

2015 Comprehensive Annual Financial Report

**For the year ended
December 31, 2015**

**The County of
Hamilton, Ohio**



**Issued by
Dusty Rhodes
Hamilton County
Auditor**

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**2015 Comprehensive
Annual Financial Report**
*For the fiscal year ended
December 31, 2015*



Issued by

Dusty Rhodes

**Auditor
Hamilton County, Ohio**

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**COUNTY OF HAMILTON, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Year Ended December 31, 2015**

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**Introductory
Section**

**The County of
Hamilton, Ohio**

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County of Hamilton

DUSTY RHODES
— AUDITOR —

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

September 29, 2016

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

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Hamilton for the year ended December 31, 2015. This report contains the financial and statistical data that provide a complete and full disclosure of all material financial aspects of the County.

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

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

The County of Hamilton is required to undergo an annual single audit in conformity with the provisions of 2 CFR (Code of Federal Regulations) Part 200. Information related to this single audit, including a schedule of federal financial assistance, the independent auditor's report on internal control and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued audit report.

The basic financial statements of the County as of and for the year ended December 31, 2015, included in this CAFR have been audited by the Ohio Auditor of State. The independent auditor's report is located at the front of the financial section of this report.

GAAP requires that management provide a Management's Discussion and Analysis (MD&A), a narrative introduction, overview and analysis to accompany the basic financial statements. The MD&A complements this letter and should be read in conjunction with it. The MD&A appears immediately after the independent auditor's report.

Reporting Entity

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

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

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

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

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

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

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

The annual budget is the starting point for the County's financial planning and control. The budgeting process is primarily the province of the Board of County Commissioners (BOCC). Initially, the County's Office of Budget and Strategic Initiatives released a General Fund forecast so that all County agencies would be aware of and prepared for the 2015 budget reductions. Prior to the County Administrator releasing a recommended budget in early October, departments had the opportunity to respond to the forecasts in work sessions with the BOCC. The BOCC typically adopts the final budget by December. If a final budget is not adopted before January 1, the start of the County's fiscal year, then the BOCC must adopt a temporary appropriation measure, and then approve the final budget by April 1.

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

Factors Affecting Financial Condition

Local Economy

Hamilton County's economy represents a cross-section of the national economy, with a diversity that does not rely too heavily on any one sector. In 2015, Hamilton County's average unemployment rate was 5.1.

The area's economic recovery continues to show growth. See the Management's Discussion and Analysis for some highlights and recent trends.

Long-Term Financial Planning

The County's top revenue sources, sales tax in particular, have shown some growth in recent years as we recover from the economic downturn. For 2015, General Fund sales tax revenue increased by 5.2%.

The original 2015 General Fund budget of \$201.8 million is structurally balanced, and reflects an increase of .7% from that of 2014.

The BOCC has historically relied upon the annual sales tax growth rate of 3.0% in planning to meet the County's legal and/or political obligations associated with a special 0.5% additional sales tax initiated in the late 1990s to cover the costs of ambitious riverfront redevelopment efforts, obligations that include financing debt to cover the costs of building new major league football and baseball stadiums and related infrastructure, developing "The Banks" riverfront project begun in 2008, as well as covering the costs of the continued operation of those stadia and infrastructure and a property tax credit for people who own and occupy their own homes in Hamilton County. The lack of consistent sales tax growth prior to 2010 resulted in a projected Sales Tax Fund deficit beginning in 2010 totaling approximately \$14 million. This projected deficit grows to over \$90 million in less than five years.

The BOCC addressed the 2010 deficit by using available fund balance in the Sales Tax Fund, a transfer from the Sales Tax Stabilization Fund, a transfer from the General Fund, and a reduction in project overhead costs for The Banks Riverfront Redevelopment project. In December 2009, the Commission approved a framework for permanently addressing the Sales Tax Fund deficit that includes dedicating a portion of the anticipated casino revenue beginning in 2013, anticipated lease concessions from the Cincinnati Reds and Cincinnati Bengals professional sports teams, and a new revenue stream.

In November 2012, the Commission took additional action, adopting a consensus approach to systematically address the structural imbalance in the sales tax fund. In this legislation, the Commission resolved (1) to approve a .25% increase in the permissive sales and use tax rate (subsequently approved in December 2012); (2) that the amount of the property tax rebate slated for elimination will work toward ensuring that net property taxes collected do not change (subsequent resolution in December 2012); (3) that the county Administrator is to work with the professional sports teams to gain commitments of revenue contributions and/or expense reductions; and (4) that beginning in 2014, at least \$1.5 million of casino revenue will be dedicated to economic development in high-priority sites.

The County tries to maintain a minimum General Fund reserve of 5.0% of ongoing General Fund expenditures, with the longer-term goal of a 15.0% reserve. The reserve balance in 2015 was close to that goal—at approximately 14.5% of General Fund expenditures.

Major Events and Initiatives

Significant economic development activity occurred in Hamilton County in 2015. Major hospital expansions were either commenced or completed. Christ, Jewish, Children's and Mercy West Hospitals were involved. The long-term employment impact of these projects will be significant. Redevelopment projects in the Over-the-Rhine neighborhood continued, drawing national attention. Riverfront development also continued with General Electric selecting The Banks for an administrative headquarters.

Another significant event dates to late 2004 when the Ohio Auditor of State and the Ohio Department of Job and Family Services announced that they would conduct a special audit of Hamilton County's Department of Job and Family Services. During 2016, all matters related to this special audit were resolved and the corresponding transactions booked to the 2015 financials. (See the Subsequent Events section of the Notes to the Basic Financial Statements later in this report.)

Acknowledgments

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

Sincerely,

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

Dusty Rhodes
Auditor

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COUNTY OF HAMILTON, OHIO ELECTED OFFICIALS

As of December 31, 2015

Board of County Commissioners

Gregory P. Hartmann, President
Christopher Monzel
Todd Portune

Dusty Rhodes
Theresa Winkler
Lakshmi K. Sammarco, M.D.
Theodore B. Hubbard
Joseph T. Deters
Wayne Coates
James C. Neil
Robert A. Goering

Auditor
Clerk of Courts
Coroner
Engineer
Prosecutor
Recorder
Sheriff
Treasurer

Ohio Court of Appeals First District

Sylvia Sieve Hendon, Presiding Judge
Penelope R. Cunningham
R. Patrick DeWine

Patrick F. Fischer
Russell J. Mock II
Peter J. Stautberg

Common Pleas Court Judges

General Division

Robert C. Winkler, Presiding Judge
Nadine L. Allen
Kim Wilson Burke
Ethna M. Cooper
Patrick J. Dinkelacker
J. Patrick Foley
Leslie E. Ghiz
Charles J. Kubicki, Jr.

Jody M. Luebbers
Melba D. Marsh
Steven E. Martin
Jerome J. Metz, Jr.
Beth A. Myers
Robert P. Ruehlman
Megan E. Shanahan
John Andrew West

Domestic Relations Division

Susan L. Tolbert, Administrative Judge
Amy L. Searcy

Jon H. Sieve

Probate Court Division

Ralph E. Winkler, Presiding Judge

Juvenile Court Division

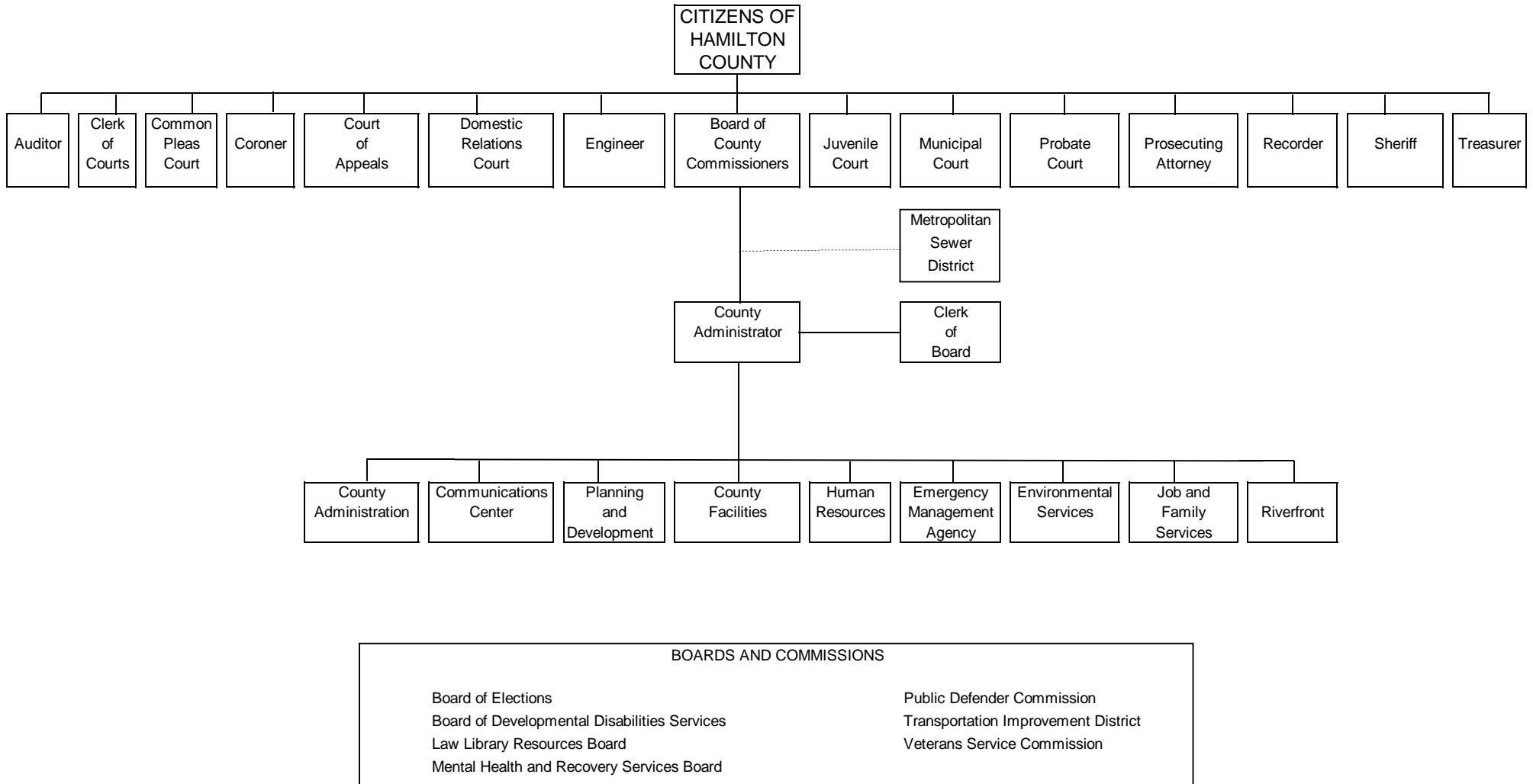
John M. Williams, Presiding Administrative Judge

Hamilton County Municipal Court

Melissa A. Powers, Presiding Judge
Lisa C. Allen
Josh Berkowitz
Richard A. Bernat
Theodore N. Berry
Bernard A. Bouchard
Cheryl D. Grant

Bradley J. Greenberg
Curt Kissinger
Dwane K. Mallory
William L. Mallory
Fanon A. Rucker
Heather S. Russell
Tyrone K. Yates

ORGANIZATION CHART COUNTY OF HAMILTON, OHIO



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**Financial
Section**

**The County of
Hamilton, Ohio**

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Public Assistance, and Health and Human Services Levies funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note II. A to the financial statements, during the year ended December 31, 2015, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the County's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2016 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State

Columbus, Ohio

September 29, 2016

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**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
UNAUDITED**

The discussion and analysis of Hamilton County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2015. The intent of this discussion and analysis is to present a narrative overview of the County's financial performance as a whole. Readers should also review the transmittal letter, at the front of this report, and the County's financial statements and notes, which follow this section, to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2015 are as follows:

- The net position of the County as of December 31, 2015, was \$1,378.8 million, including \$517.9 million in governmental activities and \$860.9 million in business-type activities.
- In total, net position increased \$74.5 million in 2015. Net position of governmental activities increased \$20.7 million. Net position of business-type activities increased \$53.8 million.
- The revenues of the governmental activities were \$703.4 million; \$306.1 million was from program revenues, and \$397.3 million was from general revenues. During this same period, expenses related to the governmental activities were \$656.9 million. The largest category of expenses was for health-related purposes in the amount of \$171.5 million.
- The 2015 revenues of the business-type activities were \$370.6 million—\$316.8 million from program revenues and \$53.8 million from general revenues. Expenses related to the business-type activities were \$320.1 million. The largest expenses were in the operations of Metropolitan Sewer District in the amount of \$208.1 million.
- General revenues accounted for \$451.1 million of total revenues for 2015. Program-specific revenues in the form of charges for services, grants and contributions accounted for \$622.9 million of total revenues of \$1,074.0 million in 2015.
- As of December 31, 2015, the County's governmental funds reported a combined fund balance of \$418.8 million, an increase of \$34.5 million compared to 2014. Approximately 13% of this combined fund balance (\$56.3 million) is available for spending at the government's discretion (unassigned fund balance).
- The fund balance of the County's General Fund increased \$4.6 million in 2015.
- Unassigned fund balance for the General Fund was \$58.0 million in 2015, compared to \$52.4 million in 2014, a change of 11%. This unassigned fund balance represents 35% of General Fund expenditures and other financing uses.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

Overview of the Financial Statements

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

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
UNAUDITED**

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

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

REPORTING HAMILTON COUNTY AS A WHOLE

Government-Wide Financial Statements

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

Statement of Net Position and Statement of Activities

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

- **Statement of Net Position.** The Statement of Net Position presents information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference between all elements reported as net position. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to County creditors (liabilities), and supplies the basis for evaluating the County's capital structure, for computing the rates of return and for assessing the liquidity and financial flexibility of the County.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
UNAUDITED**

- **Statement of Activities.** The Statement of Activities provides information about all of the County's current-year revenues and expenses, and measures the success of the County's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current-year revenues and expenses are reported regardless of when cash is received or paid.

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

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

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

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

The separately audited financial statements of the Metropolitan Sewer District of Greater Cincinnati (MSD), the County-owned sewer district operated by the City of Cincinnati under a management contract, have been included in this report as a proprietary enterprise fund with appropriate note disclosure.

The government-wide financial statements include not only the County itself (known as the primary government) but also any component units, if applicable. Component units are legally separate entities for which the primary government is financially accountable. For 2015, the Convention Facilities Authority (CFA) is a discretely presented component unit, and its financial data is reported on the government-wide statements.

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

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

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
UNAUDITED**

REPORTING HAMILTON COUNTY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Based on restrictions on the use of moneys, the County maintains many funds that account for the multitude of services provided to its citizens.

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

Governmental Funds, Proprietary Funds and Fiduciary Funds

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

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

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

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

The County is required by Ohio law to adopt budgets for the General Fund, special revenue funds and debt service funds. A budgetary comparison statement for the General Fund and each annually budgeted major special revenue fund has been provided as part of the basic governmental fund financial statements. In the supplementary information, budgetary

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comparisons are presented at the legal level of budgetary control for all governmental funds with legally adopted annual budgets.

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

Proprietary Funds. Proprietary fund statements present both short-term and long-term financial information about County operations financed and operated in a manner similar to a private business. On the Statement of Fund Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position, proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The final required statement for proprietary funds is the Statement of Cash Flows. This statement reports cash receipts, cash payments and net changes in cash and cash equivalents resulting from operations, investing and financing activities. This statement provides answers to such questions as where did cash come from, what was cash used for and what was the change in the cash balance during the reporting period.

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

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

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

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

- ❖ **Internal Service Funds.** Internal service funds are used to accumulate and allocate costs internally between the County's various functions, or to account for operations that provide services to County departments, agencies or other governments on a cost-reimbursement basis. Because the services provided by the County's governmental internal service funds—the Workers' Compensation Reserve fund, the Auditor's

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Computer Center fund, and the Medical Self-Insurance fund—benefit governmental functions, they have been included with governmental activities in the government-wide financial statements.

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

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

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

Notes to the Financial Statements

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

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

Other Information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Hamilton County's financial statements comply with the reporting model required by the Governmental Accounting Standards Board. A comparative analysis of current-year and prior-year financial data is included in this report.

Net Position

Net position may serve over time as a useful indicator of the County's financial health. At the end of 2015, Hamilton County was able to report positive balances in all categories of net position for the County as a whole and for its business-type activities. The unrestricted net position of governmental activities was negative (\$123.9) due to the implementation of GASB 68. (See further discussion below.)

Hamilton County's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$1,378.8 million in 2015. This represents \$517.9 million in governmental activities and \$860.9 million in business-type activities.

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Table 1 provides a summary of the County's net position for fiscal year 2015, as compared to 2014.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014*	2015	2014*	2015	2014*
ASSETS						
Current and Other Assets	\$ 811.3	\$ 760.8	\$ 605.7	\$ 647.1	\$1,417.0	\$1,407.9
Capital Assets, Net	313.3	326.7	2,141.8	2,075.1	2,455.1	2,401.8
TOTAL ASSETS	<u>1,124.6</u>	<u>1,087.5</u>	<u>2,747.5</u>	<u>2,722.2</u>	<u>3,872.1</u>	<u>3,809.7</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charge on Refunding	-	0.1	33.3	35.0	33.3	35.1
Pension	34.6	24.6	27.5	3.8	62.1	28.4
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>34.6</u>	<u>24.7</u>	<u>60.8</u>	<u>38.8</u>	<u>95.4</u>	<u>63.5</u>
LIABILITIES						
Current and Other Liabilities	99.4	76.6	55.2	44.0	154.6	120.6
Long-Term Liabilities						
Due Within One Year	13.2	13.5	93.8	89.7	107.0	103.2
Due in More Than One Year	89.6	92.5	1,510.6	1,570.7	1,600.2	1,663.2
Net Pension Liability	200.4	195.9	266.9	223.3	467.3	419.2
TOTAL LIABILITIES	<u>402.6</u>	<u>378.5</u>	<u>1,926.5</u>	<u>1,927.7</u>	<u>2,329.1</u>	<u>2,306.2</u>
DEFERRED INFLOWS OF RESOURCES						
Property Taxes Not Levied to Finance Current Year Operations	235.2	236.5	-	-	235.2	236.5
Pension	3.5	-	20.9	26.2	24.4	26.2
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>238.7</u>	<u>236.5</u>	<u>20.9</u>	<u>26.2</u>	<u>259.6</u>	<u>262.7</u>
NET POSITION						
Net Investment in Capital Assets	267.3	273.5	650.8	561.1	918.1	834.6
Restricted for:						
Debt Service	5.8	5.9	8.2	8.4	14.0	14.3
Capital Projects	5.2	-	-	-	5.2	-
Special Revenue Funds	363.5	348.2	-	-	363.5	348.2
Unrestricted	(123.9)	(130.4)	201.9	237.6	78.0	107.2
TOTAL NET POSITION	<u>\$ 517.9</u>	<u>\$ 497.2</u>	<u>\$ 860.9</u>	<u>\$ 807.1</u>	<u>\$1,378.8</u>	<u>\$1,304.3</u>

*As restated for the implementation of GASB 68 in 2015 (see note II in the Notes to the Basic Financial Statements).

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During 2015, the County adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*, which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all governments' financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the County's proportionate share of each plan's collective

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange"—that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both houses of the general assembly and approval of the governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the Statement of Net Position.

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In accordance with GASB 68, the County's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the County is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$668.5 million to \$497.1 million for governmental activities and from \$1,005.9 to \$807.0 in business-type activities.

By far, the largest portion of the County's net position, \$918.1 million, reflects its investment in capital assets, which includes property, plant, equipment and infrastructure assets, net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position was \$374.5 million of governmental activities and \$8.2 million of business-type activities in 2015.

