federal funds and \$397,190 in match. The final program was \$397,080 in federal funds and \$437,807 in match. Actual match was in excess of budget and in excess of the 50% required, which is acceptable.
6. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2010 NEW FREEDOM PASS-THROUGH PROGRAMS**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 395,494	\$ 395,493	\$ -	\$ 395,493
Contributed services	<u>500,614</u>	<u>741,705</u>	<u>-</u>	<u>741,705</u>
Total Operating Revenues	<u>896,108</u>	<u>1,137,198</u>	<u>-</u>	<u>1,137,198</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	395,494	395,493	-	395,493
Contributed services	<u>500,614</u>	<u>741,705</u>	<u>-</u>	<u>741,705</u>
Total Operating Expenses	<u>896,108</u>	<u>1,137,198</u>	<u>-</u>	<u>1,137,198</u>
<b>Tasks:</b>				
Wesley Community Services	696,108	937,198	-	937,198
Senior Services of Northern Kentucky	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Total Tasks	<u>\$ 896,108</u>	<u>\$ 1,137,198</u>	<u>\$ -</u>	<u>\$ 1,137,198</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began January 1, 2010.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match. Wesley Community Services over matched their share of the program, which is acceptable.
4. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OEPA**  
**FY 2012 OEPA STATE BIENNIUM WATER**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
Operating Revenues:				
Federal and state grants				
Ohio: OEPA (EPA Funds)	\$ 75,000	\$ 47,811	\$ 27,189	\$ 75,000
County matching funds	<u>470</u>	<u>259</u>	<u>327</u>	<u>586</u>
Total Operating Revenues	<u>75,470</u>	<u>47,811</u>	<u>27,516</u>	<u>75,586</u>
Operating Expenses:				
Direct expenses				
Personnel	25,576	16,744	9,520	26,264
Fringe benefits	18,767	11,455	6,369	17,824
Travel, subsistence & professional	400	244	47	291
Other direct expenses	70	15	39	54
Indirect costs	<u>30,657</u>	<u>19,612</u>	<u>11,541</u>	<u>31,153</u>
Total Operating Expenses	<u>75,470</u>	<u>48,070</u>	<u>27,516</u>	<u>75,586</u>
Tasks:				
General assembly	<u>75,470</u>	<u>48,070</u>	<u>27,516</u>	<u>75,586</u>
Total Tasks	<u>\$ 75,470</u>	<u>\$ 48,070</u>	<u>\$ 27,516</u>	<u>\$ 75,586</u>

**NOTES:**

1. The grant period under the OEPA FY2012 State Biennium Water contract is November 9, 2011 through September 30, 2012 (State of Ohio grant).
2. The OEPA FY2012 State Biennium Water contract covered personnel, fringe and indirect costs. Direct costs were budgeted and paid with county funds.
3. Salary, fringe and indirect were \$241 over budget and were paid out of county funds. Overall the project was \$116 over budget which is 0.15% which is below the 10% requiring a budget revision.
4. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OEPA**  
**FY 2013 OEPA 604B WATER QUALITY PLANNING**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
Operating Revenues:			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 56,000	\$ 56,000	\$ 56,000
County matching funds	993	2,629	2,629
	<u>56,993</u>	<u>58,629</u>	<u>58,629</u>
Total Operating Revenues			
Operating Expenses:			
Direct expenses			
Personnel	19,282	19,455	19,455
Fringe benefits	13,276	13,016	13,016
Travel, subsistence & professional	486	152	152
Other direct expenses	500	2,422	2,422
Indirect costs	<u>23,449</u>	<u>23,584</u>	<u>23,584</u>
	<u>56,993</u>	<u>58,629</u>	<u>58,629</u>
Total Operating Expenses			
Tasks:			
Program coordination	<u>56,993</u>	<u>58,629</u>	<u>58,629</u>
Total Tasks	<u>\$ 56,993</u>	<u>\$ 58,629</u>	<u>\$ 58,629</u>