Changes in Net Position

Hamilton County's total revenues were \$1,074.0 million. Various taxes make up 42% of the County's revenue. Another 38% of the County's revenue comes from fees charged for services, and 21% is state and federal aid.

Overall expenses in governmental activities were down \$7.9 million in 2015 versus the prior year. Revenues were down by \$6.0 million. There was an extraordinary item for (\$22.5) million and net transfers of (\$3.3).

In order to further understand what makes up the changes in net position for the current year, Table 2 gives readers further details regarding the results of activities for 2015 and 2014.

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

	Governmental		Business-Type		Total	
	Activities		Activities		2015	2014*
	2015	2014*	2015	2014*		
REVENUES						
Program Revenues:						
Charges for Services	\$101.1	\$109.7	\$307.1	\$287.7	\$408.2	\$397.4
Operating Grants and Contributions	199.9	231.7	-	-	199.9	231.7
Capital Grants and Contributions	5.1	0.6	9.7	9.7	14.8	10.3
General Revenues:						
Property Taxes	231.8	235.1	-	-	231.8	235.1
Sales and Use Taxes	114.9	81.2	66.0	59.8	180.9	141.0
Other Taxes	34.9	35.4	-	-	34.9	35.4
Grants and Entitlements	9.1	11.3	-	-	9.1	11.3
Unrestricted Investment Earnings	6.0	3.7	(19.5)	42.5	(13.5)	46.2
Gain on Sale of Capital Assets	0.1	-	-	-	0.1	-
Other	.5	.7	7.3	8.2	7.8	8.9
TOTAL REVENUES	<u>703.4</u>	<u>709.4</u>	<u>370.6</u>	<u>407.9</u>	<u>1,074.0</u>	<u>1,117.3</u>
EXPENSES						
Program Expenses:						
General Government	63.0	68.1	-	-	63.0	68.1
Judicial	92.3	94.3	-	-	92.3	94.3
Public Safety	98.2	104.5	-	-	98.2	104.5
Social Services	154.4	143.1	-	-	154.4	143.1
Health	171.5	185.6	-	-	171.5	185.6
Public Works	36.4	43.0	-	-	36.4	43.0
Environmental Control	6.5	6.9	-	-	6.5	6.9
Economic Development	11.8	9.0	-	-	11.8	9.0
Parks and Recreation	19.8	7.2	-	-	19.8	7.2
Interest and Fiscal Charges	3.0	3.1	-	-	3.0	3.1
Metropolitan Sewer District	-	-	208.1	219.6	208.1	219.6
Paul Brown Stadium	-	-	43.9	44.3	43.9	44.3
Baseball Stadium	-	-	29.7	30.3	29.7	30.3
Riverfront Development	-	-	16.8	14.9	16.8	14.9
Main Street Parking Garage	-	-	0.8	0.9	0.8	0.9
Rotary Funds	-	-	12.8	9.8	12.8	9.8
Communications Center	-	-	8.0	7.4	8.0	7.4
Total Program Expenses	<u>656.9</u>	<u>664.8</u>	<u>320.1</u>	<u>327.2</u>	<u>977.0</u>	<u>992.0</u>

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Indirect Expenses Allocation	\$ 3.6	\$ 3.4	\$ -	\$ -	\$ 3.6	\$ 3.4
Indirect Expenses Reimbursement	(3.6)	(3.4)	-	-	(3.6)	(3.4)
TOTAL EXPENSES	<u>656.9</u>	<u>664.8</u>	<u>320.1</u>	<u>327.2</u>	<u>977.0</u>	<u>992.0</u>
Increase (Decrease) in Net Position Before Transfers	46.5	44.6	50.5	80.7	97.0	125.3
Extraordinary Item	(22.5)	-	-	-	(22.5)	-
Transfers	(3.3)	(5.5)	3.3	5.5	-	-
INCREASE (DECREASE) IN NET POSITION	20.7	39.1	53.8	86.2	74.5	125.3
NET POSITION—BEGINNING OF YEAR	497.2	N/A	807.1	N/A	1,304.3	N/A
NET POSITION—END OF YEAR	<u>\$517.9</u>	<u>\$497.2</u>	<u>\$860.9</u>	<u>\$807.1</u>	<u>\$1,378.8</u>	<u>\$1,304.3</u>

*As restated for (1) the implementation of GASB 68 in 2015 and (2) the reversal of part of the special audit finding for adjustment booked in 2014 (governmental activities). (See note II in the Notes to the Basic Financial Statements.)

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$24.6 million computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$21.9 million and \$14.5 million. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-Type Activities	Total
Total 2015 Program Expenses under GASB 68	\$ 656.9	\$ 320.1	\$ 977.0
Pension Expense under GASB 68	(21.9)	(14.5)	(36.4)
2015 Contractually Required Contribution	23.9	2.4	26.3
Adjusted 2015 Program Expenses	658.9	308.0	966.9
Total 2014 Program Expenses under GASB 27	(664.8)	(327.2)	(992.0)
Increase in Program Expenses Not Related to Pension	<u>\$ (5.9)</u>	<u>\$ (19.2)</u>	<u>\$ (25.1)</u>

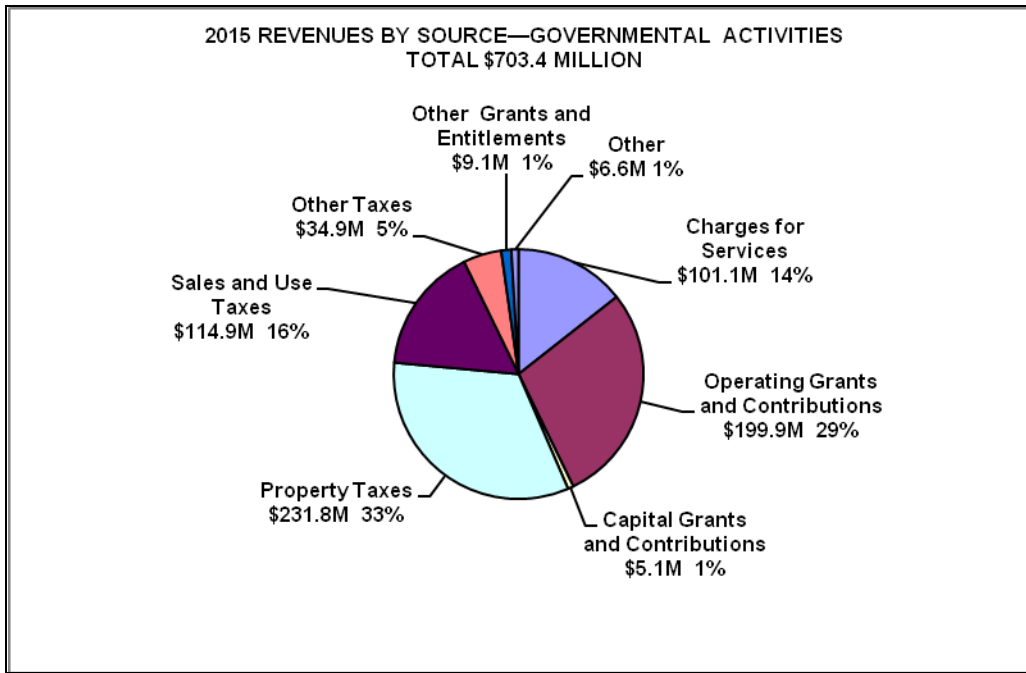
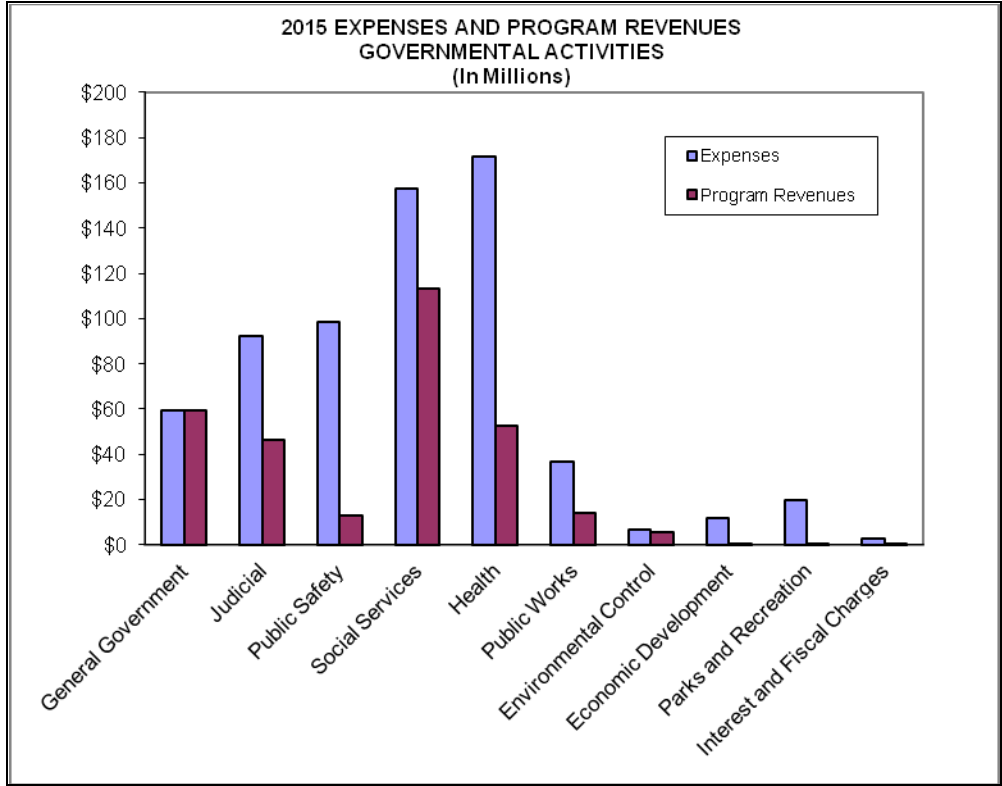
Governmental Activities. Governmental activities increased Hamilton County's net position by \$20.7 million (2% increase compared to 2014's net position).

There was no material change in either total revenues or program expenses in 2015 compared to 2014. Items with significant effects on net position were (1) the implementation of GASB 68, which decreased beginning net position by \$171.3 million and resulted in a Net Pension Liability of \$200.4 million in 2015, and (2) the extraordinary item related to the settlement of the special audit of the Department of Job and Family Services (see Economic Factors, Next Year's Budgets and Rates, and Other Significant Matters later in the Management's Discussion and Analysis).

While total revenues did not change significantly (decrease of \$6.0 million), there was a 42% increase in sales tax due to (1) the additional .25% sales tax that went into effect in 2015 to be used for the renovation and restoration of the historic Union Terminal, as well as (2) the still-continuing trend of increased collections due to the gradual improvement in the economy. All tax revenue accounts combined were \$381.6 million, which was 54% of the \$703.4 million total revenue for governmental activities.

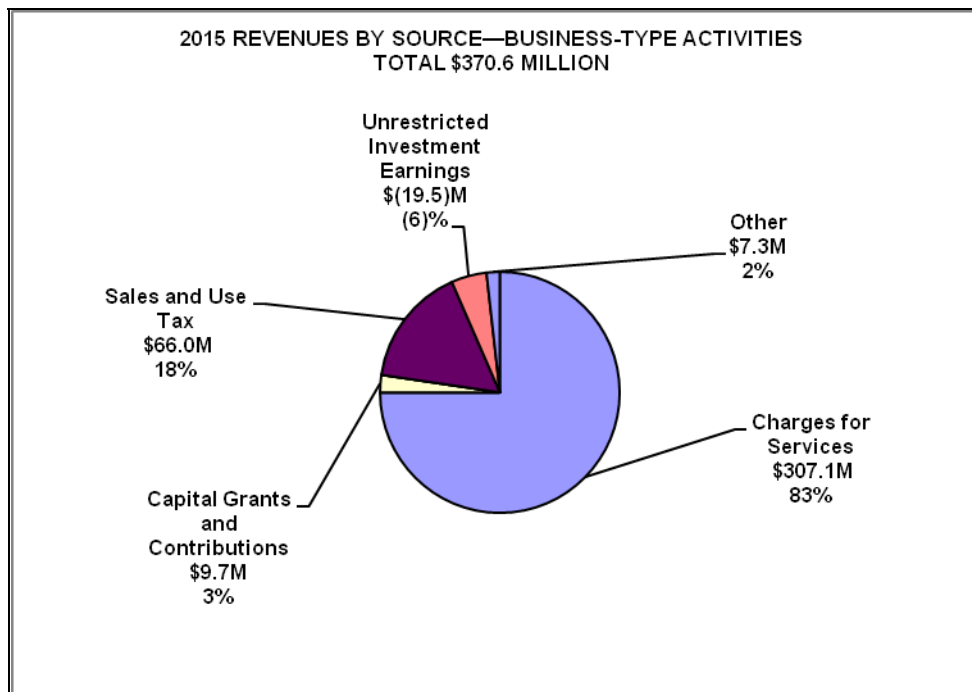
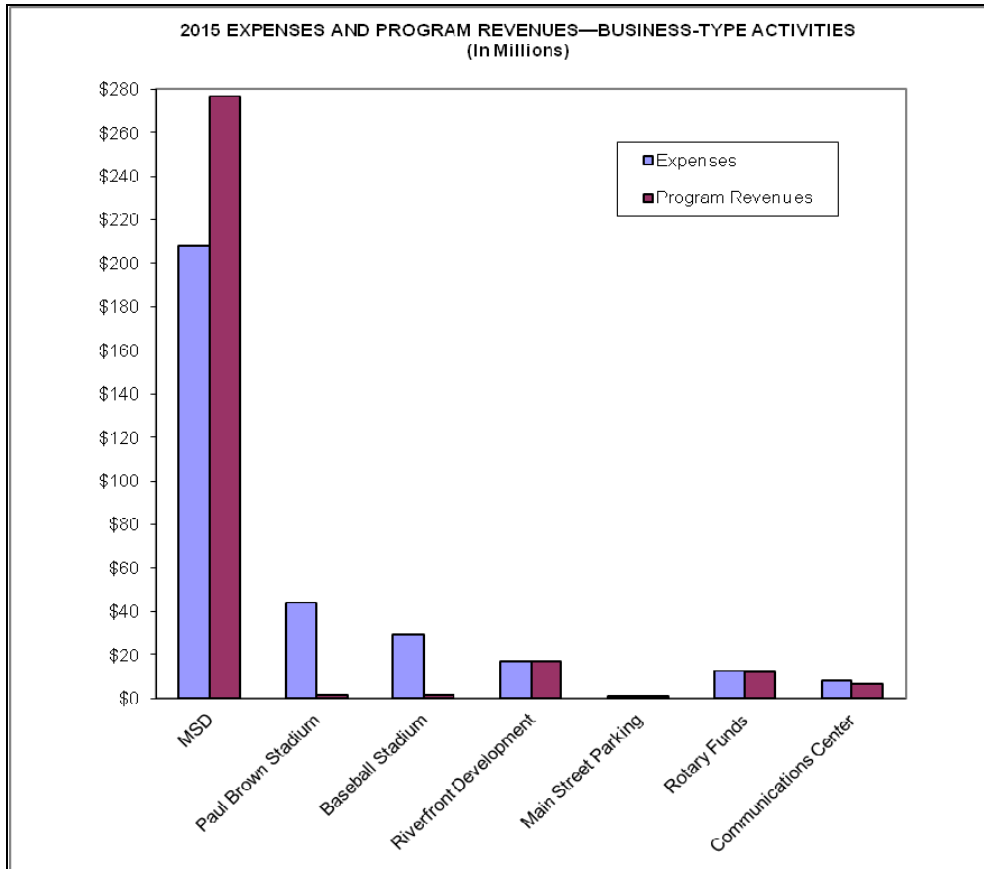
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Total program expenses of the County's governmental activities were \$656.9 million in 2015. The health category accounts for \$171.5 million (26%) of the total expenses for governmental activities. Social services was the next largest program within the County, accounting for \$154.4 million (24%) of total expenses for governmental activities for the year.



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Business-Type Activities. Business-type activities increased Hamilton County's net position by \$53.8 million, or 4%, in 2015.



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The County's direct charges to users of County business-type services, charges for services, were \$307.1 million or 83% of business-type activities' revenues in 2015. A significant portion of these charges, \$272.5 million, were Metropolitan Sewer District sewer service charges and surcharges that will provide for necessary operating expenses, annual debt support, support of the District's capital program and the satisfaction of bond covenants. The other major revenue source in 2015 was sales and use tax revenues of \$66.0 million.

Overall expenses of the County's business-type activities were \$320.1 million. Metropolitan Sewer District accounted for \$208.1 million (65%) of the total expenses for business-type activities in 2015. Paul Brown Stadium accounted for the next largest amount of business-type expenses at \$43.9 million (14%) of the 2015 total.

MSD recorded an unrealized loss in investments of \$29.1 million, resulting in negative investment earnings for business-type activities of \$19.5 million.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

The focus of Hamilton County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County commissioners.

As the County completed the year, its governmental funds reported a combined ending fund balance of \$418.8 million. Approximately 13% of this amount (\$56.3 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$0.2 million); (2) legally required to be maintained intact (\$4.4 million); (3) restricted for particular purposes (\$328.2 million); (4) committed for particular purposes (\$9.9 million), or (5) assigned for particular purposes (\$19.8 million).

General Fund. The General Fund is the chief operating fund of the County, available for any authorized purpose and used to account for all financial resources except those required to be accounted for in another fund. In 2015, unassigned fund balance of the General Fund was \$58.0 million, while total fund balance was \$82.6 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. In 2015, unassigned fund balance represents approximately 29% of the total General Fund expenditures and other financing uses, while total fund balance represents 41% of that same amount.

The fund balance of the County's General Fund increased \$4.6 million during 2015, with both revenues and expenditures remaining essentially even with those of 2014.

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

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Public Assistance Fund. The Public Assistance fund, an annually budgeted special revenue fund, is used to account for revenue from the federal, state and county governments and for expenditures used to provide services to eligible County residents. The fund balance of the Public Assistance fund increased by \$6.3 million in 2015. There were no significant changes in activity versus 2014.

Health and Human Services Levies Fund. The Health and Human Services Levies fund, an annually budgeted special revenue fund, is used to account for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners. The fund balance of the County's Health and Human Services Levies fund increased by \$8.4 million in 2014. Some of the contributing factors:

- The new sales and use tax for Union Terminal brought in additional revenues of \$26.0 million and expenditures of \$12.6 million.
- Health expenditures decreased \$11.4 million. Half of this amount was in the University Hospital Levy, which had the final year of a levy cycle in 2014 that included an additional three payments to the hospital, totaling \$5.7 million. The Developmental Disabilities Levy spent \$5.0 less in 2015 than in 2014 due to several factors, including an early retirement incentive program and a change in billing and reimbursement of case management work.
- The extraordinary item related to resolution of the special audit of Job and Family Services reduced fund balance by \$22.5 million. (See earlier discussion.)

Other Governmental Funds. The fund balances of Other Governmental Funds increased by \$15.2 million during 2015. The largest component of the increase was the issuance of bonds for \$5.4 million.

Proprietary Funds

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

Metropolitan Sewer District Fund, Paul Brown Stadium Fund and Baseball Stadium Fund.

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

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

The fund assets and deferred outflows of Metropolitan Sewer District exceeded liabilities and deferred inflows by \$764.2 million in 2015. Of that net position, 79% reflects MSD's investment in capital assets, less any related debt used to acquire those assets that is still outstanding.

Net position increased \$54.9 million in 2015. Some of the major factors that contributed to these results are as follows:

- Charges for services increased \$15.0 million.
- Net nonoperating revenues and expenses changed by (\$57.6) million, including (\$62.1) million in the change in fair value of investments.

*Source: Metropolitan Sewer District of Greater Cincinnati 2015 Audited Financial Statements

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Paul Brown Stadium Fund. The Paul Brown Stadium fund is used to account for revenue received from stadium tenants and for the operation of Paul Brown Football Stadium. The fund net position of the Paul Brown Stadium fund was a negative \$73.4 million in 2015, a change of \$7.3 million, mostly attributable to additional sales tax revenue for debt service.

Baseball Stadium Fund. The Baseball Stadium fund is used to account for the operations of Great American Ball Park Baseball Stadium and the Cincinnati Reds Hall of Fame and Museum. The fund net position of the Baseball Stadium fund was \$27.5 million, a decrease of \$7.7 million compared to 2015. The major factors contributing to the decrease in fund net position were depreciation expense and interest expense, in conjunction with minimal operating revenue offset. Revenues and expenditures are largely fixed amounts, as set forth in the ballpark lease. Operating costs are shared by the Cincinnati Reds and County sales tax.

Other Enterprise Funds. The \$142.5 million fund net position of Other Enterprise Funds reflects less than a 1% change from 2014. For more information related to the change in net position of Other Enterprise Funds, please refer to the Combining Statement of Revenues, Expenses and Changes in Fund Net Position found in this report in the section following the Notes to the Financial Statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

The adopted budget may be amended in one of three ways: (1) transfer of appropriations between funds, departments or appropriation levels, all of which must be approved by the BOCC; (2) additional appropriations, which also require BOCC approval; and (3) transfers within appropriated levels, which require County Administrator approval. (With regard to this latter category, however, such transfers within appropriated levels are not necessary since agencies may legally spend within their total budget for a given appropriation level without further approval.) The Office of Budget and Strategic Initiatives reviews departmental requests for transfers and supplemental appropriations throughout the year and assists departments in monitoring budget activity. All budgetary amendments and supplemental appropriations made during 2015 are included in the revised budget amounts presented in the budget-to-actual comparisons.

The final revised General Fund appropriations for 2015 were \$212.8 million. The County spent 97% of the amount appropriated in the General Fund during 2015. Expenditures in the areas of public safety and the court system combine for 73% of General Fund expenditures. The cost of employee wages and benefits continues to be the largest expenditure category, accounting for approximately 68% of expenditures.

The final revised estimated resources for the General Fund for 2014 were \$198.0 million. Actual General Fund revenues received were \$212.0 million, about 7% greater than final budgeted General Fund revenues. One of the reasons revenues exceeded expectations was the greater-than-projected sales tax collections (\$5.7 million greater than budgeted), thanks to the continued growth in local consumer purchases.

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A significant change in final versus original budget occurred in Juvenile Court's Other Expenditure category, which increased \$2.0 million (16%) over original budget. While the appropriation increased for contractually required spending, the amount was to be reimbursed.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Hamilton County has invested \$2,455.0 million (net of accumulated depreciation) as of 2015 year-end in a broad range of capital assets, which include property, plant, equipment and infrastructure assets.

Net capital assets related to governmental activities amount to \$313.2 million. Net capital assets related to business-type activities amount to \$2,141.8 million and include \$1,504.4 million net capital assets of MSD.

Table 3 summarizes the County's capital assets, net of accumulated depreciation, for 2015.

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land and Improvements	\$ 93.8	\$ 93.9	\$ 97.5	\$ 97.5	\$ 191.3	\$ 191.4
Buildings, Structures and Improvements	74.6	81.0	711.1	753.5	785.7	834.5
Infrastructure	111.3	128.2	-	-	111.3	128.2
Sewer Laterals	-	-	679.4	691.9	679.4	691.9
Furniture, Fixtures and Equipment	20.0	19.5	203.2	201.3	223.2	220.8
Construction in Progress	13.5	4.1	450.6	330.9	464.1	335.0
TOTAL CAPITAL ASSETS, NET	<u>\$313.2</u>	<u>\$326.7</u>	<u>\$2,141.8</u>	<u>\$2,075.1</u>	<u>\$2,455.0</u>	<u>\$2,401.8</u>

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

- The change in governmental activities is attributable to net depreciation of \$27.2 with only \$13.7 change in 2015 net purchases and disposals.
- Expenses of about \$26.3 million were for Metropolitan Sewer District capital improvement projects and equipment replacement.*
- Construction in Progress increased by \$119.7 in business-type activities. MSD accounted for \$93.0 million, mostly for sewer replacements and improvements.* Other significant projects in progress are the energy efficiency improvements to riverfront buildings, The Banks Phase 3, and the 800MHz system.

*Source: Metropolitan Sewer District of Greater Cincinnati 2015 Audited Financial Statements

Five-Year Capital Plans. The Hamilton County and Metropolitan Sewer District five-year capital plans were submitted and accepted for the years 2016 through 2020.

**COUNTY OF HAMILTON, OHIO
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Hamilton County Capital Improvement Plan. The 2016-2020 capital improvement plan includes \$7.6 million in approved and \$73.9 million in recommended capital improvement projects. The 18 recommended projects would be funded by the General Fund, some special revenue funds, grants, the election capital reserve and the divestiture of property.

Metropolitan Sewer District Capital Plan. MSD finances its construction program through a combination of revenue bonds, revolving loans through the State of Ohio and cash, with the primary source being tax-exempt revenue bonds.*

*Source: Metropolitan Sewer District of Greater Cincinnati 2015 Audited Financial Statements

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

Long-Term Obligations

Hamilton County's total long-term obligations outstanding at year-end, excluding premiums and discounts, were \$2,090.7 million (\$301.5 million related to governmental activities and \$1,789.2 million related to business-type activities). This includes liabilities for bonds, loans, capital leases, forgivable mortgages and loan, workers' compensation, compensated absences, net pension liability and other post-employment obligations.

Outstanding Debt Issues. At the end of 2015, the County had a number of debt issues outstanding. These issues, excluding any unamortized discounts and premiums, included \$86.4 million of general obligation bonds, \$3.1 million of general obligation special assessment bonds, \$911.7 million of sewer revenue bonds and other obligations of MSD, \$15.4 million of parking garage adjustable rate revenue bonds, \$508.4 million of stadium sales tax bonds, and \$13.3 million in loans.

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

Table 4 summarizes the County's outstanding long-term bonds and loans for 2015 and 2014.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
General Obligation Bonds—Unvoted	\$ 48.8	\$ 54.1	\$ 37.6	\$ 24.5	\$ 86.4	\$ 78.6
General Obligation Special Assessment Bonds	3.1	3.5	-	-	3.1	3.5
Metropolitan Sewer District Obligations	-	-	911.7	960.1	911.7	960.1
Adjustable Rate Revenue Bonds	-	-	15.4	16.4	15.4	16.4
Sales Tax Bonds	-	-	508.4	528.1	508.4	528.1
Loans	2.1	1.6	11.2	13.3	13.3	14.9
TOTAL LONG-TERM DEBT	\$ 54.0	\$ 59.2	\$1,484.3	\$1,542.4	\$1,538.3	\$1,601.6

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
UNAUDITED**

New Debt. During 2015, the County issued new bonds and a loan for the purposes listed below.

MSD issued \$52.5 million in Sewer System Revenue Refunding Bonds to defease \$60.4 million of the 2005B revenue bonds.

The County issued \$25.2 million in Various Purpose Limited Tax General Obligation Improvement and Refunding Bonds to partially advance refund the 2006 Emergency Services Communication System Refunding Bonds, acquire communications system equipment and technology improvements, and improve various County buildings.

Manuscript Bonds: Manuscript bonds for \$0.2 million were issued to reimburse MSD for costs of acquiring and constructing sewer system improvements and for \$21.9 million to be used to acquire and construct improvements related to Phase 3 of The Banks project. Manuscript bonds are accounted for as interfund liabilities.

Credit Ratings. The County currently obtains credit ratings on all of its bonds and maintains ratings as of 2015 as follows:

County Bonds Issued	Bond Rating			Insurer
	Moody's	Standard & Poor's (S&P)	Fitch	
General Obligation	Aa2			
MSD Revenue (Series 2003-2006)*	Aa2	AA+		MBIA
MSD Revenue (Series 2007-2015)	Aa2	AA+		
Sales Tax—Riverfront (2000B and 2006A)**	A2		A+	AMBAC***
Sales Tax—Riverfront (2011)	A2		A+	
Riverfront Parking Revenue (2001)	A3			

Sources: Hamilton County Office of Budget and Strategic Initiatives and Metropolitan Sewer District of Greater Cincinnati 2015 Audited Financial Statements

Ratings

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

Insurers

MBIA—Municipal Bond Investors Assurance
AMBAC—American Municipal Bond Assurance Corporation

*Underlying rating is Aa2 by Moody's Investors Service and AA+ by Standard and Poor's Corporation.

**Underlying rating is A2 by Moody's Investors Service and A+ by Fitch.

***The surety provider AMBAC had its rating withdrawn by Standard & Poor's and Moody's which initially caused a non-payment default under the documentation for the sales tax bonds for which AMBAC served as a surety provider. The county filed a Material Event Notice on July 8, 2011. The non-payment default came about through no fault of the County and does not affect the ability of the County to make timely payments of its debt service obligations. In order to satisfy the debt service requirements set forth in the Trust Agreement for the County's Sales Tax Bonds, the County started to make monthly cash deposits into the debt service reserve fund for the County's Sales Tax Bonds as of August 2011 continuing through December 2012. Beginning in January 2013, the County provided a credit support instrument, initially through BBVA Compass Bank and currently through PNC Bank, National Association, in order to satisfy its obligation to fully replenish the debt service reserve fund over approximately 40 months. Since the date of the initial cash deposit into the debt service reserve fund for purposes of replenishing such fund, the County has been in compliance with the Trust Agreement governing replenishment of the debt service reserve fund.

Legal Debt Margins. The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3% of the first

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
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\$100 million or part of the tax list, plus 1½% of the tax list in excess of \$100 million and not in excess of \$300 million, plus 2½% of the tax list in excess of \$300 million. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1% of the tax list of the County. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3%, 1½% and 2½% limitation described above is \$457.2 million. The total County net debt subject to this limitation is \$107.1 million, leaving a borrowing capacity of \$350.1 million within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1% limitation is \$183.5 million. The total County debt subject to such limitation is \$107.1 million, leaving a borrowing capacity of \$76.4 million within the 1% limitation for unvoted non-exempt debt.

Other Long-Term Obligations. The County's long-term obligations for 2015 also include compensated absences of \$41.9 million related to governmental activities and \$10.1 million related to business-type activities; forgivable loan contracts of \$4.0 million; various long-term leases for office space or equipment amounting to \$3.0 million; and workers' compensation of \$1.2 million; net pension liability of \$200.4 million related to governmental activities and \$266.9 million related to business-type activities; and MSD's other post-employment benefits obligation of \$10.1 million.

Interest and fiscal charges for governmental activities were \$3.0 million, less than 1% of the total expenses in 2015.

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

ECONOMIC FACTORS, NEXT YEAR'S BUDGETS AND RATES, AND OTHER SIGNIFICANT MATTERS*

The area's economic recovery continues to show growth. Here are some highlights and recent trends of the region:

- economy has grown to 2 percent above pre-recession level
- #2 ranking in lowest business-operating costs in the nation for metropolitan areas with population of 2,000,000 or more (*KPMG Competitive Alternatives Study*)
- #4 ranking in U.S. for economic development projects for metropolitan areas with population of 1,000,000 or more (*Site Selection*)
- #7 ranking in the nation for quality of life (*Business Facilities Metro Ranking Report*)
- fifth most affordable, livable city in the U.S. (*money.msn.com*)
- least costly large U.S. city for business
- employment growth in 2015, though still not back to pre-recession levels
- a top city for tech jobs
- declining unemployment rate
- 14 Fortune 1000 headquarter companies
- diverse workforce
- average age less than national average
- central access to customers, suppliers and purchasing power
- low cost of living—10 percent lower than national average

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015
UNAUDITED**

For 2016 the Board of County Commissioners (BOCC) approved a total budget of \$1,146.0 million. General Fund appropriations are \$207.1 million, a \$5.3 million increase. However, the 2016 budget reflects an accounting change in mid-2015, and as a result, the real increase from the 2015 budget is \$13.2 million, or 6.8%, of which \$7.4 million is related to ongoing expenses from 2015 above budgeted levels.

Revenues for 2016 are budgeted at \$206.3 million, \$0.8 million below budgeted expenses. The County will use the \$3.5 million budget stabilization fund to make up the difference as needed. Revenue increases allow for the remaining growth in expenses. County administration continues to approach revenue projections cautiously.

The total 2015 budget for the County's restricted funds is \$938.9 million, a \$63.2 million (7.2%) increase from 2015's original appropriations. Two items account for \$53.4 million of the increase: \$32.0 million for the first full year of collections related to the Union Terminal sales tax and a \$21.4 million increase in expenses for the Sewer District.

To date in 2016, the County has issued Sales Tax Refunding Bonds in the amount of \$324.0 million to currently refund \$376.3 million of the 2006A Sales Tax Refunding Bonds.

In April 2016, Hamilton County Job and Family Services paid \$22.5 million to the Ohio Department of Job and Family Services to settle a matter related to the special audit of Hamilton County Department of Job and Family Services. This payment, the reversal of prior fund balance adjustments related to interfund transfers (see note II B in the Notes to the Basic Financial Statements), and the execution of and booking of a Note, in the amount of \$242 from Other Governmental Funds to the Health and Human Services Levies Fund are final settlements of all matters related to the special audits of Hamilton County Job and Family Services.

The City of Cincinnati offered an Early Retirement Incentive Program (ERIP) in 2007. The City of Cincinnati Retirement System requested MSD's share of the remaining liability in the amount of \$8.7 million. This amount represents the full liability for 2015-2023 years. The payment was processed in March 2016.

MSD is currently undergoing a special audit. The effects of the outcome of this special audit on the information reported and disclosed are currently unknown.

* Sources: Hamilton County, Ohio, 2016 Budget in Brief; redicincinnati.com (Regional Economic Development Initiative Cincinnati); Board of County Commissioners' meeting minutes; and Metropolitan Sewer District of Greater Cincinnati 2015 Audited Financial Statements

REQUESTS FOR INFORMATION

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

**COUNTY OF HAMILTON, OHIO
STATEMENT OF NET POSITION**

December 31, 2015

(Amounts in Thousands)

	Primary Government			Component Unit Convention Facility Authority
	Governmental Activities	Business-Type Activities	Totals	
ASSETS				
Equity in Pooled Cash and Investments	\$ 435,589	\$ 65,223	\$ 500,812	\$ 10,399
Cash and Cash Equivalents—Segregated Accounts	4,674	27,684	32,358	-
Accounts Receivable	5,387	44,763	50,150	-
Lease Rent Receivable	-	273	273	-
Sales Tax Receivable	22,237	9,355	31,592	-
Interest Receivable	1,058	-	1,058	-
Intergovernmental Receivable	50,186	983	51,169	-
Real and Other Taxes Receivable	263,357	-	263,357	2,790
Internal Balances	23,216	(23,216)	-	-
Prepaid Expenses	-	1,451	1,451	-
Inventories	115	-	115	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
the City of Cincinnati:				
Construction Account	-	53,832	53,832	-
Amount to Be Transferred to Surplus Account	-	70,757	70,757	-
Held by Trustees:				
Cash and Cash Equivalents	-	22,662	22,662	-
Investments—Held to Maturity	-	331,762	331,762	-
Special Assessments Receivable	5,458	-	5,458	-
Nondepreciable Capital Assets	106,841	548,144	654,985	-
Depreciable Capital Assets, Net	206,415	1,593,611	1,800,026	-
Other Long-Term Assets	-	156	156	-
TOTAL ASSETS	<u>1,124,533</u>	<u>2,747,440</u>	<u>3,871,973</u>	<u>13,189</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	19	33,322	33,341	-
Pension	34,603	27,523	62,126	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>34,622</u>	<u>60,845</u>	<u>95,467</u>	<u>-</u>
LIABILITIES				
Accounts Payable	24,232	15,948	40,180	-
Accrued Wages and Benefits Payable	8,278	1,966	10,244	-
Matured Compensated Absences Payable	152	-	152	-
Intergovernmental Payable	24,638	407	25,045	-
Accrued Interest Payable	199	5,418	5,617	271
Construction Accounts Payable	-	14,579	14,579	-
Retainage Payable	412	647	1,059	-
Due to Other Governments	-	-	-	5,374
Due to Component Unit	1,705	-	1,705	-
Unearned Revenue	30,246	16,240	46,486	-
Escheat	4,429	-	4,429	-
Estimated Future Claims	5,120	-	5,120	-
Long-Term Liabilities:				
Due Within One Year	13,197	93,862	107,059	2,595
Due in More Than One Year	89,570	1,510,570	1,600,140	72,453
Net Pension Liability	200,397	266,875	467,272	-
TOTAL LIABILITIES	<u>402,575</u>	<u>1,926,512</u>	<u>2,329,087</u>	<u>80,693</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Not Levied to Finance Current-Year Operations	235,206	-	235,206	-
Deferred Gain on Defeasance	-	-	-	1,387
Pension	3,521	20,874	24,395	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>238,727</u>	<u>20,874</u>	<u>259,601</u>	<u>1,387</u>
NET POSITION				
Net Investment in Capital Assets	267,343	650,739	918,082	-
Restricted for:				
Debt Service	5,757	8,238	13,995	-
Capital Projects	5,182	-	5,182	-
Public Assistance	36,842	-	36,842	-
Health and Human Services Levies	231,395	-	231,395	-
Motor Vehicle Gas Tax	38,114	-	38,114	-
Health and Community Services Nongrants	54,440	-	54,440	-
Capital Outlay	-	-	-	3,816
Other Purposes	2,653	-	2,653	-
Unrestricted	(123,873)	201,922	78,049	(72,707)
TOTAL NET POSITION	<u>\$ 517,853</u>	<u>\$ 860,899</u>	<u>\$ 1,378,752</u>	<u>\$ (68,891)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