**NOTES:**

1. The grant period under the OEPA FY2013 State 604B Water Quality Planning contract is September 10, 2012 through June 30, 2013.
2. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OKI**  
**FY 2013 LOCAL WATER QUALITY PLANNING PROJECT**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
County matching funds	\$ 53,829	\$ 55,763	\$ 55,763
Total Operating Revenues	<u>53,829</u>	<u>55,763</u>	<u>55,763</u>
Operating Expenses:			
Direct expenses			
Personnel	16,724	18,075	18,075
Fringe benefits	11,515	12,092	12,092
Travel, subsistence & professional	3,377	3,015	3,015
Other direct expenses	1,875	671	671
Indirect costs	<u>20,338</u>	<u>21,910</u>	<u>21,910</u>
Total Operating Expenses	<u>53,829</u>	<u>55,763</u>	<u>55,763</u>
Tasks:			
Local water quality planning	<u>53,829</u>	<u>55,763</u>	<u>55,763</u>
Total Tasks	<u>\$ 53,829</u>	<u>\$ 55,763</u>	<u>\$ 55,763</u>

**NOTES:**

1. The project period for Local Water Quality Planning was July 1, 2012 through June 30, 2013.
2. Budget amounts were derived from fiscal 2013 overall agency budget.
3. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OKI**  
**FY 2013 LOCAL REGIONAL PLANNING**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>
Operating Revenues:			
County matching funds	\$ 89,077	\$ 76,371	\$ 76,371
Total Operating Revenues	<u>89,077</u>	<u>76,371</u>	<u>76,371</u>
Operating Expenses:			
Direct expenses			
Personnel	30,466	26,414	26,414
Fringe benefits	20,977	17,671	17,671
Travel, subsistence & professional	10	35	35
Other direct expenses	575	231	231
Indirect costs	<u>37,049</u>	<u>32,020</u>	<u>32,020</u>
Total Operating Expenses	<u>89,077</u>	<u>76,371</u>	<u>76,371</u>
Tasks:			
Local regional planning	<u>89,077</u>	<u>76,371</u>	<u>76,371</u>
Total Tasks	<u>\$ 89,077</u>	<u>\$ 76,371</u>	<u>\$ 76,371</u>

**NOTES:**

1. The project period for Local Regional Planning program July 1, 2012 through June 30, 2013.
2. Budget amounts were derived from fiscal 2013 overall agency budget.
3. As of June 30, 2013, no costs subject to audit have been questioned.

**SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES**

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2013 TRANSPORTATION PLANNING**  
**JUNE 30, 2013**

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2013
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: ODOT (MPO-PL Funds)	\$ 2,198,161	\$ 1,611,203	\$ 1,611,203
Kentucky: KYTC (HPR-PL Funds)	398,720	287,646	287,646
Kentucky: KYTC (FTA Funds)	120,720	87,116	87,116
Indiana: INDOT (Trans PL Funds)	17,856	17,732	17,732
State matching funds Ohio	274,770	201,400	201,400
State matching funds Kentucky	24,920	17,978	17,978
County matching funds	384,176	281,532	281,532
Local contracts	50,139	27,468	27,468
	<u>3,469,462</u>	<u>2,532,075</u>	<u>2,532,075</u>
<b>Total Operating Revenues</b>			
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	1,111,906	744,943	744,943
Fringe benefits	765,594	492,471	492,471
Travel, subsistence & professional	43,889	30,025	30,025
Printing, marketing & contractual	150,619	350,333	350,333
Other direct expenses	45,279	12,435	12,435
Indirect costs	1,352,175	901,868	901,868
	<u>3,469,462</u>	<u>2,532,075</u>	<u>2,532,075</u>
<b>Total Operating Expenses</b>			
<b>Tasks:</b>			
Short range planning	185,000	132,751	132,751
Transportation improvement program	158,000	110,810	110,810
Surveillance	1,639,300	1,215,381	1,215,381
Homeland security data project (50/50)	60,000	54,908	54,908
Homeland security data project (100%)	20,140	-	-
Long range planning	840,000	638,470	638,470
UPWP administration	59,000	8,896	8,896
Public involvement	250,000	193,047	193,047
INDOT exclusive	22,320	22,165	22,165
KYTC exclusive safety and operating	125,083	95,661	95,661
KYTC bus rapid transit	15,619	-	-
Transportation annual summary	20,000	4,858	4,858
Air quality program	75,000	55,128	55,128
	<u>\$ 3,469,462</u>	<u>\$ 2,532,075</u>	<u>\$ 2,532,075</u>
<b>Total Tasks</b>			