FUNCTION/PROGRAMS	Program Revenues					Net (Expense) Revenue and Changes in Net Position			Component Unit Convention Facility Authority
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-Type Activities	Total	
Primary Government:									
Governmental Activities									
General Government	\$ 62,983	\$ (3,620)	\$ 45,546	\$ 13,998	\$ -	\$ 181	\$ -	\$ 181	\$
Judicial	92,282	89	25,964	20,443	-	(45,964)	-	(45,964)	
Public Safety	98,236	60	10,613	2,433	151	(85,099)	-	(85,099)	
Social Services	154,406	2,967	5,198	108,148	-	(44,027)	-	(44,027)	
Health	171,507	42	2,437	49,906	-	(119,206)	-	(119,206)	
Public Works	36,411	191	8,372	722	4,899	(22,609)	-	(22,609)	
Environmental Control	6,470	262	2,772	3,032	-	(928)	-	(928)	
Economic Development	11,785	-	161	-	-	(11,624)	-	(11,624)	
Parks and Recreation	19,765	9	-	762	-	(19,012)	-	(19,012)	
Debt Service:									
Interest and Fiscal Charges	2,987	-	-	449	-	(2,538)	-	(2,538)	
Total Governmental Activities	656,832	-	101,063	199,893	5,050	(350,826)	-	(350,826)	
Business-Type Activities									
Metropolitan Sewer District	208,063	-	272,507	-	4,267	-	68,711	68,711	
Paul Brown Stadium	43,924	-	1,325	-	-	-	(42,599)	(42,599)	
Baseball Stadium	29,674	-	1,419	-	-	-	(28,255)	(28,255)	
Riverfront Development	16,772	-	12,664	-	4,342	-	234	234	
Main Street Parking Garage	771	-	983	-	-	-	212	212	
Rotary Funds	12,782	-	12,221	-	-	-	(561)	(561)	
Communications Center	7,992	-	5,954	-	1,064	-	(974)	(974)	
Total Business-Type Activities	319,978	-	307,073	-	9,673	-	(3,232)	(3,232)	
Total Primary Government	\$ 976,810	\$ -	\$ 408,136	\$ 199,893	\$ 14,723	(350,826)	(3,232)	(354,058)	
Component Unit:									
Convention Facility Authority	\$ 9,833	\$ -	\$ -	\$ -	\$ 1,350				(9,128)
General Revenues									
Property Taxes						231,836	-	231,836	-
Sales and Use Taxes						114,860	65,973	180,833	-
Hotel Occupancy Taxes						-	-	-	11,508
Other Taxes						34,945	-	34,945	-
Grants and Entitlements not Restricted to Specific Programs						9,055	-	9,055	-
Gifts and Donations						92	-	92	-
Unrestricted Investment Earnings						6,023	(19,508)	(13,485)	-
Gain on Sale of Capital Assets						58	-	58	-
Other						448	7,305	7,753	-
Extraordinary Item						(22,500)	-	(22,500)	-
Transfers						(3,286)	3,286	-	-
Total General Revenues and Transfers						371,531	57,056	428,587	11,508
Change in Net Position						20,705	53,824	74,529	2,380
Net Position—Beginning (As Restated—Note II)						497,148	807,075	1,304,223	(71,271)
Net Position—Ending						\$ 517,853	\$ 860,899	\$ 1,378,752	\$ (68,891)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 73,092	\$ 34,360	\$ 203,020	\$ 106,360	\$ 416,832
Cash and Cash Equivalents—Segregated Accounts	-	-	4,334	340	4,674
Accounts Receivable	3,767	10	116	1,494	5,387
Sales Tax Receivable	12,744	-	6,357	3,136	22,237
Interest Receivable	1,058	-	-	-	1,058
Intergovernmental Receivable	7,326	4	31,671	11,185	50,186
Real and Other Taxes Receivable	44,162	-	208,160	11,035	263,357
Due from Other Funds	3,870	5,101	242	244	9,457
Inventories	-	-	-	115	115
Due from Advances to Other Funds	113	-	-	-	113
Interfund Receivable	-	1,752	21,720	-	23,472
Special Assessments Receivable	-	-	-	5,458	5,458
TOTAL ASSETS	\$ 146,132	\$ 41,227	\$ 475,620	\$ 139,367	\$ 802,346
LIABILITIES					
Accounts Payable	\$ 4,198	\$ 2,798	\$ 12,409	\$ 4,792	\$ 24,197
Accrued Wages and Benefits Payable	4,622	1,207	1,231	1,162	8,222
Matured Compensated Absences Payable	122	24	-	6	152
Intergovernmental Payable	836	168	23,140	486	24,630
Retainage Payable	5	-	-	407	412
Due to Component Unit	-	-	-	1,705	1,705
Due to Other Funds	10	188	6,960	803	7,961
Advances from Other Funds	-	-	-	113	113
Unearned Revenue	4,711	-	2,018	23,517	30,246
Interfund Payable	1,752	-	-	-	1,752
Escheat	4,429	-	-	-	4,429
TOTAL LIABILITIES	20,685	4,385	45,758	32,991	103,819
DEFERRED INFLOWS OF RESOURCES					
Property Taxes Not Levied to Finance Current-Year Operations	36,739	-	198,467	-	235,206
Unavailable Revenue	6,077	-	31,947	6,467	44,491
TOTAL DEFERRED INFLOWS OF RESOURCES	42,816	-	230,414	6,467	279,697
FUND BALANCES (DEFICITS)					
Nonspendable	4,542	-	-	115	4,657
Restricted	-	36,842	198,951	92,364	328,157
Committed	275	-	497	9,082	9,854
Assigned	19,821	-	-	-	19,821
Unassigned (Deficit)	57,993	-	-	(1,652)	56,341
TOTAL FUND BALANCES (DEFICITS)	82,631	36,842	199,448	99,909	418,830
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 146,132	\$ 41,227	\$ 475,620	\$ 139,367	\$ 802,346

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2015
(Amounts in Thousands)

Total Governmental Funds Balances	\$	418,830
<p>Amounts reported for governmental activities in the Statement of Net Position are different from the amounts reported in the governmental funds because of the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 1,268,284	
Accumulated Depreciation	(955,211)	
Total		313,073
<p>Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.</p>		
Property Taxes	11,522	
Grants and Other Intergovernmental Revenue	27,313	
Nongrants	198	
Special Assessments	5,458	
Total		44,491
<p>Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and medical self-insurance to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Position.</p>		
		12,376
<p>Long-term liabilities and related deferred inflows/outflows, including bonds and notes payable, loans and loan contracts, compensated absences, net pension liability, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.</p>		
General Obligation Bonds and Notes	(48,820)	
Deferred Amount on Refunding	19	
Unamortized Premium	(1,664)	
Special Assessment Bonds	(3,107)	
Loan Contracts	(4,025)	
State Loan	(2,090)	
Compensated Absences	(41,716)	
Deferred Outflows--Pension	34,603	
Deferred Inflows--Pension	(3,521)	
Net Pension Liability	(200,397)	
Accrued Interest Payable	(199)	
Total		(270,917)
Net Position of Governmental Activities	\$	517,853

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Special Assessments	\$ 36,711	\$ -	\$ 197,984	\$ 559	\$ 235,254
Sales and Use Tax	78,385	-	26,043	10,432	114,860
State Shared Taxes	12,489	-	-	22,456	34,945
Charges for Services	35,980	-	842	29,166	65,988
Licenses and Permits	2,414	-	-	5,145	7,559
Fines and Forfeitures	8,128	-	-	4,724	12,852
Intergovernmental	16,272	48,675	90,530	60,592	216,069
Investment Earnings	5,771	5	62	127	5,965
Other	9,326	1,894	358	3,800	15,378
TOTAL REVENUES	<u>205,476</u>	<u>50,574</u>	<u>315,819</u>	<u>137,001</u>	<u>708,870</u>
EXPENDITURES					
Current:					
General Government	33,645	-	-	19,887	53,532
Judicial	65,577	-	5,384	21,227	92,188
Public Safety	76,093	-	16,456	6,404	98,953
Social Services	1,265	44,983	87,201	18,032	151,481
Health	-	-	153,519	17,447	170,966
Public Works	3,003	-	-	31,298	34,301
Environmental Control	-	-	-	6,189	6,189
Economic and Community Development	3,538	-	-	8,247	11,785
Recreational Activities	-	-	20,273	-	20,273
Capital Outlay	-	-	-	2,129	2,129
Debt Service:					
Principal Retirement	-	-	-	8,827	8,827
Interest and Fiscal Charges	-	-	-	2,817	2,817
TOTAL EXPENDITURES	<u>183,121</u>	<u>44,983</u>	<u>282,833</u>	<u>142,504</u>	<u>653,441</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>22,355</u>	<u>5,591</u>	<u>32,986</u>	<u>(5,503)</u>	<u>55,429</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	2,282	653	34	18,329	21,298
Transfers Out	(20,029)	-	(2,121)	(2,434)	(24,584)
Refunding Bonds Issued	-	-	-	5,485	5,485
Premium on Debt Issued	-	-	-	1,734	1,734
Payment to Refunded Bonds Escrow Agent	-	-	-	(8,280)	(8,280)
Proceeds of OPWC Loan	-	-	-	558	558
Proceeds from Sale of Bonds	-	-	-	5,345	5,345
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(17,747)</u>	<u>653</u>	<u>(2,087)</u>	<u>20,737</u>	<u>1,556</u>
EXTRAORDINARY ITEM	<u>-</u>	<u>-</u>	<u>(22,500)</u>	<u>-</u>	<u>(22,500)</u>
NET CHANGE IN FUND BALANCES	4,608	6,244	8,399	15,234	34,485
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED (NOTE II B)	<u>78,023</u>	<u>30,598</u>	<u>191,049</u>	<u>84,675</u>	<u>384,345</u>
FUND BALANCES AT END OF YEAR	<u>\$ 82,631</u>	<u>\$ 36,842</u>	<u>\$ 199,448</u>	<u>\$ 99,909</u>	<u>\$ 418,830</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds \$ 34,485

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

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

Capital Outlays	\$ 15,923	
Depreciation Expense	(29,158)	
Excess of Depreciation over Capital Outlays		(13,235)

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

Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(72)	
Gain Earned on Sale of Capital Assets	58	
Loss on Sale of Capital Assets	(167)	
Net Book Value of Capital Assets Sold		(181)

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

Property Taxes	(3,107)	
Grants and Other Intergovernmental Revenue	(2,379)	
Nongrants	(41)	
Special Assessments	(311)	
Total Revenues		(5,838)

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows. 23,910

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the Statement of Activities. (21,911)

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

Debt Issued:		
General Obligation Refunding Bonds	(5,485)	
General Obligation Bonds	(5,345)	
Premium on Bonds	(1,734)	
Deferred Amount on Refundings	520	
Proceeds of OPWC Loans	(558)	
Principal Retirement	8,827	
Principal Defeased	7,725	
Payments on Manuscript Debt	848	
Total		4,798

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due. 12

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

Compensated Absences Payable	(1,758)	
Amortization of Deferred Amount on Refundings	(583)	
Amortization of Premium on Bonds	437	
Amortization of Mortgages Payable and Forgiveness of Loans or Loan Contracts	243	
Total		(1,661)

The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and medical self-insurance to individual funds. The net decrease of these internal service funds are reported with governmental activities. 326

Change in Net Position of Governmental Activities \$ 20,705

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 36,015	\$ 36,015	\$ 36,711	\$ 696
Sales and Use Tax	72,250	72,250	77,982	5,732
State Shared Taxes	11,518	11,518	12,353	835
Charges for Services	45,804	36,874	39,707	2,833
Licenses and Permits	2,345	2,345	2,419	74
Fines and Forfeitures	7,391	7,391	8,080	689
Intergovernmental	12,642	12,642	18,417	5,775
Investment Earnings	4,566	5,966	6,023	57
Other	8,994	12,994	10,298	(2,696)
TOTAL REVENUES	<u>201,525</u>	<u>197,995</u>	<u>211,990</u>	<u>13,995</u>
EXPENDITURES				
Current:				
General Government	44,526	48,210	46,948	1,262
Judicial	69,644	72,534	70,718	1,816
Public Safety	82,627	81,005	79,080	1,925
Social Services	1,561	1,560	1,281	279
Public Works	5,067	5,067	4,458	609
Economic and Community Development	1,941	4,446	3,438	1,008
Debt Service	32	32	32	-
TOTAL EXPENDITURES	<u>205,398</u>	<u>212,854</u>	<u>205,955</u>	<u>6,899</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,873)</u>	<u>(14,859)</u>	<u>6,035</u>	<u>20,894</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,405	2,880	3,132	252
Advances In	29	29	3,562	3,533
Transfers Out	(13,381)	(22,194)	(20,879)	1,315
Advances Out	(50)	(50)	(50)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(10,997)</u>	<u>(19,335)</u>	<u>(14,235)</u>	<u>5,100</u>
NET CHANGE IN FUND BALANCE	(14,870)	(34,194)	(8,200)	25,994
FUND BALANCE AT BEGINNING OF YEAR	51,843	51,843	51,843	-
Prior-Year Encumbrances Appropriated	14,797	14,797	14,797	-
FUND BALANCE AT END OF YEAR	<u>\$ 51,770</u>	<u>\$ 32,446</u>	<u>\$ 58,440</u>	<u>\$ 25,994</u>

See accompanying notes to the basic financial statements.

**COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for Services	\$ 31,466	\$ 31,466	\$ 29,000	\$ (2,466)
Intergovernmental	57,823	57,823	50,314	(7,509)
Other	1,819	1,819	2,131	312
TOTAL REVENUES	<u>91,108</u>	<u>91,108</u>	<u>81,445</u>	<u>(9,663)</u>
EXPENDITURES				
Current:				
Social Services	100,096	96,584	88,389	8,195
TOTAL EXPENDITURES	<u>100,096</u>	<u>96,584</u>	<u>88,389</u>	<u>8,195</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(8,988)</u>	<u>(5,476)</u>	<u>(6,944)</u>	<u>(1,468)</u>
OTHER FINANCING SOURCES				
Transfers In	653	653	653	-
TOTAL OTHER FINANCING SOURCES	<u>653</u>	<u>653</u>	<u>653</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(8,335)	(4,823)	(6,291)	(1,468)
FUND BALANCE AT BEGINNING OF YEAR	21,125	21,125	21,125	-
Prior-Year Encumbrances Appropriated	8,783	8,783	8,783	-
FUND BALANCE AT END OF YEAR	<u>\$ 21,573</u>	<u>\$ 25,085</u>	<u>\$ 23,617</u>	<u>\$ (1,468)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 191,595	\$ 191,595	\$ 197,984	\$ 6,389
Sales Tax	-	16,000	19,686	3,686
Charges for Services	4,853	4,853	9,015	4,162
Intergovernmental	85,061	102,277	88,092	(14,185)
Other	7,676	7,676	1,374	(6,302)
TOTAL REVENUES	<u>289,185</u>	<u>322,401</u>	<u>316,151</u>	<u>(6,250)</u>
EXPENDITURES				
Current:				
General Government	484	258	258	-
Judicial	6,580	6,574	6,315	259
Public Safety	18,190	17,894	17,767	127
Social Services	114,935	128,702	100,091	28,611
Health	194,189	188,103	174,879	13,224
Recreational Activities	6,771	23,171	23,154	17
TOTAL EXPENDITURES	<u>341,149</u>	<u>364,702</u>	<u>322,464</u>	<u>42,238</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(51,964)</u>	<u>(42,301)</u>	<u>(6,313)</u>	<u>35,988</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	287	34	(253)
Transfers Out	(915)	(2,121)	(2,121)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(915)</u>	<u>(1,834)</u>	<u>(2,087)</u>	<u>(253)</u>
NET CHANGE IN FUND BALANCE	(52,879)	(44,135)	(8,400)	35,735
FUND BALANCE AT BEGINNING OF YEAR	172,513	172,513	172,513	-
Prior-Year Encumbrances Appropriated	27,756	27,756	27,756	-
FUND BALANCE AT END OF YEAR	<u>\$ 147,390</u>	<u>\$ 156,134</u>	<u>\$ 191,869</u>	<u>\$ 35,735</u>

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 8,579	\$ 3,526
Cash and Cash Equivalents—Segregated Accounts	27,424	-	260
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	2,836	9,511	4,891
MSD Construction Account Held by the City of Cincinnati	14,579	-	-
Accounts Receivable	42,100	243	7
Lease Rent Receivable	-	273	-
Sales Tax Receivable	-	6,708	2,647
Intergovernmental Receivable	-	-	-
Due from Other Funds	-	-	-
Prepaid Expenses	1,451	-	-
Total Current Assets	88,390	25,314	11,331
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	39,253	-	-
Amount to Be Transferred to Surplus Account	70,757	-	-
Held by Trustees:			
Cash and Cash Equivalents	5,424	-	-
Investments—Held to Maturity	331,762	-	-
Total Restricted Assets	447,196	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	6,481	67,916	17,685
Construction in Progress	412,382	14,713	561
Total Nondepreciable Capital Assets	418,863	82,629	18,246
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	351,707	379,178	351,731
Sewer Laterals	1,095,898	-	-
Furniture, Fixtures and Equipment	492,247	19,558	6,018
Less Accumulated Depreciation	(854,271)	(221,024)	(164,888)
Total Depreciable Capital Assets, Net	1,085,581	177,712	192,861
Total Capital Assets, Net	1,504,444	260,341	211,107
Other	156	-	-
Total Noncurrent Assets	1,951,796	260,341	211,107
TOTAL ASSETS	2,040,186	285,655	222,438
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	14,890	9,811	8,621
Pension	27,523	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	42,413	9,811	8,621
LIABILITIES			
Current Liabilities:			
Accounts Payable	8,901	1,822	62
Construction Accounts Payable	14,579	-	-
Due to Other Funds	-	-	-
Accrued Wages and Benefits Payable	1,636	54	3
Intergovernmental Payable	-	59	-
Unearned Revenue	-	11	11
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	2,836	1,631	754
Retainage Payable	-	200	268
Accrued Compensated Absences	3,756	16	-
Unearned Lease Rent Revenue	-	4	-
Current Portion of State Loans Payable	-	-	-
Current Portion of Long-Term Debt	61,263	17,245	5,686
Capital Lease Payable	635	1,487	-
Estimated Future Claims	-	-	-
Total Current Liabilities	93,606	22,529	6,784
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	5,160	288	-
Unearned Lease Rent Revenue	-	4,347	11,867
Interfund Payable	-	-	-
Capital Lease Payable	10,880	4,783	-
State Loans Payable	-	-	-
Long-Term Debt	910,856	336,909	184,824
Net Pension Liability	266,875	-	-
Net Other Post Employment Benefit Obligation	10,168	-	-
Total Noncurrent Liabilities	1,203,939	346,327	196,691
TOTAL LIABILITIES	1,297,545	368,856	203,475
DEFERRED INFLOWS OF RESOURCES			
Pension	20,874	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	20,874	-	-
NET POSITION			
Net Investment in Capital Assets	597,418	(87,158)	29,218
Restricted for Debt Service	8,238	-	-
Unrestricted	158,524	13,768	(1,634)
TOTAL NET POSITION	\$ 764,180	\$ (73,390)	\$ 27,584

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 53,118	\$ 65,223	\$ 18,757
-	27,684	-
-	17,238	-
-	14,579	-
2,413	44,763	-
-	273	-
-	9,355	-
983	983	-
9	9	-
-	1,451	-
<u>56,523</u>	<u>181,558</u>	<u>18,757</u>
-	-	-
-	39,253	-
-	70,757	-
-	5,424	-
-	331,762	-
<u>-</u>	<u>447,196</u>	<u>-</u>
-	-	-
5,465	97,547	-
22,941	450,597	-
<u>28,406</u>	<u>548,144</u>	<u>-</u>
-	-	-
224,691	1,307,307	41
-	1,095,898	-
9,480	527,303	568
<u>(96,714)</u>	<u>(1,336,897)</u>	<u>(426)</u>
137,457	1,593,611	183
<u>165,863</u>	<u>2,141,755</u>	<u>183</u>
-	156	-
<u>165,863</u>	<u>2,589,107</u>	<u>183</u>
<u>222,386</u>	<u>2,770,665</u>	<u>18,940</u>
-	-	-
-	33,322	-
-	27,523	-
<u>-</u>	<u>60,845</u>	<u>-</u>
-	-	-
5,163	15,948	35
-	14,579	-
1,505	1,505	-
273	1,966	56
348	407	8
-	22	-
76	76	-
121	5,342	-
179	647	-
39	3,811	15
-	4	-
2,176	2,176	-
1,559	85,753	-
-	2,122	-
-	-	5,807
<u>11,439</u>	<u>134,358</u>	<u>5,921</u>
-	-	474
827	6,275	169
-	16,214	-
21,720	21,720	-
-	15,663	-
9,027	9,027	-
36,848	1,469,437	-
-	266,875	-
-	10,168	-
<u>68,422</u>	<u>1,815,379</u>	<u>643</u>
<u>79,861</u>	<u>1,949,737</u>	<u>6,564</u>
-	-	-
-	20,874	-
<u>-</u>	<u>20,874</u>	<u>-</u>
-	-	-
111,261	650,739	183
-	8,238	-
31,264	201,922	12,193
<u>\$ 142,525</u>	<u>\$ 860,899</u>	<u>\$ 12,376</u>

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 691	\$ 880
Lease Rent Revenue	-	634	539
Sewerage Service Charges	258,455	-	-
Sewerage Surcharges	14,052	-	-
Other	5,719	106	32
TOTAL OPERATING REVENUES	<u>278,226</u>	<u>1,431</u>	<u>1,451</u>
OPERATING EXPENSES			
Personnel Services	56,474	1,748	246
Utilities, Fuel and Supplies	18,783	2,707	1,122
Purchased Services	31,549	3,019	2,195
Claims	-	-	-
Depreciation and Amortization	55,581	13,985	13,083
Other	8,465	765	396
TOTAL OPERATING EXPENSES	<u>170,852</u>	<u>22,224</u>	<u>17,042</u>
OPERATING INCOME (LOSS)	<u>107,374</u>	<u>(20,793)</u>	<u>(15,591)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	(19,523)	18	9
Sales and Use Tax for Debt Service	-	35,768	14,693
Sales and Use Tax	-	9,260	5,802
Other Nonoperating Revenue	-	116	43
Other Nonoperating Expense	-	(6,260)	(4,642)
Interest Expense	(37,211)	(15,268)	(7,776)
(Loss) on Retirement of Capital Assets	-	(99)	(164)
Fiscal Charges on Long-Term Debt	-	(73)	(50)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(56,734)</u>	<u>23,462</u>	<u>7,915</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>50,640</u>	<u>2,669</u>	<u>(7,676)</u>
Capital Contributions	4,267	-	-
Transfers In	-	4,673	-
Transfers Out	-	-	-
CHANGE IN NET POSITION	<u>54,907</u>	<u>7,342</u>	<u>(7,676)</u>
TOTAL NET POSITION—BEGINNING AS RESTATED (NOTE II)	<u>709,273</u>	<u>(80,732)</u>	<u>35,260</u>
TOTAL NET POSITION—ENDING	<u>\$ 764,180</u>	<u>\$ (73,390)</u>	<u>\$ 27,584</u>

See accompanying notes to the basic financial statements.