**NOTES:**

- The grant period for FY 2013 Transportation Planning is July 1, 2012 through December 31, 2013.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA.
- Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) from the beginning of the fiscal year were paired with OH carryover activities and appear on the FY2012 Transportation PL page. Total KY PL for FY2013 was \$87,855.24 + \$287,645.75 = \$375,500.94. Total KY FTA for FY2013 was \$26,608.00 + \$87,116.00 = \$113,724.00. Total KY State for FY2013 was \$5,490.93 + \$17,977.88 = \$23,468.81. All within budget.
- As of June 30, 2013, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2010 SURFACE TRANSPORTATION PROGRAM (STP)**  
**JUNE 30, 2013**

	Budget	Cumulative Revenues and Expenditures as of June 30, 2012	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2013
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (STP)	\$ 800,000	\$ 614,991	\$ -	\$ 614,991
Kentucky: KYTC (SNK)	110,246	104,950	-	104,950
Indiana: INDOT (STP)	20,000	20,000	-	20,000
County matching funds	154,520	108,523	-	108,523
Local contracts	63,041	44,703	6,000	50,703
Other revenue - MVRPC	25,000	25,000	-	25,000
<b>Total Operating Revenues</b>	<b>1,172,807</b>	<b>918,167</b>	<b>6,000</b>	<b>924,167</b>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	130,813	133,557	-	133,557
Fringe benefits	88,024	86,959	-	86,959
Travel, subsistence & professional	12,060	4,629	-	4,629
Printing, marketing & contractual	780,095	525,289	6,000	531,289
Other direct expenses	4,278	1,648	-	1,648
Indirect costs	157,537	166,085	-	166,085
<b>Total Operating Expenses</b>	<b>1,172,807</b>	<b>918,167</b>	<b>6,000</b>	<b>924,167</b>
<b>Tasks:</b>				
Long range planning land use	285,830	284,423	-	284,423
Long range planning FIAM implementation	88,882	88,876	-	88,876
FIAM maintenance & startups	45,000	26,664	6,000	32,664
INDOT	25,000	26,579	-	26,579
Regional freight study	728,095	491,625	-	491,625
<b>Total Tasks</b>	<b>\$ 1,172,807</b>	<b>\$ 918,167</b>	<b>\$ 6,000</b>	<b>\$ 924,167</b>

**NOTES:**

- The grant period for the Surface Transportation Program agreement is July 1, 2009 through December 31, 2010. The project period for the Freight Study is July 1, 2010 through December 31, 2011. The contract period for the FIAM maintenance and startups is February 12, 2010 through June 12, 2013.
- FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with a unified planning work program approved each fiscal year.
- These tasks are funded with Ohio STP funds - land use at a rate of 100 percent and FIAM and Freight Study at a rate of 80 percent. Kentucky SNK funds for all tasks are 80 percent Federal and 20 percent local match. INDOT also participated with the funding being 80 percent Federal and 20 percent local match. FIAM maintenance and startups is 100% locally funded.
- As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2011 RIDESHARE**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 740,001	\$ 243,901	\$ 4,425	\$ 248,326
Kentucky: KYTC (SNK)	44,424	44,425	-	44,425
Contributed services	<u>11,106</u>	<u>11,106</u>	<u>-</u>	<u>11,106</u>
<b>Total Operating Revenues</b>	<u>795,531</u>	<u>299,432</u>	<u>4,425</u>	<u>303,857</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	39,942	25,224	-	25,224
Fringe benefits	26,979	18,553	-	18,553
Travel, subsistence & professional	100	-	-	-
Printing, marketing & contractual	669,810	213,689	4,425	218,114
Other direct expenses	1,950	728	-	728
Indirect costs	45,644	30,132	-	30,132
Contributed services	<u>11,106</u>	<u>11,106</u>	<u>-</u>	<u>11,106</u>
<b>Total Operating Expenses</b>	<u>795,531</u>	<u>299,432</u>	<u>4,425</u>	<u>303,857</u>
<b>Non-operating Revenues (Expenses):</b>				
Contributed services revenues	-	91,430	-	91,430
Contributed services expenses	<u>-</u>	<u>(91,430)</u>	<u>-</u>	<u>(91,430)</u>
<b>Total Non-operating Revenues (Expenses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Tasks:</b>				
Marketing	295,531	386,962	-	386,962
Banks High Occupancy Vehicle Parking Program	<u>500,000</u>	<u>3,900</u>	<u>4,425</u>	<u>8,325</u>
<b>Total Tasks</b>	<u>\$ 795,531</u>	<u>\$ 390,862</u>	<u>\$ 4,425</u>	<u>\$ 395,287</u>