Business-Type Activities— Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 31,737	\$ 33,308	\$ 46,212
85	1,258	-
-	258,455	-
-	14,052	-
9	5,866	-
<u>31,831</u>	<u>312,939</u>	<u>46,212</u>
17,728	76,196	2,001
727	23,339	46
5,892	42,655	4,858
-	-	38,348
9,292	91,941	47
1,586	11,212	644
<u>35,225</u>	<u>245,343</u>	<u>45,944</u>
<u>(3,394)</u>	<u>67,596</u>	<u>268</u>
(12)	(19,508)	58
-	50,461	-
450	15,512	-
1,280	1,439	-
(1,578)	(12,480)	-
(1,390)	(61,645)	-
-	(263)	-
(124)	(247)	-
<u>(1,374)</u>	<u>(26,731)</u>	<u>58</u>
<u>(4,768)</u>	<u>40,865</u>	<u>326</u>
5,406	9,673	-
2,595	7,268	-
<u>(3,982)</u>	<u>(3,982)</u>	<u>-</u>
(749)	53,824	326
143,274	807,075	12,050
<u>\$ 142,525</u>	<u>\$ 860,899</u>	<u>\$ 12,376</u>

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	280,137	\$ 1,776	\$ 886
Lease Rent Revenue	-	-	-
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(56,993)	(5,567)	(3,687)
Cash Payments for Claims	-	-	-
Cash Payments for Personnel Costs	(43,642)	(1,757)	(259)
Other Operating Revenues	3,558	134	112
Other Operating Expenses	-	(599)	(387)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	183,060	(6,013)	(3,335)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	9,261	5,802
Other Nonoperating Revenue	-	51	53
Other Nonoperating Expense	-	(6,260)	(4,642)
Transfers from Other Funds	-	4,673	-
Acquisition and Construction of Property, Plant and Equipment	-	(125)	(468)
Negative Cash Balance Implicitly Financed from the General Fund	-	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	-	7,600	745
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax for Debt Service	-	35,793	14,524
Other Non-Operating Revenue	-	127	-
Other Non-Operating Expense	-	-	-
Principal Payments on Long-Term Debt	(59,530)	(17,348)	(4,633)
Interest Payments on Long-Term Debt	(42,826)	(16,824)	(7,740)
Fiscal Charges on Long-Term Debt	-	(72)	(50)
Capital Lease Proceeds (Repayment of Loan)	-	7,738	-
MSD Loan Proceeds	3,762	-	-
Transfer into Construction Account from Trustee Investment Account	139,074	-	-
Transfer from Operating Cash to Trustee Investment Account	(67,026)	-	-
General Obligation Bond Proceeds	-	-	-
General Obligation Bond Issuance Costs	-	-	-
Transfer In	-	-	-
Transfer Out	-	-	-
Tap-in Fees	2,955	-	-
Capital Contributions	4,267	-	-
Acquisition and Construction of Property, Plant and Equipment	(99,566)	(14,746)	(173)
Gain on Sale of Property, Plant and Equipment	182	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(118,708)	(5,332)	1,928
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings	1,399	18	9
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,399	18	9
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	65,751	(3,727)	(653)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	94,522	21,817	9,330
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 160,273	\$ 18,090	\$ 8,677
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 107,374	\$ (20,793)	\$ (15,591)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	55,581	13,985	13,083
Capital Expenses Moved to Operating	2,135	-	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	33,534	(181)	80
Due from Other Funds	-	-	-
Other Assets	32	-	-
Operating Accounts Payable	2,644	294	(361)
Accrued Payroll and Other Related Withholdings	(613)	5	(11)
Intergovernmental Payable	-	31	(2)
Claims Payable	-	-	-
Deferred Lease Rent Revenue	-	654	(539)
Deferred Revenue	-	6	6
Compensated Absences	-	(14)	-
Estimated Future Claims	-	-	-
Net Pension Liability	(21,170)	-	-
Net Other Post Employment Benefit Obligation	(2,288)	-	-
Deferred Pension Outflows/Inflows	(6,649)	-	-
Cash Received from Customers	1,282	-	-
Cash Held by Trustee Bond Accounts	6,564	-	-
Deferred Charges on Refunding Outflows	393	-	-
Capital Expenses Moved to Fixed Assets Fund	(3,330)	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 175,489	\$ (6,013)	\$ (3,335)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 8,579	\$ 3,526
Cash and Cash Equivalents—Segregated Accounts	27,424	-	260
Restricted Cash and Cash Equivalents:			
Restricted Cash and Cash Equivalents Held by Trustees	8,260	9,511	4,891
Construction Account Held by the City of Cincinnati	53,832	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	70,757	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 160,273	\$ 18,090	\$ 8,677
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 2,586	\$ -	\$ -
Acquisition and Construction of Capital Assets Paid Directly by WPCLF Loan Proceeds	16,297	-	-
Construction Accounts Payable Related to Acquisition of Capital Assets	14,579	-	-
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ 33,462	\$ -	\$ -

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		Governmental	
		Activities	
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 30,513	\$ 313,312	\$ -	
85	85	-	
-	-	46,212	
(7,201)	(73,448)	(4,954)	
-	-	(37,521)	
(16,837)	(62,495)	(1,969)	
9	3,813	14	
(1,356)	(2,342)	(593)	
<u>5,213</u>	<u>178,925</u>	<u>1,189</u>	
450	15,513	-	
6	110	-	
-	(10,902)	-	
2,500	7,173	-	
(5)	(598)	-	
696	696	-	
<u>3,647</u>	<u>11,992</u>	<u>-</u>	
-	50,317	-	
1,343	1,470	-	
(1,578)	(1,578)	-	
(3,740)	(85,251)	-	
(1,476)	(68,866)	-	
(273)	(395)	-	
-	7,738	-	
-	3,762	-	
-	139,074	-	
-	(67,026)	-	
39,129	39,129	-	
(155)	(155)	-	
95	95	-	
(3,982)	(3,982)	-	
-	2,955	-	
8,020	12,287	-	
(21,969)	(136,454)	(35)	
-	182	-	
<u>15,414</u>	<u>(106,698)</u>	<u>(35)</u>	
(12)	1,414	58	
(12)	1,414	58	
24,262	85,633	1,212	
28,856	154,525	17,545	
<u>\$ 53,118</u>	<u>\$ 240,158</u>	<u>\$ 18,757</u>	
\$ (3,394)	\$ 67,596	\$ 268	
9,292	91,941	47	
-	2,135	-	
(1,239)	32,194	14	
15	15	-	
-	32	-	
(342)	2,235	-	
13	(606)	11	
8	37	2	
-	-	621	
-	115	-	
-	12	-	
860	846	20	
-	-	206	
-	(21,170)	-	
-	(2,288)	-	
-	(6,649)	-	
-	1,282	-	
-	6,564	-	
-	393	-	
-	(3,330)	-	
<u>\$ 5,213</u>	<u>\$ 171,354</u>	<u>\$ 1,189</u>	
\$ 53,118	\$ 65,223	\$ 18,757	
-	27,684	-	
-	22,662	-	
-	53,832	-	
-	70,757	-	
<u>\$ 53,118</u>	<u>\$ 240,158</u>	<u>\$ 18,757</u>	
\$ -	\$ 2,586	\$ -	
-	16,297	-	
-	14,579	-	
<u>\$ -</u>	<u>\$ 33,462</u>	<u>\$ -</u>	

COUNTY OF HAMILTON, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2015
(Amounts in Thousands)

	Agency
ASSETS	
Equity in Pooled Cash and Investments	\$ 71,829
Cash and Cash Equivalents—Segregated Accounts	35,022
Real and Other Taxes Receivable	1,277,358
TOTAL ASSETS	\$ 1,384,209
 LIABILITIES	
Intergovernmental Payable	\$ 52,067
Future Tax Collections to Be Distributed	1,277,358
Other Current Liabilities	54,784
TOTAL LIABILITIES	\$ 1,384,209

See accompanying notes to the basic financial statements.

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COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Dollar Amounts Expressed in Thousands)

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

Discretely Presented Component Unit. The Convention Facilities Authority (CFA) of Hamilton County, Ohio, is an up to eleven-member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code as amended. It is controlled by Hamilton County, which may appoint six members. The City of Cincinnati may appoint three members, and the remaining two members are from other municipalities. Each member may serve a four-year term and may not serve more than three consecutive terms. The CFA was created in 2002 for the purpose of financing the renovation and expansion of the Cincinnati Convention Center, now known as the Duke Energy Center. No financial activity took place until the revenue bonds were sold in 2004. The County is considered financially accountable for the CFA because the County appoints a voting majority of the CFA's governing body and the County has the ability to impose its will on the CFA. The CFA is not, however, fiscally dependent on the County. Complete financial statements for the CFA may be obtained from the City of Cincinnati, Office of Finance and Budget, 801 Plum Street, Cincinnati, Ohio 45202.

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

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Dollar Amounts Expressed in Thousands)

treasury and redeems the Auditor's warrants. In the case of the separate districts and commissions listed below, the County Auditor and County Treasurer serve as statutory fiscal agent and custodian of funds, respectively. The County, however, is not otherwise accountable for these entities. Accordingly, only the cash for the following boards and commissions that is being held by the County Treasurer is reflected in accompanying agency funds statements:

The *Hamilton County Family and Children First Council* was formed under Ohio Revised Code Section 121.37. The Council works in cooperation with several community partners to provide early intervention services for children in at-risk families. The Hamilton County Department of Job and Family Services serves as administrative agent for the Council.

The *Hamilton County General Health District (Health District)* provides public health services to its residents and communities to prevent the spread of communicable diseases and promote good health. The Health District is governed by a five member Board of Health (BOH), four of whom are elected by the District Advisory Council, which consists of the President of the Board of County Commissioners, the chief executive of each municipal corporation not constituting a city health district, and the chairperson of the board of township trustees. The other BOH member is elected by the District Licensing Council, which consists of representatives of entities licensed by the Health District. The BOH appoints the Health Commissioner, and approves the budget and various resolutions including fees and operating policies. The Health Commissioner is empowered to direct the activities of the Health District, including hiring and adjusting employee wages, approving grant budgets and executing contracts. The Health District is responsible for its own fiscal management and undergoes an annual financial audit. The Health District is dependent on the County to provide facilities, legal counsel and custodianship over its funds.

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

The *Hamilton County River City Correctional Center (RCCC)*, a Community-Based Correctional Facility, is a local alternative to prison with the primary purpose of rehabilitation for nonviolent felony offenders. Funding is provided through the Community Corrections Act, from the Bureau of Community Sanctions of the Ohio Department of Rehabilitation and Correction (ODRC). The RCCC is governed by a Facility Governing Board, two-thirds of which is appointed by the Hamilton County Court of Common Pleas and one-third by the Board of County Commissioners. The Facilities Governing Board approves the annual budget and any revisions thereto. Ongoing fiscal management occurs with oversight from both the RCCC Executive Director and the Business Manager.

The *Hamilton County Soil and Water Conservation District (SWCD)* is a separate political subdivision of the State of Ohio and Hamilton County, organized under the Ohio Soil Conservation Act of 1941. Since its inception, the SWCD has been governed by a publicly elected board of volunteer supervisors that are authorized to contract and sue on behalf of the District. The Supervisors adopt their own budget, authorize District expenditures, and hire and fire staff. Funding comes from the County General Fund, a percentage match from the Ohio Department of Agriculture, and the Hamilton County Storm Water District. The District is committed to assist the citizens of Hamilton County through education, technical assistance and leadership in the conservation of our soil and water resources.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Dollar Amounts Expressed in Thousands)

Jointly Governed Organizations. Hamilton County Board of Developmental Disabilities is a member of the Southwest Ohio Regional Council of Governments (COG) formed by Hamilton, Clermont, Butler and Warren Counties in 2009. In 2015, Greene County Board of Developmental Disabilities joined the organization. The role of this Council is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the five counties. Hamilton County Mental Health and Recovery Services Board is a member of the Three C Recovery and Health Care Network Council of Governments, which was created by the Hamilton County Mental Health and Recovery Services Board (Cincinnati); The Alcohol, Drug and Mental Health Board of Franklin County (Columbus); and The Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County (Cleveland). The purpose of this Council is for creating a Shared Health Care and Recovery Enterprise System (SHARES) to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards and for additional boards that may join the COG in the future. (See note VI C, Jointly Governed Organizations.) The Southwest Ohio Regional Transit Authority (SORTA) is jointly governed with the City of Cincinnati. The County has no ongoing financial interest or responsibility in SORTA. Separate financial statements are available by contacting SORTA at 602 Main Street, Suite 1100, Cincinnati, Ohio 45202. Hamilton County and the City of Cincinnati also jointly govern the Southwest Ohio Region Workforce Investment Board (SWORWIB). While the County is the fiscal agent and administrative entity for this board, the County has no ongoing financial interest or responsibility to the board. Separate financial statements are available by contacting SWORWIB at 100 Scarlet Oaks Drive, Room 102, Cincinnati, Ohio 45241.

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

B. Basis of Presentation

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

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

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

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Dollar Amounts Expressed in Thousands)

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

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

C. Fund Accounting

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

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

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

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

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

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

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

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

The following are the County's major enterprise funds:

Metropolitan Sewer District (MSD) is the County-owned sewer district operated by the City of Cincinnati under a management contract. The MSD fund accounts for County-provided wastewater service to residential and industrial users in Hamilton County. Sewer charges serve as the major revenue source for financing operations and maintenance of the sewer system. MSD employees are employees of the City. Per the contract with the City, the County has exercised its option to have a separate financial audit of MSD. Additionally, bond indentures require separately audited financial statements of MSD. These audited statements are included in this report as a major enterprise fund with appropriate note disclosure.

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

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

Internal service funds account for the financing of services provided by one department or agency of the County to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds report on (1) workers' compensation, (2) the Auditor's computer center and (3) medical self-insurance.

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

D. Measurement Focus

Government-Wide Financial Statements. The government-wide financial statements are prepared using the *economic resources* measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the County and its component unit are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of *economic resources* measurement focus. All assets and all liabilities associated with the operation of these funds are

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included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

E. Basis of Accounting

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

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

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

Unearned Revenue. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue, as are some taxes, local government funds and casino revenue and, in the enterprise funds, lease revenue that must be recognized over the life of the lease.

Deferred Inflows/Outflows of Resources. In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources include deferred charges on refundings and pension reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pension are explained in notes VI F-H. The deferred charges on refundings result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the CFA, deferred inflows of

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resources include the gain on defeased bonds, which is amortized over the life of the bonds in the same proportion as the annual principal payment to total outstanding principal. For the County, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds Balance Sheet and represents receivables that will not be collected within the available period. For the County, unavailable revenue includes delinquent property taxes, special assessments, intergovernmental revenues, loans, and grants not yet received though eligibility requirements have been met. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified in the Reconciliation of Balance Sheet—Governmental Funds—to Government-Wide Statement of Net Position. Deferred inflows of resources related to pension are reported on the government-wide Statement of Net Position (see notes VI F-H).

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

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

F. Budgetary Process

The County is required by Ohio law to adopt annual budgets for the General Fund, some special revenue funds and all debt service funds. Under the direction of the County Administrator, staff of the Commissioners' Office and County Administration Department prepares the budget and issues a separate budgetary report. The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the County certifying the proposed budget to the County Auditor by July 20. By January 1, the County Commissioners may adopt annual or temporary measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and the tax rates certified by the County Auditor. Appropriations cannot exceed estimated resources. By April 1, the County Commissioners must adopt an annual appropriation resolution.

The certificate of estimated resources may be amended during the year for projected increases or decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. Modifications to the original budget are approved by the Board of County Commissioners throughout the year as allowed by State statute. All budgetary amendments and supplemental appropriations made during 2015 are included in the revised budget amounts presented in the budget-to-actual comparisons. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations within three major categories—Personnel Services, Other Expenditures and Capital Outlay.

The budgetary process does not include annual budgeting for certain grants and the Capital Projects funds. For these funds, appropriations are made on a multiyear basis with the free balance and encumbrances being reappropriated annually. The administrative control is on a grant or project basis and, therefore, comparisons with annually appropriated funds do not provide meaningful data. The County adopts annual budgets for proprietary funds; however, budgetary data is not presented for proprietary funds due to the nature of the funds, where

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demand for goods and services largely determines the level of revenues and expenses. There is no legal requirement to report on such budgets.

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

G. Cash, Cash Equivalents and Investments

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

State statutes authorize the County Treasurer to invest in obligations of the U.S. Treasury; obligations or securities issued by any government agency; certificates of deposit; bonds and other obligations of the State; and written repurchase agreements, where the institution agrees unconditionally to repurchase only securities of the U.S. Treasury or any other government agency. In 2015, investments were limited to federal securities, repurchase agreements, STAR Ohio and money market funds. Investments in STAR Ohio, an investment pool managed by the State Treasurer's Office, are valued at STAR Ohio's share price, which is the price for which the investment could be sold on December 31, 2015. (See note V A for a detailed disclosure of cash, cash equivalents and investments held by the County.)

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

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

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

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during 2015 amounted to \$6,023, which includes \$1,406 assigned from other County funds.

The County has segregated bank accounts for moneys held separate from the County's central bank accounts. Additionally, the Southwest Ohio Council of Governments and Three C Recovery and Health Care Network Council of Governments are currently holding deposits that belong to the County. These monies are presented as Cash and Cash Equivalents—Segregated Accounts.

H. Inventories

Inventories of governmental funds are valued at cost. Costs are determined by the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in the governmental funds when consumed.

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

I. Prepaid Expenses

MSD payments made to vendors for services that will benefit periods beyond December 31, 2015, are recorded as Prepaid Expenses using the consumption method. Under this method, a current asset is recorded for the prepaid amount and expenses are reflected in the year in which services are consumed.

J. Interfund Transactions

On fund financial statements, receivables and payables resulting from long-term interfund loans are classified as Advances to/from Other Funds or as Interfund Receivable/Payable. Receivables and payables resulting from interfund transactions other than loans are classified as Due from/to Other Funds. Interfund transactions are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as Internal Balances.