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for the period July 1, 2010 through June 30, 2013 for \$240,001 in ODOT/CMAQ, reimbursed to OKI at a participation rate of 100 percent for the RideShare program, and ODOT agreement for the period March 21, 2011 through March 20, 2014 for \$500,000 in ODOT/CMAQ, reimbursed to OKI at a participation rate of 100 percent for the Banks HOV Parking Program.
  - b. UPWP KYTC funding beginning July 1, 2010 for \$44,424 in KYTC/SNK, reimbursed to OKI at a participation rate of 15.6189 percent of RideShare program from FY11 and FY12 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. This program was presented as completed in fiscal year 2012. However, there will continue to be activity in the Banks High Occupancy Vehicle Parking Program so the program is still in progress.
3. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**HAMILTON COUNTY TID-PART B**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (STP)	\$ 308,796	\$ 181,350	\$ -	\$ 181,350
Contributed services	77,199	45,337	-	45,337
	<u>385,995</u>	<u>226,687</u>	<u>-</u>	<u>226,687</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	308,796	181,350	-	181,350
Contributed services	77,199	45,337	-	45,337
	<u>385,995</u>	<u>226,687</u>	<u>-</u>	<u>226,687</u>
<b>Tasks:</b>				
Hamilton County TID Part B	<u>385,995</u>	<u>226,687</u>	<u>-</u>	<u>226,687</u>
	<u>\$ 385,995</u>	<u>\$ 226,687</u>	<u>\$ -</u>	<u>\$ 226,687</u>

**NOTES:**

1. The grant for the Hamilton County TID began July 1, 2002.
2. STP/ODOT funds are received under an agreement with ODOT at a participation rate of 80 percent. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. Hamilton County TID provides the 20 percent match from non-Federal funds through their participation in the project.
4. Although this contract remains active, there were no costs claimed during FY13 because the Hamilton County TID had another federal funding source they were billing against.
5. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2010 JOB ACCESS REVERSE COMMUTE ADMINISTRATION PROGRAM**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 143,769	\$ 19,029	\$ 25,350	\$ 44,379
Total Operating Revenues	<u>143,769</u>	<u>19,029</u>	<u>25,350</u>	<u>44,379</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	48,966	6,465	8,560	15,025
Fringe benefits	35,931	4,423	5,726	10,149
Travel, subsistence & professional	-	12	451	463
Other direct expenses	176	557	236	793
Indirect costs	<u>58,696</u>	<u>7,572</u>	<u>10,377</u>	<u>17,949</u>
Total Operating Expenses	<u>143,769</u>	<u>19,029</u>	<u>25,350</u>	<u>44,379</u>
<b>Tasks:</b>				
Job Access Reverse Commute	<u>143,769</u>	<u>19,029</u>	<u>25,350</u>	<u>44,379</u>
Total Tasks	<u>\$ 143,769</u>	<u>\$ 19,029</u>	<u>\$ 25,350</u>	<u>\$ 44,379</u>