K. Restricted Assets

The Trust Agreement for MSD's Series A Revenue bonds (see note V G) requires the establishment of certain trust accounts, including a Bond Account, Bond Reserve Account, and Surplus Account to be held by the trustee. The Bond Account will be used to accumulate periodic principal and interest payments. The Bond Reserve Account will be funded in an amount equal to the highest annual future debt service requirement. The Surplus Account is available to be used for any other sewer system purpose. The Trust Agreement also requires the creation of a Construction Account to be held by the City to pay for project costs. For Paul Brown and baseball stadia, per the bond indenture requirements, restricted assets include sales tax withholdings required to be held by the custodial trustee for semiannual debt service for 2006 and 2011 sales tax-supported bonds. Also in the stadia's restricted assets at December 31, 2015, are the 2011 refunding bond proceeds, short-term loan proceeds and sales tax revenues used to fund the mandatory debt service reserve. At December 31, 2015, the following balances (at fair value) were maintained in trust accounts:

Held by Trustees:	
Bond Retirement	\$ 22,643
Reserve	62,363
Surplus	269,418
Total	\$ 354,424

L. Capital Assets

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

Except for the capital assets of the baseball and football stadia acquired prior to 2013 (which include all assets originally inventoried by an independent appraisal firm and updated annually by the County), the County defines a capital asset as an asset with an initial cost of at least \$5,000 (amount not in thousands) and an estimated useful life of at least two years. Most capital assets are capitalized at cost or estimated historical cost. Donated capital assets or assets the County takes ownership of as a result of seizure or forfeiture are recorded at their fair market values as of the date received. Capitalized amounts are updated for additions and retirements during the year. MSD assets acquired prior to its inception in 1968 that are not identifiable with specific historical costs are not included in the capital assets balance. Assets acquired by MSD through contributions, such as contributions from land developers and federal and State grants, are capitalized and recorded in the plant records at the contributor's reported cost. Land acquired for MSD's use is titled to either the City or the County. The cost of the land has been recorded on the books of MSD, since it has the full benefits of the land as an economic resource.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Construction in progress includes the cost of in-force labor and

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costs incurred for projects not placed in use as of December 31, 2015. Additionally, in the enterprise funds, this amount includes interest capitalized on debt during the period of construction. For 2015, the amount of capitalized interest was \$679 for the County and \$138 for MSD.

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

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

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

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

M. Compensated Absences

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded as Matured Compensated Absences Payable in the funds from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported in governmental funds. For governmental funds, the portion of unpaid compensated absences expected to be paid within a year is noted next to the total Compensated Absences in the Long-Term Debt and Other Obligations table (see note V F). This amount is a portion of what is reported as Long-Term Liabilities Due within One Year in the government-wide Statement of Net Position. In proprietary funds, the entire amount of accrued compensated absences is reported as a fund liability.

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

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

N. Accrued Liabilities and Long-Term Obligations

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

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

O. Bond Premiums and Discounts, Prepaid Insurance

On the government-wide financial statements (and in the enterprise funds), bond premiums/discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. On the governmental fund financial statements, premiums and discounts, as well as issuance costs, are recognized in the period in which the debt is issued. Bond premiums/discounts are reported as an Other Financing Source/Use. Issuance costs, even if withheld from the actual net proceeds received, are reported as Debt Service expenditures.

P. Fund Balance

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

Nonspendable: The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e., they are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. The nonspendable fund balances include materials and supplies inventory (category a), unclaimed monies reduced by the amount of the estimated liability for payments to claimants (category b), and interfund advances (category b).

Restricted: The restricted classification is used when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments (e.g., State statutes) or (b) imposed by law through constitutional provisions or enabling legislation (County resolutions). Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party, such as citizens, public interest groups or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners remove or change the constraint via another resolution. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate

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due process. Constraints imposed on the use of committed amounts are imposed by the Board of County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Assigned fund balance includes amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned amounts represent the remaining amount that is not restricted or committed. Assigned fund balance addresses the government's intent and should be expressed by the County Commissioners or a County official delegated that authority by resolution or by State statute. In the General Fund, assigned amounts represent encumbered amounts for outstanding obligations and the amount reserved for judgments and claims.

Unassigned: Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In all other governmental funds, the unassigned classification is used only to report a deficit fund balance.

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

Q. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or CFA, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. MSD's restricted net position relates to debt service. MSD did not have net position restricted by enabling legislation. The County, MSD and CFA apply restricted resources first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. Operating Revenues and Expenses

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

S. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction, or from transfers from

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governmental funds. These assets, which are recorded at their fair market values on the dates contributed, are not subject to repayment. Capital contributions in 2015 totaled \$9,673.

T. Internal Activity

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

U. Estimates

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

V. Basis of Budgeting

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

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

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

	General Fund	Public Assistance	Health and Human Services Levies
<u>Net Change in Fund Balance</u>			
<i>GAAP Basis</i>	\$ 4,608	\$ 6,244	\$ 8,399
Increase (Decrease):			
Net Adjustment for Revenue Accruals	(1,180)	(1,212)	(10,573)
Net Adjustment for Expenditure Accruals	1,172	(542)	29,508
Net Adjustment for Unrealized Losses	(50)	(6)	(63)
Net Adjustment for Change in Advances	3,512	-	-
Net Adjustment for Change in Segregated Cash	-	-	(2,613)
Net Adjustment for Change in Escheat Estimate	(750)	-	-
Encumbrances	(15,512)	(10,775)	(33,058)
<i>Basis of Budgeting</i>	<u>\$ (8,200)</u>	<u>\$ (6,291)</u>	<u>\$ (8,400)</u>

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II. CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION AND FUND BALANCES

A. Change in Accounting Principle and Restatement of Net Position

In 2015, the County implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an Amendment of GASB Statement No. 68*. GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

	Governmental Activities	Business-Type Activities
Net Position December 31, 2014	\$ 668,462	\$ 1,005,961
Adjustments:		
Net Pension Liability	(195,871)	(176,526)
Deferred Outflow—Payments Subsequent to Measurement Date	24,557	3,804
Deferred Inflow—net difference between project and actual investments earnings and changes in assumptions	-	(26,164)
Restated Net Position December 31, 2014	<u>\$ 497,148</u>	<u>\$ 807,075</u>

	MSD
Net Position December 31, 2014	\$ 908,159
Adjustments:	
Net Pension Liability	(176,526)
Deferred Outflow—Payments Subsequent Measurement Date	3,804
Deferred Inflow—net difference between project and actual investments earnings and changes in assumptions	(26,164)
Restated Net Position December 31, 2014	<u>\$ 709,273</u>

Other than employer contributions subsequent to the measurement date, the County made no restatement for deferred inflows/outflows of resources in the governmental activities as the information needed to generate these restatements was not available.

B. Restatement of Fund Balances

In 2014, the County booked a finding for adjustment and restatement of beginning fund balance relative to the special audit of Hamilton County Job and Family Services involving interfund transactions for the period July 1, 2000, through June 30, 2004. After further analysis, \$10,615 of the 2014 finding is no longer valid and has been reversed for 2015, resulting in the following restatements of beginning fund balances:

	Public Assistance Fund	Health and Human Services Levies Fund	Total
December 31, 2014	\$ 19,983	\$ 201,664	\$ 221,647
Correction of Prior-Year Adjustment	10,615	(10,615)	-
December 31, 2014, As Restated	<u>\$ 30,598</u>	<u>\$ 191,049</u>	<u>\$ 221,647</u>

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III. FUND BALANCE

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

Fund Balances	General	Public Assistance	Health and Human Services Levies	Nonmajor Governmental Funds	Total
Nonspendable					
Materials and Supplies	\$ -	\$ -	\$ -	\$ 115	\$ 115
Advances to Other Funds	113	-	-	-	113
Escheat	4,429	-	-	-	4,429
Total Nonspendable	<u>4,542</u>	<u>-</u>	<u>-</u>	<u>115</u>	<u>4,657</u>
Restricted for					
Public Assistance	-	36,842	-	-	36,842
Health and Human Services Levies	-	-	198,951	-	198,951
Motor Vehicle Gas Tax	-	-	-	36,148	36,148
Health and Community Services	-	-	-	53,329	53,329
Debt Service Payments	-	-	-	498	498
Other	-	-	-	2,389	2,389
Total Restricted	<u>-</u>	<u>36,842</u>	<u>198,951</u>	<u>92,364</u>	<u>328,157</u>
Committed					
Capital Projects	-	-	497	9,082	9,579
Other Purposes	275	-	-	-	275
Total Committed	<u>275</u>	<u>-</u>	<u>497</u>	<u>9,082</u>	<u>9,854</u>
Assigned					
Encumbrances	10,746	-	-	-	10,746
Future Appropriations	8,298	-	-	-	8,298
Other Purposes	777	-	-	-	777
Total Assigned	<u>19,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,821</u>
Unassigned (Deficit)	<u>57,993</u>	<u>-</u>	<u>-</u>	<u>(1,652)</u>	<u>56,341</u>
Total Fund Balance	<u>\$ 82,631</u>	<u>\$ 36,842</u>	<u>\$ 199,448</u>	<u>\$ 99,909</u>	<u>\$ 418,830</u>

The County has established by resolution, a reserve balance account within the General Fund to accumulate currently available resources for the purpose of mitigating the effects of cyclical changes in revenues and expenditures. The amount of money to be reserved in this account in any fiscal year shall not exceed 5% of the revenue credited in the preceding fiscal year to the General Fund. The resources reserved for stabilization may be used as determined by resolution of the Board of County Commissioners. Additions to the fund may be increased by resolution within the guidelines specified by Ohio Revised Code. This account had a balance of \$3,466 as of December 31, 2015, and is shown as unassigned in the General Fund.

The County has also established a General Fund reserve policy. The Board of County Commissioners set a goal of 15% of the current year's ongoing budgeted expenditures as a reserve. If the reserve is not at that level, the Board will increase the reserve by .5% of the General Fund budgeted expenditures each year until the 15% level is attained. The reserve may be used to stabilize revenues, retire outstanding debt or pay judgments.

IV. STEWARDSHIP AND ACCOUNTABILITY

At December 31, 2015, the following nonmajor fund groups had deficit fund balances:

<u>Fund Group</u>	<u>Fund Balance</u>
Health and Community Services Grants	\$ (536)
Judicial Services Grants	(1,116)

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These deficits were caused by deferring revenue for which eligibility requirements had not yet been met and/or the time lag between reimbursements for grant expenditures versus when the expenditures were incurred.

The deficit net position of (\$73,390) in the Paul Brown Stadium enterprise fund is due to the outstanding debt on the capital assets exceeding the cost of the assets net of depreciation.

V. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

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

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

1. U.S. Treasury notes, bills, bonds or other obligations or securities issued by the U.S. Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. bonds, notes, debentures or any other obligations or securities issued directly by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association and Student Loan Marketing Association;
3. written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed 30 days;
4. bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. no-load money market mutual funds consisting exclusively of obligations described in item 1 or 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. the State Treasurer's investment pool (STAR Ohio);
8. securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in item 1 or 2 above or cash or both securities and cash, equal value for equal value;
9. high-grade commercial paper for a period not to exceed 270 days in an amount not to exceed (a) 10% of the aggregate value of the issuing corporation's outstanding commercial paper or (b) 25% of the County's total average portfolio; or
10. bankers' acceptances for a period not to exceed 180 days and in an amount not to exceed 25% of the County's total average portfolio.

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

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

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

Cash on Hand. At year-end, the County had \$1,116 in undeposited cash on hand. This amount is included on the Statement of Net Position of the County as part of Equity in Pooled Cash and Investments.

Deposits—County. At year-end, the County’s carrying amount of deposits was \$109,300 and the bank balance was \$130,433.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a bank failure, the County’s deposits may not be returned to it. The County’s policy for deposits is that any balance not covered by the Federal Deposit Insurance Corporation will be collateralized by the financial institutions with pledged securities. Of the year-end bank balance, \$9,439 was covered by federal depository insurance or by collateral held by the County’s agent in the County’s name. The remaining balance of \$120,994 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution’s trust department or agent but not in the County’s name.

Investments—County. At December 31, 2015, investment balances were as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Investment Maturities</u>		<u>% of Portfolio</u>
		<u>Less Than 1 Year</u>	<u>1–5 Years</u>	
Federal Home Loan Bank (FHLB)	\$ 198,756	\$ 25,991	\$ 172,765	36.92
Federal National Mortgage Association (FNMA)	192,359	24,392	167,967	35.73
Federal Farm Credit Banks (FFCB)	76,900	6,493	70,407	14.29
U.S. Treasury Notes	25,704	2,000	23,704	4.78
Municipal Bonds	22,707	-	22,707	4.22
Repurchase Agreements	2,245	2,245	-	.41
Investment in STAR Ohio	896	896	-	.17
Money Market Funds—Trustee	18,736	18,736	-	3.48
Total County Investments	\$ 538,303	\$ 80,753	\$ 457,550	100.00

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

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

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

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the securities. If the counterparty fails to repurchase the securities per the terms of the agreement, the County reserves the right to sell the securities in the market.

Concentration of Credit Risk. The County's investment policy provides for diversification to avoid undue concentration in one type of securities. The County has invested more than 5% of the County's investments in the FHLB (36.92%), the FNMA (35.73%), and FFCB (14.29%).

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

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

At December 31, 2015, the carrying amount of MSD's deposits totaled \$152,013. Amounts held by the City are invested on MSD's behalf in accordance with the City's Municipal Code. These amounts are collateralized as part of the City's cash and investment balances.

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

For additional GASB 40 disclosure requirements, refer to the financial statements as of June 30, 2015, the most recent available, for the City of Cincinnati.

Investments—MSD. State statute, Board of County Commissioners' resolutions, and the 1985 Trust Indenture as amended, authorize MSD to invest in obligations of the U.S. Treasury, its agencies or its instrumentalities; certificates of deposit; repurchase agreements; money market deposit accounts; municipal depository funds; super NOW accounts; sweep accounts; separate trading of registered interest and principal of securities; mutual funds; bonds and other obligations of the State; and the State Treasurer's investment pool. The following investment policies are the same for MSD as defined in the County's investment policy above: (1) limitations on repurchase agreements, (2) prohibited investments, and (3) guidelines governing dealers and payments. Investments made by MSD are summarized below:

<u>Investments</u>	<u>Fair Value</u>	<u>% of Portfolio</u>
Investments Held by the City of Cincinnati	\$ 152,013	30.89
U.S. Government Securities	331,762	67.43
Money Market Funds	8,260	1.68
Total Investments	<u>\$ 492,035</u>	<u>100.00</u>

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

Concentration of Credit Risk. MSD uses the City of Cincinnati's investment policy, which addresses concentration of credit risk by requiring investments to be diversified to reduce risk of loss resulting from over-concentration of assets in a specific issue or class of security. The table above includes the percentage of each investment type held by MSD at December 31, 2015.

MSD has no policy that addresses interest rate risk.

Deposits—CFA. At year-end, the carrying amount of CFA deposits held by the trustee totaled \$10,399 and the bank balance was \$10,399. The accounts are held in custodial accounts at The Bank of New York Mellon and are not collateralized.

Investments—CFA. The trustee for the CFA held no investments at December 31, 2015.

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

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

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

Carrying Amount of Deposits	\$ 240,709	Equity in Pooled Cash and Investments	\$ 572,641
Carrying Amount of Investments	<u>878,325</u>	Cash and Cash Equivalents—Segregated Accounts	67,380
Total	<u>\$ 1,119,034</u>	Cash and Cash Equivalents—Restricted	147,251
		Investments—Restricted	<u>331,762</u>
		Total	<u>\$ 1,119,034</u>

B. Receivables

Receivables at December 31, 2015, consisted of taxes, interest, special assessments, lease rent, accounts (billings for user-charged services, including unbilled utility services), and intergovernmental receivables arising from grants, entitlements and shared revenues. All trade and property tax receivables, including those for MSD, are shown net of an allowance for uncollectibles. Receivables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability.

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Property Taxes. Property taxes include amounts levied against real, public utility and tangible (personal) property. The assessed value by property classification upon which the 2015 tax collection was based is as follows:

Real Property—2015 Valuation:	
Residential/Agricultural	\$ 12,781,985
Commercial/Industrial/Public Utilities	4,585,901
Public Utility Personal Property	899,654
Total Valuation	\$ 18,267,540

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 2.26 mills of this 10-mill limit for its General Fund. In addition to the 2.26 mills, voted levies in the amount of 16.59 mills have been approved for health and hospitalization, law enforcement, developmental disabilities and mental health, children’s services, zoological parks, senior services and family treatment services.

A summary of the voted levies follows:

<u>Purpose</u>	<u>Voter Authorized Rate⁽¹⁾</u>	<u>Rates Levied for Current Year Collection⁽²⁾</u>		<u>Final Collection Year</u>
		<u>Residential/ Agricultural</u>	<u>Commercial/ Industrial</u>	
University Hospital	4.07	1.70	2.71	2017
Police Information Center	0.54	0.17	0.30	Continuing
Developmental Disabilities	4.13	3.93	4.13	2019
Mental Health	2.99	1.64	2.32	2017
Children’s Services	2.77	1.87	2.68	2016
Zoo	0.46	0.35	0.45	2018
Senior Services	1.29	0.99	1.26	2017
Family Treatment Services	0.34	0.34	0.34	2019
Total Voted Millage	16.59	10.99	14.19	

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

⁽²⁾reduction factors applied to levies

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

The County Commissioners allocated approximately 16.67% of the ½ cent permissive sales tax receipts to reduce residential property taxes in the County. In 2015, this represented a 1.76% reduction for all owner-occupied homeowners in the County.

Taxes collected on real property (other than public utilities) in one calendar year are levied on the preceding calendar year’s assessed values as of January 1 of that preceding year, the lien date. Assessed values are established the preceding year by the County Auditor at 35% of appraised market value. A physical reappraisal of all real property is required every six years, with a statistical update every third year. The last physical reappraisal was completed during 2011.

The County Treasurer bills and collects real property taxes on behalf of all taxing districts in the County, including the County. Taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid

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semi-annually, the first payment is due December 31 with the remainder payable by June 20 of the following year. The County's practice is to extend the December 31 due date to January. Unpaid taxes become delinquent after December 31 of the year they are due with penalties and interest assessed. Foreclosure proceedings may be initiated by the County Prosecutor if delinquent taxes are not paid within one year.

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

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

Property tax revenues were recorded in the following funds in 2015:

General Fund	\$ 36,711
Health and Human Services Levies Fund	197,984
Nonmajor Special Revenue Funds	590
Total Property Tax Revenues	\$ 235,285

Property tax revenues include levies collected from both the current levy and delinquent levies. The cumulative delinquency as of December 31, 2015, was \$15,188 of real and public utility taxes and \$3,073 of tangible personal property taxes, for a total of \$18,261. The delinquent property tax revenue was not recorded in the financial statements due to the uncertainty of collection. Recording the delinquency would not have an impact on the fund balance of the County since it would be offset by a reserve for delinquent accounts.

Sales and Use Tax. On March 19, 1996, voters of Hamilton County approved a .5% increase (from .5% to 1.0%) in the County's general sales tax. The County Commissioners approved by resolution that this additional tax will be used for development of the riverfront area, including construction of the football and baseball stadia. On November 4, 2014, voters of Hamilton County approved a five-year .25% increase (from 1% to 1.25%) in the sales tax. The proceeds are to be used for the renovation and restoration of the historic Union Terminal, which houses the Museum Center, Ohio Historical Society Library, and several other organizations. Vendor collections of sales tax are paid to the State Treasurer by the 25th day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within 45 days of the end of each month. The State Auditor then has 5 days in which to draw the warrant payable to the County

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

Intergovernmental. State subsidies for local property tax reductions are recorded as Intergovernmental Receivable when measurable and Intergovernmental Revenues when measurable and available. Federal and State grants and assistance awards made on the basis of entitlement are recorded as Intergovernmental Receivable and Revenues when entitlement occurs. All other federal and State reimbursement-type grants and other intergovernmental reimbursements are recorded as receivables and revenues when the related

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expenditures/expenses are incurred. A summary of the Intergovernmental Receivables for the year ended December 31, 2015, follows.