**NOTES:**

1. The Job Access Reverse Commute administration grant began October 28, 2009.
2. The Job Access Reverse Commute grant is 100% federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2010 NEW FREEDOM ADMINISTRATION PROGRAM**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 93,632	\$ 56,772	\$ 33,352	\$ 90,124
<b>Total Operating Revenues</b>	<u>93,632</u>	<u>56,772</u>	<u>33,352</u>	<u>90,124</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	32,272	19,650	11,401	31,051
Fringe benefits	19,722	13,473	7,627	21,100
Travel, subsistence & professional	200	-	451	451
Other direct expenses	1,360	570	53	623
Indirect costs	40,078	23,079	13,820	36,899
<b>Total Operating Expenses</b>	<u>93,632</u>	<u>56,772</u>	<u>33,352</u>	<u>90,124</u>
<b>Tasks:</b>				
New Freedom Administration	93,632	56,772	33,352	90,124
<b>Total Tasks</b>	<u>\$ 93,632</u>	<u>\$ 56,772</u>	<u>\$ 33,352</u>	<u>\$ 90,124</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began October 8, 2009.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2013 no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2012 NEW FREEDOM ADMINISTRATION PROGRAM**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 98,666	\$ 819	\$ 4,565	\$ 5,384
Total Operating Revenues	<u>98,666</u>	<u>819</u>	<u>4,565</u>	<u>5,384</u>
Operating Expenses:				
Direct expenses				
Personnel	33,083	287	1,409	1,696
Fringe benefits	24,276	196	942	1,138
Travel, subsistence & professional	150	-	-	-
Other direct expenses	1,500	-	506	506
Indirect costs	<u>39,657</u>	<u>336</u>	<u>1,708</u>	<u>2,044</u>
Total Operating Expenses	<u>98,666</u>	<u>819</u>	<u>4,565</u>	<u>5,384</u>
Tasks:				
New Freedom Administration	<u>98,666</u>	<u>819</u>	<u>4,565</u>	<u>5,384</u>
Total Tasks	<u><u>\$ 98,666</u></u>	<u><u>\$ 819</u></u>	<u><u>\$ 4,565</u></u>	<u><u>\$ 5,384</u></u>

**NOTES:**

1. The New Freedom administration grant began January 12, 2012.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2013 no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2012 NEW FREEDOM PASS-THROUGH PROGRAMS**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2012</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 600,901	\$ 79,391	\$ 320,164	\$ 399,555
Contributed services	<u>600,901</u>	<u>79,391</u>	<u>380,283</u>	<u>459,674</u>
Total Operating Revenues	<u>1,201,802</u>	<u>158,782</u>	<u>700,447</u>	<u>859,229</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	600,901	79,391	320,164	399,555
Contributed services	<u>600,901</u>	<u>79,391</u>	<u>380,283</u>	<u>459,674</u>
Total Operating Expenses	<u>1,201,802</u>	<u>158,782</u>	<u>700,447</u>	<u>859,229</u>
<b>Tasks:</b>				
Towne Taxi	225,890	147,172	74,515	221,687
Senior Services of Northern Kentucky	536,100	11,610	166,530	178,140
Wesley Community Services	345,618	-	390,172	390,172
Clovernook	<u>94,194</u>	<u>-</u>	<u>69,230</u>	<u>69,230</u>
Total Tasks	<u>\$ 1,201,802</u>	<u>\$ 158,782</u>	<u>\$ 700,447</u>	<u>\$ 859,229</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began January 12, 2012.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match. Wesley Community Services over matched their share of the program, which is acceptable.
4. As of June 30, 2013, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OEPA**  
**FY 2013 OEPA STATE BIENNIUM WATER**  
**JUNE 30, 2013**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2013</u>
Operating Revenues:			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 75,000	\$ 53,487	\$ 53,487
County matching funds	325	407	407
	<u>75,325</u>	<u>53,894</u>	<u>53,894</u>
Operating Expenses:			
Direct expenses			
Personnel	25,821	18,564	18,564
Fringe benefits	17,778	12,419	12,419
Travel, subsistence & professional	255	186	186
Other direct expenses	70	221	221
Indirect costs	31,401	22,504	22,504
	<u>75,325</u>	<u>53,894</u>	<u>53,894</u>
Tasks:			
General assembly	75,325	53,894	53,894
	<u>75,325</u>	<u>53,894</u>	<u>53,894</u>
Total Tasks	<u>\$ 75,325</u>	<u>\$ 53,894</u>	<u>\$ 53,894</u>

**NOTES:**

1. The grant period under the OEPA FY2013 State Biennium Water contract is October 23, 2012 through December 31, 2013 (State of Ohio grant).
2. The OEPA FY2013 State Biennium Water contract covered personnel, fringe and indirect costs. Direct costs were budgeted and paid with county funds.
3. As of June 30, 2013, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>Federal Grantor/ Pass-through Grantor/ CFDA Program Title/ Description</b>	<b>CFDA Number</b>	<b>Grant/Pass Through Entity Number</b>	<b>Expenditures</b>
<b><u>U. S. Department of Transportation</u></b>			
<i>Federal Transit Administration - Transit Services Programs Cluster</i>			
<i>Direct Programs</i>			
<b>Job Access and Reverse Commute Program</b>	<b>20.516</b>		
Job Access and Reverse Commute Administration		OH-37-X044-00	\$ 1,434
Job Access and Reverse Commute Administration		OH-37-X067-00	25,350
<b>Total CFDA 20.516</b>			<b>26,784</b>
<b>New Freedom Program</b>	<b>20.521</b>		
New Freedom Pass -Through		OH-57-X010-00	57,443
New Freedom Administration		OH-57-X028-00	33,352
New Freedom Pass -Through		OH-57-X045-00	34,615
New Freedom Pass -Through		OH-57-X046-00	83,265
New Freedom Pass -Through		OH-57-X047-00	37,257
New Freedom Pass -Through		OH-57-X048-00	165,027
New Freedom Administration		OH-57-X049-00	4,565
<b>Total CFDA 20.521</b>			<b>415,524</b>
<b>Total Direct Programs - U.S. Department of Transportation</b>			<b>442,308</b>
<i>Federal Highway Administration - Highway Planning and Construction Cluster</i>			
<i>Programs Passed Through Ohio Department of Transportation (ODOT)</i>			
<b>Highway Planning and Construction</b>	<b>20.205</b>		
Clean Air - Ozone Awareness (CMAQ funds)		718646	133,021
RideShare (CMAQ funds)		721276	4,425
RideShare (CMAQ funds)		721803	140,538
Transportation Planning (MPO-PL funds)		721820	518,995
Transportation Planning (MPO-PL funds)		722178	99,391
Clean Air - Ozone Awareness (CMAQ funds)		723424	195,339
RideShare (CMAQ funds)		723425	67,280
Surface Transportation (STP funds)		723426	285,662
Surface Transportation (STP funds)		723427	54,625
Transportation Planning (MPO-PL funds)		723435	1,611,203
<b>Total CFDA 20.205 (passed through ODOT)</b>			<b>3,110,479</b>
<i>Programs Passed Through Kentucky Transportation Cabinet (KYTC)</i>			
<b>Highway Planning and Construction</b>	<b>20.205</b>		
Clean Air - Ozone Awareness (CMAQ funds)		1100001618	7,115
Transportation Planning (HPR-PL funds)		1200004775	375,501
RideShare (SNK funds)		1300000047-234	38,468
Clean Air - Ozone Awareness (SNK funds)		1300000047-235	53,664
Surface Transportation (SNK funds)		1300000047-236	10,111
Surface Transportation (SNK funds)		1300000047-237	52,876
<b>Total CFDA 20.205 (passed through KYTC)</b>			<b>537,735</b>

(continued)