<u>Governmental Activities</u>	<u>Amount</u>
General Fund:	
State Subsidies	\$ 4,248
Non-Departmentals—Casino Revenue	2,456
Emergency Management Agency—Grants	16
Juvenile Court—Grants	1
Public Defender—Other	605
General Fund Total	<u>7,326</u>
Public Assistance—Special Revenue Fund:	
Job and Family Services—Grants	4
Public Assistance Total	<u>4</u>
Health and Human Services Levies—Special Revenue Fund:	
State Subsidies	20,727
Job and Family Services—Grants	736
Developmental Disabilities Services—Grants	10,208
Health and Human Services Levies Total	<u>31,671</u>
Nonmajor Special Revenue Funds:	
Job and Family Services—Grants	22
Non-Departmentals—Grants	58
Planning and Development—Grants	97
Sheriff—Grants	198
Coroner—Grants	35
Emergency Management Agency—Grants	289
Juvenile Court—Grants	1,030
Municipal Court—Grants	129
Adult Probation—Grants	1,410
Environmental Services—Grants	3,698
Developmental Disabilities Services—Grants	63
Mental Health and Recovery Services Board—Grants	4,052
Transportation Improvement District—Grants	8
Engineer—Other	2
Mental Health and Recovery Services Board—Other	94
Nonmajor Special Revenue Funds Total	<u>11,185</u>
Governmental Activities Total	<u>\$ 50,186</u>
 <u>Business-Type Activities</u>	 <u>Amount</u>
Other Enterprise Funds:	
Riverfront Development—Grants	\$ 983
Other Enterprise Funds Total	<u>983</u>
Business-Type Activities	<u>\$ 983</u>

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Loans. The Hamilton County Housing Rehab Program provides low-interest loans to income-qualifying homeowners to provide an affordable means for making major repairs on their homes. The program is funded by the Board of County Commissioners through the Hamilton County Community Block Grant Program, with funds from the U.S. Department of Housing and Urban Development. Funds from loan repayments by previous program recipients are made available for use through a revolving loan fund. These loans (\$198) are classified as Accounts Receivable on the Balance Sheet—Governmental Funds.

In 2002, the County Commissioners adopted the Home Improvement Program (HIP). HIP allows homeowners in Hamilton County to borrow money from banks to repair or remodel their homes or rental property at interest rates 3% below the lowest rate the banks would normally offer. These loans are collateralized by Hamilton County certificates of deposit (CDs). These CDs totaled \$2,921 at December 31, 2015, and are included in Equity in Pooled Cash and Investments on the Balance Sheet—Governmental Funds.

C. Restricted Assets

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

Restricted Cash and Cash Equivalents:	
Held by the City of Cincinnati:	
Construction Account	\$ 53,832
Amount to Be Transferred to Surplus Account	70,757
Held by Trustees	<u>22,662</u>
Total Restricted Cash and Cash Equivalents	<u>147,251</u>
Restricted Investments:	
Held by Trustees—Held to Maturity	<u>331,762</u>
Total Restricted Assets	<u><u>\$ 479,013</u></u>

D. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Balance 1/1/2015	Additions	Reductions	Balance 12/31/2015
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 93,344	\$ -	\$ -	\$ 93,344
Construction in Progress	4,103	11,144	(1,750)	13,497
Total Capital Assets Not Being Depreciated	<u>97,447</u>	<u>11,144</u>	<u>(1,750)</u>	<u>106,841</u>
Capital Assets Being Depreciated:				
Land Improvements	679	-	-	679
Buildings, Structures and Improvements	375,529	63	(2)	375,590
Infrastructure	693,813	1,840	-	695,653
Furniture, Fixtures and Equipment	87,696	4,661	(2,227)	90,130
Total Capital Assets Being Depreciated	<u>1,157,717</u>	<u>6,564</u>	<u>(2,229)</u>	<u>1,162,052</u>
Less Accumulated Depreciation:				
Land Improvements	(165)	(55)	-	(220)
Buildings, Structures and Improvements	(294,479)	(6,474)	2	(300,951)
Infrastructure	(565,595)	(18,709)	-	(584,304)
Furniture, Fixtures and Equipment	(68,241)	(3,967)	2,046	(70,162)
Total Accumulated Depreciation	<u>(928,480)</u>	<u>(29,205)</u>	<u>2,048</u>	<u>(955,637)</u>
Capital Assets Being Depreciated, Net	<u>229,237</u>	<u>(22,641)</u>	<u>(181)</u>	<u>206,415</u>
Governmental Activities Capital Assets, Net	<u>\$ 326,684</u>	<u>\$ (11,497)</u>	<u>\$ (1,931)</u>	<u>\$ 313,256</u>

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	Balance 1/1/2015	Additions	Reductions	Balance 12/31/2015
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 97,547	\$ -	\$ -	\$ 97,547
Construction in Progress	330,883	170,012	(50,298)	450,597
Total Capital Assets Not Being Depreciated	<u>428,430</u>	<u>170,012</u>	<u>(50,298)</u>	<u>548,144</u>
Capital Assets Being Depreciated:				
Buildings, Structures and Improvements	1,306,999	308	-	1,307,307
Sewer Laterals and Studies	1,083,889	22,725	(10,716)	1,095,898
Furniture, Fixtures and Equipment	513,140	15,878	(1,715)	527,303
Total Capital Assets Being Depreciated	<u>2,904,028</u>	<u>38,911</u>	<u>(12,431)</u>	<u>2,930,508</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(553,527)	(42,646)	-	(596,173)
Sewer Laterals and Studies	(392,021)	(24,527)	-	(416,548)
Furniture, Fixtures and Equipment	(311,879)	(13,711)	1,414	(324,176)
Total Accumulated Depreciation	<u>(1,257,427)</u>	<u>(80,884)</u>	<u>1,414</u>	<u>(1,336,897)</u>
Capital Assets Being Depreciated, Net	<u>1,646,601</u>	<u>(41,973)</u>	<u>(11,017)</u>	<u>1,593,611</u>
Business-Type Activities Capital Assets, Net (As Restated—See Note II B)	<u>\$ 2,075,031</u>	<u>\$ 128,039</u>	<u>\$ (61,315)</u>	<u>\$ 2,141,755</u>

Construction in Progress includes assets that upon completion will be transferred to the governmental activities, major enterprise funds, or other enterprise funds.

Depreciation expense was charged to functions/funds as follows:

<u>Governmental Activities</u>	
General Government	\$ 6,414
Judicial	340
Public Safety	1,639
Social Services	427
Health	914
Public Works	19,261
Environmental Control	163
Internal Service Funds—Charged to Functions Based on Usage	47
Total Depreciation Expense	<u>\$ 29,205</u>
<u>Business-Type Activities</u>	
MSD	\$ 44,524
Paul Brown Stadium	13,985
Baseball Stadium	13,083
Other Enterprise Funds	9,292
Total Depreciation Expense	<u>\$ 80,884</u>

E. Interfund Balances and Transfers

Interfund balances at December 31, 2015, consisted of the following amounts and represent charges for services or reimbursable expenses except for the General Fund's coverage of the negative cash balance for the Rotary Funds (\$701) and a Riverfront Development project fund (\$25), in other enterprise funds.

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

Due to Other Funds	Due from Other Funds				Total
	General Fund	Public Assistance	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	
General Fund	\$ -	\$ 1	\$ 9	\$ -	\$ 10
Public Assistance	186	-	2	-	188
Health and Human Services Levies	1,805	4,925	472	-	7,202
Other Governmental Funds	374	175	3	9	561
Other Enterprise Funds	1,505	-	-	-	1,505
Total	\$ 3,870	\$ 5,101	\$ 486	\$ 9	\$ 9,466

Advances to/from balances are amounts that are owed, other than charges for goods and services rendered, by a particular fund to another fund and that are not due within one year. Interfund receivables/payables are a result of the special audit related to interfund transactions for the years 2000-2004. Loan agreements were established, calling for payment of the amounts over 20 years at 0% interest. The manuscript bonds were issued by the County and purchased by the Health and Human Services Levies Fund. TIF (tax increment financing) revenues will be used for repayment.

	Receivables			Payables		
	Manuscript Bonds	Advances to Other Funds	Interfund Loans	Manuscript Bonds	Advances from Other Funds	Interfund Loans
General Fund	\$ -	\$ 113	\$ -	\$ -	\$ -	\$ 1,752
Public Assistance	-	-	1,752	-	-	-
Health and Human Services Levies	21,720	-	-	-	-	-
Other Governmental Funds	-	-	-	-	113	-
Other Enterprise Funds	-	-	-	21,720	-	-
Totals	\$ 21,720	\$ 113	\$ 1,752	\$ 21,720	\$ 113	\$ 1,752

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to segregate money for anticipated capital projects, to provide additional resources for current operations or debt service, and to return money to the fund from which it was originally provided once a project is completed. Interfund transfers for the year ended December 31, 2015, consisted of the following:

Transfers In	Transfers Out				Total
	General Fund	Health and Human Services Levies	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	
General Fund	\$ -	\$ -	\$ 2,282	\$ -	\$ 2,282
Public Assistance	653	-	-	-	653
Health and Human Services Levies	34	-	-	-	34
Other Governmental Funds	12,169	2,121	57	3,982	18,329
Paul Brown Stadium	4,673	-	-	-	4,673
Other Enterprise Funds	2,500	-	95	-	2,595
Total	\$ 20,029	\$ 2,121	\$ 2,434	\$ 3,982	\$ 28,566

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

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F. Long-Term Debt and Other Obligations

The long-term obligations of the County payable as of December 31, 2015, are as follows:

Governmental Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>General Obligation Bonds—Unvoted</u>							
2001 Various Purpose—\$1,455	2021	3.00-5.00	\$ 465	\$ -	\$ (55)	\$ 410	\$ 60
2001 Water West Phase 2—\$1,660	2021	3.00-5.00	735	-	(90)	645	95
2004 Various Purpose Refunding—\$21,915	2015	1.70-4.00	305	-	(305)	-	-
2004 Various Purpose Refunding—\$16,115	2015	1.70-4.00	225	-	(225)	-	-
2004 Various Purpose Refunding—\$4,100	2015	1.70-4.00	60	-	(60)	-	-
2005 Various Purpose Refunding—\$28,715	2017	3.00-5.00	7,300	-	(2,415)	4,885	2,550
2006 Emergency Mgmt. and Ops. Ctr.—\$725	2025	4.00-4.50	485	-	(35)	450	40
2006 Emergency Serv. Comm. Sys.—\$19,520	2021	3.50-4.00	10,430	-	(9,055)	1,375	1,375
2007 Various Purpose Refunding—\$18,130	2024	3.75-4.15	4,350	-	(1,250)	3,100	1,305
2007 Communications Center—\$1,025	2016	3.75-4.00	235	-	(115)	120	120
2008 Various Purpose—\$8,795	2018	3.00-4.00	3,835	-	(910)	2,925	940
2009 Emergency System Alert—\$1,615	2024	2.00-4.25	1,135	-	(100)	1,035	100
2009 Urban Redevelopment—\$12,550	2039	1.875-6.8	11,185	-	(285)	10,900	295
2011 Energy Conservation—\$5,512	2026	2.40-5.25	4,957	-	(292)	4,665	311
2012 Energy Conservation Phase 1—\$9,400	2027	2.0-3.125	8,410	-	(595)	7,815	595
2015 Improvement and Refunding—\$10,830	2030	3.00-5.00	-	10,830	(335)	10,495	255
Deferred Amounts:							
For Issuance Premiums			367	1,734	(437)	1,664	-
Total General Obligation Bonds—Unvoted			54,479	12,564	(16,559)	50,484	8,041
<u>Special Assessment Bonds</u>							
1995 Sewer District—\$210	2015	5.10-5.80	20	-	(20)	-	-
1996 Sewer District—\$445	2016	5.55-5.625	70	-	(35)	35	35
1997 Sewer District—\$340	2017	5.125-5.30	75	-	(25)	50	25
1998 Sewer District—\$705	2018	4.65-4.75	200	-	(45)	155	50
1999 Sewer District—\$170	2019	5.5	60	-	(10)	50	10
2000 Sewer District—\$545	2020	5.40-5.55	220	-	(30)	190	35
2001 Sewer District—\$150	2021	4.00-5.10	70	-	(10)	60	10
2002 Sewer District—\$295	2022	3.50-5.05	145	-	(15)	130	15
2003 Sewer District—\$460	2023	1.25-5.75	255	-	(25)	230	25
2004 Water and Sewer—\$625	2024	1.8-4.9	355	-	(30)	325	30
2005 Sewer District—\$110	2025	4.35-4.40	65	-	(5)	60	5
2006 Sewer District—\$76	2026	4.65-4.75	46	-	(4)	42	4
2007 Sewer District—\$750	2027	4.15-4.65	550	-	(30)	520	35
2008 Sewer District—\$262	2028	4.625-5.50	200	-	(10)	190	10
2009 Sewer District—\$710	2029	2.50-4.50	565	-	(30)	535	30
2010 Sewer District—\$387	2030	2.00-4.35	320	-	(15)	305	20
2011 Sewer District—\$275	2031	4.75	240	-	(10)	230	10
Total Special Assessment Bonds			3,456	-	(349)	3,107	349
Total Governmental Long-Term Debt			57,935	12,564	(16,908)	53,591	8,390
<i>Other Long-Term Liabilities</i>							
<u>Compensated Absences</u>			40,122	37,906	(36,128)	41,900	3,771
<u>State Loans</u>			1,613	558	(81)	2,090	105
<u>Loan Contracts</u>			3,340	-	(175)	3,165	176
<u>Forgivable Mortgage</u>			928	-	(68)	860	68
<u>Claims Payable</u>			1,260	949	(1,048)	1,161	687
<u>Net Pension Liability</u>			195,871	4,526	-	200,397	-
Total Governmental Long-Term Liabilities			\$ 301,069	\$ 56,503	\$ (54,408)	\$ 303,164	\$13,197

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Business-Type Activities	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>MSD Obligations</u>							
2015 Series A Refunding Revenue Bonds--\$52,520	2032	3.00-5.00	\$ -	\$ 52,520	\$ (6,810)	\$ 45,710	\$ 9,330
2014 Series A Revenue Bonds--\$162,650	2032	4.00-5.00	162,650	-	-	162,650	2,120
2013 Series A & B Revenue Bonds--\$258,695	2038	0.45-5.00	233,620	-	(26,215)	207,405	23,300
2010 Series A & B Revenue Bonds--\$130,675	2035	2.00-5.37	122,690	-	(425)	122,265	3,440
2009 Series A Revenue Bonds--\$149,815	2034	4.00-6.50	143,025	-	-	143,025	-
2007 Series A Revenue Bonds--\$72,385	2032	3.50-5.25	6,740	-	(2,165)	4,575	2,245
2006 Series A Revenue Bonds--\$83,045	2031	4.00-5.00	5,265	-	(2,575)	2,690	2,690
2005 Series A & B Revenue Bonds--\$170,560	2030	2.50-5.00	63,090	-	(63,090)	-	-
Ohio Water and Sewer Rotary Commission	-	-	50	-	-	50	-
Ohio Public Works Commission (OPWC)	2017	3.54-4.80	1,687	-	(328)	1,359	248
Construction Drawdown	2018	0.00-3.00	221,262	18,361	(17,662)	221,961	17,890
Capital Lease Payable	2029	2.00-5.00	12,135	-	(620)	11,515	635
Deferred Amounts:							
For Issuance Premiums			62,395	6,575	(8,541)	60,429	-
Total MSD Obligations			1,034,609	77,456	(128,431)	983,634	61,898
<u>Enterprise Fund Debt--Parking Facility</u>							
2001 Parking Facility--\$24,500	2026	Market Value Based	16,365	-	(970)	15,395	1,030
<u>Sales Tax Bonds</u>							
2000 Stadium Series B--\$349,992	2032	5.57	41,661	-	-	41,661	-
2006 Stadium Series A--\$452,270	2032	4.00-5.00	414,165	-	(17,885)	396,280	19,940
2011 Refunding Bonds A--\$72,665	2032	2.00-5.00	72,320	-	(1,835)	70,485	2,180
Deferred Amounts:							
For Issuance Discounts			(943)	-	-	(943)	-
For Issuance Premiums			20,896	-	(2,086)	18,810	-
Total Sales Tax Bonds			548,099	-	(21,806)	526,293	22,120
<u>General Obligation--Parking Facility</u>							
2007 Various Purpose Refunding--\$7,335	2024	3.75-4.15	5,530	-	(460)	5,070	480
2014 Riverfront Infrastructure Improvement--\$19,030	2028	2.00-5.00	18,930	-	(835)	18,095	855
2015 Improvement and Refunding Bonds -- \$14,400	2030	3.00-5.00	-	14,400	-	14,400	5
For Issuance Discounts			(8)	-	1	(7)	-
For Issuance Premiums			1,424	2,849	(448)	3,825	-
Total General Obligation Bonds			25,876	17,249	(1,742)	41,383	1,340
Total Business-Type Long-Term Debt			1,624,949	94,705	(152,949)	1,566,705	86,388
<i>Other Long-Term Liabilities</i>							
<u>Compensated Absences</u>			9,635	3,554	(3,103)	10,086	3,811
<u>Capital Lease Payable</u>			-	7,739	(1,469)	6,270	1,487
<u>Urban Redevelopment Loan</u>			5,475	-	(477)	4,998	491
<u>State Infrastructure Bank Loan</u>			7,835	-	(1,630)	6,205	1,685
<u>MSD Net Pension Liability</u>			223,345	64,394	(20,864)	266,875	-
<u>MSD Net Other Post-Employment Benefits Obligation</u>			12,456	1,539	(3,827)	10,168	-
Total Business-Type Long-Term Liabilities			\$ 1,883,695	\$ 171,931	\$ (184,319)	\$ 1,871,307	\$ 93,862
Convention Facilities Authority							
	Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<i>Long-Term Debt</i>							
<u>Year Issued/Purpose/Amount Issued</u>							
<u>CFA Obligations</u>							
2014 First Lien Improvement Bonds--\$69,890	2033	2.00-5.00	\$ 69,890	\$ -	\$ (2,570)	\$ 67,320	\$ 2,595
Deferred Amounts:							
For Issuance Premium			8,183	-	(455)	7,728	-
Total CFA Obligations			\$ 78,073	\$ -	\$ (3,025)	\$ 75,048	\$ 2,595

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

Year	Governmental Activities			
	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 8,041	\$ 2,195	\$ 349	\$ 145
2017	7,461	1,868	329	129
2018	5,351	1,548	309	114
2019	2,878	1,333	278	99
2020	2,996	1,217	259	86
2021-2025	10,701	4,598	1,024	263
2026-2030	6,022	2,581	539	66
2031-2035	2,715	1,463	20	1
2036-2040	2,655	462	-	-
Total	<u>\$ 48,820</u>	<u>\$ 17,265</u>	<u>\$ 3,107</u>	<u>\$ 903</u>

Year	Business-Type Activities					
	MSD*		General Obligation Bonds**		Sales Tax Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 61,898	\$ 42,518	\$ 2,370	\$ 1,629	\$ 22,120	\$ 22,789
2017	62,725	39,325	2,550	1,592	22,005	21,783
2018	40,917	38,362	2,705	1,551	24,565	20,683
2019	47,432	36,351	2,875	1,507	27,285	19,454
2020	51,211	34,326	3,045	1,460	22,188	26,082
2021-2025	247,396	118,252	23,330	5,622	130,722	133,043
2026-2030	257,009	89,981	16,085	1,875	158,891	113,404
2031-2035	130,331	32,414	-	-	100,650	7,283
2036-2040	23,667	4,229	-	-	-	-
2041-2045	12	-	-	-	-	-
Total	<u>\$922,598</u>	<u>\$435,758</u>	<u>\$ 52,960</u>	<u>\$ 15,236</u>	<u>\$508,426</u>	<u>\$364,521</u>

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

**Adjustable Rate Parking System Revenue Bonds, in the amount of \$24,500, were issued to pay the costs of making improvements and enlargements to the County's above-ground parking structures and surface parking lots in the Cincinnati central riverfront area, near the stadium and at the US Bank Arena. The interest rate is to be determined at the close of business each Wednesday. The interest rate at the close of business on December 31, 2015, was 0.10%. Using this rate as a basis, the projected interest to be paid on this bond issue will be \$101.