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>Federal Grantor/ Pass-through Grantor/ CFDA Program Title/ Description</b>	<b>CFDA Number</b>	<b>Grant/Pass Through Entity Number</b>	<b>Expenditures</b>
<i>Programs Passed Through Indiana Department of Transportation (INDOT)</i>			
<b>Highway Planning and Construction</b>	<b>20.205</b>		
Transportation Planning/Surface Transportaion (PL/STP funds)		A249-12-320930	27,701
<b>Total CFDA 20.205 (passed through INDOT)</b>			<b>27,701</b>
<b>Total CFDA 20.205</b>			<b>3,675,915</b>
<i>Federal Transit Administration - Metropolitan Planning</i>			
<i>Programs Passed Through Kentucky Transportation Cabinet (KYTC)</i>			
<b>Metropolitan Transportation Planning</b>	<b>20.505</b>		
Transportation Planning (FTA funds)		KY-80-0003-04	113,724
<b>Total CFDA 20.505</b>			<b>113,724</b>
<b>Total Passed Through Programs - U.S. Department of Transportation</b>			<b>3,789,639</b>
<b>Total U. S. Department of Transportation</b>			<b>4,231,947</b>
 <b><u>U. S. Environmental Protection Agency</u></b>			
<i>Programs Passed Through Ohio Environmental Protection Agency</i>			
<b>Water Quality Management Planning</b>	<b>66.454</b>		
Water Quality Planning (EPA funds)		OKI-FD60411	56,000
<b>Total CFDA 66.454</b>			<b>56,000</b>
<b>Total U. S. Environmental Protection Agency</b>			<b>56,000</b>
<b>Total</b>			<b>\$ 4,287,947</b>

See accompanying notes to schedule

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

1. The supplementary Schedule of Expenditures of Federal Awards was prepared using the accrual basis of accounting.
2. Expenditures for fringe benefits and indirect costs included in the Schedule of Expenditures of Federal Awards reflect the application of provisional rates adjusted to actual, subject to grant or program limitations.

# Bastin & Company, LLC

*Certified Public Accountants*

## **INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Executive Committee  
Ohio-Kentucky-Indiana Regional  
Council of Governments  
Cincinnati, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise OKI's financial statements and have issued our report thereon dated December 20, 2013.

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

In planning and performing our audit of the financial statements, we considered OKI's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OKI's internal control. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of OKI's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether OKI's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OKI's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OKI's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio  
December 20, 2013

**Bastin & Company, LLC**  
*Certified Public Accountants*

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Executive Committee  
Ohio-Kentucky-Indiana Regional  
Council of Governments  
Cincinnati, Ohio

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

We have audited the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of OKI's major federal programs for the year ended June 30, 2013. OKI's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of OKI's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about OKI's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of OKI's compliance.

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

In our opinion, OKI complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## Report on Internal Control Over Compliance

Management of OKI is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered OKI's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of OKI'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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Bastin & Company, L L C". The signature is written in black ink and is positioned above the typed name and date.

Cincinnati, Ohio  
December 20, 2013

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 § .505  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>SUMMARY OF AUDITORS' RESULTS</b>
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Type of financial statement opinion	Unmodified
Were there any material control weaknesses reported at the financial statement level?	No
Were there any other significant deficiencies in internal control reported at the financial statement level?	No
Was there any reported material noncompliance reported at the financial statement level?	No
Were there any material internal control weaknesses reported for major federal programs?	No
Were there any other significant deficiencies in internal control reported for major federal programs?	No
Type of major programs' compliance opinion	Unmodified
Are there any reportable findings?	No
Major programs:	CFDA 20.205 Federal Highway Administration
	CFDA 20.516 and 20.521 Federal Transit Administration
	CFDA 66.454 U.S. Environmental Protection Agency
Dollar threshold to distinguish between Type A/B programs	Type A: >\$300,000 Type B: all others
Low risk auditee?	Yes

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS  REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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None

<b>FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
AS OF JUNE 30, 2013**

There were no findings or questioned costs reported in the prior audit report.

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# Dave Yost • Auditor of State

**OHIO- KENTUCKY- INDIANA REGIONAL COUNCIL OF GOVERNMENTS**

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 4, 2014**