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

Year	CFA	
	Improvement Bonds	
	Principal	Interest
2016	\$ 2,595	\$ 3,249
2017	2,725	3,119
2018	2,865	2,983
2019	3,005	2,839
2020	3,155	2,689
2021-2025	18,295	10,917
2026-2030	21,340	5,999
2031-2035	13,340	1,356
Total	<u>\$ 67,320</u>	<u>\$ 33,151</u>

Long-Term Bonds. All long-term bonds of the County are retired from the debt service funds except for debt payable from enterprise funds. General obligation bonds and notes are backed by the County's ability to levy a voted or unvoted property tax within limitations of State law. General obligation special assessment bonds are backed by the County's ability to levy an assessment against individual property owners within limitation of State

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law. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an additional .5% sales tax approved by the County voters on March 19, 1996. Parking revenue bonds are backed by revenues and other income derived from riverfront parking facilities. General obligation bonds are generally issued as 20-year serial bonds with various amounts of principal maturing each year. Under State law applicable to the County, general obligation bond anticipation notes may be issued from time to time up to a maximum maturity of 20 years from the date of issuance of the original notes.

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

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3.0%, 1.5% and 2.5% limitation described above is \$457,209. The total County net debt subject to this limitation is \$107,098, leaving a borrowing capacity of \$350,111 within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1.0% limitation is \$183,484. The total County debt subject to such limitation is \$107,098, leaving a borrowing capacity of \$76,386 within the 1.0% limitation for unvoted non-exempt debt.

2015 General Obligation Bonds. In April 2015, the County issued \$25,230 of Various Purpose Limited Tax General Obligation Improvement and Refunding Bonds. Proceeds of the bonds were used to partially advance refund the 2006 Emergency Services Communication System Refunding Bonds, acquire communications system equipment and technology improvements, and improve various County buildings, as well as pay capitalized interest and certain costs of issuance. A portion of the improvement bonds are in business-type activities (\$14,400). The refunding bonds and remaining improvement bonds (\$10,830) are in governmental activities. The bonds carry interest rates of 3%-5% and have a final maturity date of December 1, 2030. The refunded bonds (\$7,725) are considered defeased and the liability for those bonds removed from the Statement of Net Position. Although the refunding resulted in the recognition of an accounting loss of \$520, the County has, in effect, reduced its aggregate debt service payments by \$3,423 and obtained a present value savings of \$340.

Series A and B Revenue Bonds. In 2015, MSD issued \$52,520 Series A, Sewer System Refunding Revenue Bonds. The proceeds were used to defease portions of the 2005A revenue bonds and pay for the cost of issuance. The 2015A bonds are special obligations of MSD, payable solely from the net revenues of MSD and were issued on parity with the 1997, 2000, 2001, 2003A, 2003B, 2004, 2005A, 2005B, 2006, 2007, 2009A, and 2009B bonds, secured equally and ratably under the Trust Agreement. A portion of the proceeds was used to purchase U.S. Government Securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service to refund \$60,360 of outstanding 2005A Bonds. As a result, these bonds are considered defeased and the liability for those bonds removed from the Statement of Net Position. Although the refunding resulted in the recognition of an accounting loss of \$1,464 in accordance with GASB 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, MSD has, in effect, reduced its aggregate debt service payments by \$16,845 and obtained a present value savings of \$6,363.

In 2009 and 2007, MSD issued County of Hamilton, Ohio, Series A Sewer System Improvement Revenue Bonds. In 2014, 2013, 2010, 2006, 2005 and 2004, MSD issued County of Hamilton, Ohio, Series A Sewer System Refunding Revenue bonds. In 2013, MSD also issued County of Hamilton, Ohio, Series B Sewer System Refunding Revenue bonds. In 2009 and 2005, MSD also issued Series B Sewer System Improvement Revenue

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Bonds. In 2003, MSD issued County of Hamilton, Ohio, Series A Sewer System Improvement and Refunding Revenue bonds. In 2003, MSD also issued County of Hamilton, Ohio, Series B Sewer System Improvement and Refunding Revenue bonds, and in 2010, MSD issued Series B Sewer System Improvement Revenue Bonds (Build America Bonds). The proceeds of all of these bonds were used to permanently fund certain previous capital expenditures, provide funds for new projects, defease portions of previous bond issues, fund the new bond reserve requirements and pay the costs of issuance.

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

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

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

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

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

Prior Defeased Debt. The County has defeased various general obligation serial bonds and revenue serial bonds through refinancing and operations. Separate irrevocable trust funds were established and funded to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and is not included in the financial statements. At December 31, 2015, \$10,760 general obligation bonds were considered defeased. For MSD, the amount of defeased debt outstanding was \$60,360.

Revenue Bonds. In 2014, the CFA issued First Lien Improvement Bonds for \$69,890 for the purpose of funding new projects and for refunding the 2004 First and Second Lien Improvement Bonds. The 2014 bonds have a final maturity date of December 1, 2033, and carry interest rates of 2%–5%. The revenues pledged to the trustee to support the debt include the following: County 3.5% hotel tax, City 2002 1.5% hotel tax, City 1.0% hotel tax.

Capital Lease. In 2015, the County entered into a five-year capital lease-purchase agreement for \$7,739 for a new scoreboard for Paul Brown Stadium. MSD issued a capital lease for a new engineering building in 2010. The capital asset acquired under the lease is \$15,000. These lease obligations meet the criteria of a capital lease as defined by Financial Accounting Standards Board guidance. The scoreboard is reported with other construction in progress and the MSD asset is reported with other buildings in the capital asset activity in note V D.

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The following is a schedule of the future minimum lease payments required under the capital leases:

Year Ending December 31	MSD	Paul Brown Stadium
2016	\$ 1,115	\$ 1,684
2017	1,112	1,684
2018	1,113	1,684
2019	1,113	1,684
2020	1,115	-
2021-2025	5,568	-
2026-2020	4,458	-
Total Minimum Lease Payments	15,594	6,736
Less Amount Representing Interest	(4,079)	(466)
Present Value of Minimum Lease Payments	<u>\$ 11,515</u>	<u>\$ 6,270</u>

Compensated Absences. Employees with a minimum of one year of service become vested in accumulated unpaid vacation time. For County employees, Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative approval for carryover is obtained. Unpaid vacation time is payable upon termination of employment. In general, employees are eligible to be paid for unpaid overtime and unused compensatory time upon termination of employment. All sick, vacation and overtime/compensatory time payments are made at the employee's current wage rate. The liability is accrued by fund and is reported in the Statement of Net Position. The County pays obligations related to employees' compensation from the funds benefitting from their service. See notes VI F and G for additional information related to the net pension liability.

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

	MSD
Interest Incurred	\$ 37,349
Less Interest Capitalization	(138)
Interest Expense	<u>\$ 37,211</u>

Other Long-Term Obligations. Other long-term obligations of the County consist of (1) four loans from the State of Ohio for road improvement projects, (2) a State loan to be used for the construction of an intermodal transit facility, (3) a State loan to be used for the Riverfront development, (4) loan contracts for the purchase of and improvement to various properties in the County, (5) a forgivable mortgage for renovation work on a building, (6) claims payable estimate for workers' compensation and (7) net pension liability and (8) net other post-employment benefits obligation. These are reported as part of Long-Term Liabilities in the government-wide Statement of Net Position.

State Loans. In 2006, the Hamilton County Engineer's Office obtained an interest-free loan for \$1,553 from the Ohio Public Works Commission. Repayment of the loan commenced in 2009, with final maturity in 2028. In 2005, the Engineer's Office obtained a loan for \$1,619 from the Ohio Department of Transportation. In subsequent years, additional disbursements were made, bringing the total loan amount to \$3,346. Repayment of the loan commenced in 2005. The original maturity date of 2009 was extended to 2015. The interest rate for the first 12 months was 0%. For the remaining years, the interest rate was 3%. In 2014, the Hamilton County Engineer's Office arranged for two interest-free loans from the Ohio Public Works Commission. One loan in the amount of \$555 was issued in full in 2015, once the related work had been fully completed. Repayment of the loan commenced in 2015, with final maturity in 2035. For the second of the loans established in 2014, the work has not been fully completed; therefore, the loan amount has not been issued in full and a final payment schedule is not available. During 2015, a liability was included for \$540, which represents the amount of the loan used as of year-end. The proceeds of all of these loans are being used to finance road improvement projects. The loans will be repaid from the County's permissive auto tax.

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

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

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

Year	Engineer	Riverfront Development	
	Principal	Principal	Interest
2016	\$ 105	\$ 2,176	\$ 373
2017	105	2,256	296
2018	105	2,352	210
2019	105	1,477	117
2020	106	554	81
2021-2025	527	2,388	149
2026-2031	372	-	-
2032-2037	125	-	-
Total	<u>\$ 1,550</u>	<u>\$ 11,203</u>	<u>\$ 1,226</u>

Loan Contracts. The County's loan contracts are made between the Hamilton County Mental Health and Recovery Services Board (MHR SB) and the Ohio Department of Mental Health (ODMH), for the purchase of and improvement to various properties in the County for use in providing mental health services. The terms of the contracts are essentially equivalent to a mortgage on the property, with MHR SB being obligated to provide mental health services for a period of 40 years from the inception of the contract. Should MHR SB discontinue mental health services at a particular facility, the balance of the contract would become due immediately. Failure to pay the balance could result in foreclosure by ODMH. The balance due is reduced on a month-by-month basis over the term of the contract as long as the facility is used for mental health services. The amount outstanding on these loan contracts at December 31, 2015, amounted to \$3,165. There is no interest charged on these obligations.

Year Ending December 31	Loan Contracts Forgiveness
2016	\$ 176
2017	175
2018	175
2019	175
2020	176
2021-2025	876
2026-2030	853
2031-2035	446
2036-2040	79
2041-2045	34
Total	<u>\$ 3,165</u>

Forgivable Mortgage. In 2003, a forgivable mortgage in the amount of \$1,697, to be used for improvement to a facility, was executed between Hamilton County Alcohol and Drug Addiction Services (now part of the Mental Health and Recovery Services Board—MHR SB) and Ohio Department of Alcohol and Drug Addiction Services. The contract provides that the property must be used to provide alcohol and other drug services for a period of 25 years from contract inception. Should MHR SB discontinue alcohol and other drug services at this facility, the

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balance of the contract would become due immediately. The balance on the mortgage will be reduced each month through February 2029. There is no interest charged on this obligation.

Year Ending December 31	Mortgage Forgiveness
2016	\$ 68
2017	68
2018	68
2019	68
2020	68
2021-2025	339
2026-2030	181
Total	<u>\$ 860</u>

Claims Payable. Claims payable represent the County's estimated liability for workers' compensation coverage for all employees. Claims will be paid from the Workers' Compensation Reserve internal service fund (see note VI A).

Net Pension Liability and Net Other Post-Employment Benefits Obligation. The County's and MSD's long-term liabilities for net pension are \$200,397 and \$266,875, respectively. MSD's net other post-employment benefits obligation is \$10,168. (See also notes VI F and G.) The County pays obligations related to employees' compensation from the funds benefitting from their service.

Conduit Debt Obligations. Periodically, the County issues Hospital Facility, Economic Development, Health-Care System or Facility, Multifamily Housing or Student Housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. These bonds are backed by the property financed and are payable solely from payment received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County and, therefore, are not reported in the financial statements. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. As of December 31, 2015, the aggregate principal amount outstanding for these bonds was as follows:

Hospital Facilities	\$ 931,907
Economic Development	105,815
Health-Care Systems and Facilities	71,100
Multifamily Housing	14,155
Student Housing	47,160
Total	<u>\$ 1,170,137</u>

G. Leases

Operating Leases—Lessee. At December 31, 2015, the County had entered into various long-term operating leases for office and storage space and for land for communications towers. The lease terms range from 2 years to 5 years. Operating lease payments are recorded in the period they are paid. These payments are made from the General Fund and from the Health and Human Services Levies and nonmajor special revenue funds. Sublease payments are made from nonmajor special revenue and enterprise funds. Operating lease payments, excluding subleases, for 2015 amounted to \$1,535. Sublease payments totaled \$52. Future rental obligations are as follows:

Year Ending December 31	Operating Lease Payments	Sublease Payments	
	Governmental Activities	Business-Type Activities	Governmental Activities
2016	\$ 1,354	\$ 4	\$ 46
2017	589	-	24
2018	431	-	-
2019	437	-	-
2020	286	-	-
Total	<u>\$ 3,097</u>	<u>\$ 4</u>	<u>\$ 70</u>

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Operating Leases—Lessor. The County has contractual agreements for the rental of properties, including stadia, office space, group homes, land and communications towers, to commercial and not-for-profit enterprises. These rentals are reported as operating leases for accounting purposes. Total rent received in 2015 was \$73 in governmental funds and \$1,049 in business-type funds.

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

In May of 1997, the County entered into a contract that binds the Cincinnati Bengals from the date of the newly constructed stadium to June 30, 2026. The Bengals in turn agreed to pay the County rent for the first 9 years after the stadium was completed. That final rental payment was received in 2009. The lease agreement was amended in 1998, 2000, 2010, and 2014. Currently, the Bengals pay base rent of \$500 (through 2018) plus one-fifth of \$117 over five years, based on the amount over \$10,000 the County will spend to purchase and install the new scoreboard. Additionally, in 2015, there was a onetime addition to rent of \$471 as part of the agreement that the County would pay to extend the ribbon board in the stadium.

Future rental revenues for leases are as follows:

Year Ending December 31	Operating Lease Revenues	
	Business-Type Activities	Governmental Activities
2016	\$ 579	\$ 52
2017	574	52
2018	555	52
2019	26	21
2020	-	-
Total	\$ 1,734	\$ 177

Assets and accumulated depreciation related to the operating leases, as of December 31, 2015, are included in the financial statements as follows:

	Business-Type Activities	Governmental Activities
Land	\$ 85,630	\$ 39
Buildings	731,590	3,322
Less Accumulated Depreciation	(374,296)	(3,231)
Total Net Book Value	\$ 442,924	\$ 130

H. Segment Information

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

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Garage affords citizens downtown parking. Summary financial information for these funds, for the year ended December 31, 2015, follows.

<u>Condensed Statement of Net Position</u>	Riverfront Development	Main Street Parking Garage
Assets:		
Current Assets	\$ 36,724	\$ 490
Capital Assets	134,005	6,137
Total Assets	<u>170,729</u>	<u>6,627</u>
Liabilities:		
Current Liabilities	6,127	510
Noncurrent Liabilities	46,064	4,583
Total Liabilities	<u>52,191</u>	<u>5,093</u>
Net Position:		
Net Investment in Capital Assets	94,153	1,074
Unrestricted	24,385	460
Total Net Position	<u>\$ 118,538</u>	<u>\$ 1,534</u>

<u>Condensed Statement of Revenues, Expenses and Changes in Fund Net Position</u>	Riverfront Development	Main Street Parking Garage
Charges for Services	\$ 12,664	\$ 956
Other Revenue	5	27
Depreciation and Amortization	(7,881)	(310)
Other Operating Expenses	(6,363)	(239)
Operating Income (Loss)	(1,575)	434
Nonoperating Revenues (Expenses):		
Change in Fair Value of Investments	(8)	-
Other Revenue	1,280	-
Other Expense	(1,578)	-
Interest Expense	(685)	(222)
Debt-Related Costs	(265)	-
Capital Contributions	4,342	-
Change in Net Position	1,511	212
Net Position at Beginning of Year	117,027	1,322
Net Position at End of Year	<u>\$ 118,538</u>	<u>\$ 1,534</u>

<u>Condensed Statement of Cash Flows</u>	Riverfront Development	Main Street Parking Garage
Net Cash Provided (Used) by:		
Operating Activities	\$ 5,564	\$ 730
Noncapital Financing Activities	31	-
Capital and Related Financing Activities	10,093	(682)
Investing Activities	(8)	-
Net Increase	15,680	48
Cash and Cash Equivalents at Beginning of Year	19,511	394
Cash and Cash Equivalents at End of Year	<u>\$ 35,191</u>	<u>\$ 442</u>

VI. OTHER INFORMATION

A. Risk Management

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

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insurance coverage or limits from coverage provided in 2014. Over the past three years, claim amounts from risks covered by commercial insurance have not exceeded the specific policy's limit.

The County retains risk of loss related to court judgments resulting from tort and general liability claims of County officials and employees. A portion of the General Fund balance has been assigned for paying potential, court-ordered judgments, and at December 31, 2015, this amounted to \$777.

Beginning in 1990, the County established an internal service fund titled Workers' Compensation Reserve to account for and finance its workers' compensation claims risk. All departments of the County participate in the program and make per capita payments to the internal service fund. The claims liability reported in the workers' compensation internal service funds at December 31, 2015, is based on the requirements of Governmental Accounting Standards Board Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The County uses a retrospectively rated program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims.

The historical changes in claims payable during the past two years are as follows:

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2014	\$ 1,405	\$ 800	\$ (945)	\$ 1,260
2015	1,260	949	(1,048)	1,161

The County provides employees' health-care coverage through a self-insurance program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. Humana reviews all claims for Humana plans, which are then paid by the County. The County purchases stop-loss coverage of \$500 per employee and an aggregate limit of 120% of expected claims and a \$5,000 lifetime (per member) maximum.

The County pays into the self-insurance internal service fund based on one of three plan options, according to the grid below (amounts not rounded). In 2015, the County collected the majority of the monthly Employer Cost of plans in February, with the remaining funds collected in September. The premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

Medical Plan Name	Coverage Level	Monthly Administrative Services Only Fee Paid by Employer	Monthly Actuarial Value	2015 Actual Monthly Employer Cost	Monthly Employee Contribution
CoverageFirst 2500	Single	\$ 55.75	\$ 460.84	\$ 421.42	\$ 39.42
	Double	64.23	921.68	858.10	63.58
	Family	73.56	1,447.37	1,356.22	91.15
CoverageFirst 1000	Single	55.75	493.76	435.52	58.24
	Double	64.23	987.52	880.08	107.44
	Family	73.56	1,551.66	1,388.02	163.64
POS 500	Single	55.75	570.43	412.35	158.08
	Double	64.23	1,139.52	799.90	339.62
	Family	73.56	1,790.00	1,242.87	547.13

A portion of the claims liability (\$3,257) reported in the Medical Self-Insurance Fund at December 31, 2015, is estimated by the external actuarial and is based on the requirements of GASB 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably

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estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the self-insurance fund's claims liability payable during the past two years are as follows:

Year	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2014	\$ 5,244	\$ 35,126	\$ (36,176)	\$ 4,194
2015	4,194	37,399	(36,473)	5,120

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

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

B. Related Party Transactions

Cincinnati Water Works provides billing and collection services on customers' accounts for MSD. Fees for these services for 2015 were \$3,359. Fees are also paid to other municipalities and villages within the County for collection of sewerage bills.

The City provides overhead services to MSD, such as check disbursement and investment and legal services. The fees for these services for 2015 were \$2,544. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for MSD. Fees for these services were \$1,678 for 2015.

C. Jointly Governed Organizations

The County's Board of Developmental Disabilities is a participant in the Southwest Ohio Council of Governments (COG). The Council consists of five members representing each of the five participating counties. Other County Boards of Developmental Disabilities may petition for membership to the Council; however, membership must be approved by a two-thirds vote of the Council members. The role of the Council is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the five counties. The council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2015, Hamilton County contributed \$160 to the council, and the council is currently holding \$4,128 in deposits that belong to the County and are represented by Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Southwest Ohio Council of Governments may be obtained at 801 Drake Road, Lebanon, OH 45036. (See note I A.)

Hamilton County Mental Health and Recovery Services Board is a member of the Three C Recovery and Health Care Network Council of Governments. The purpose of this Council is for creating a Shared Health Care and Recovery Enterprise System (SHARES), to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards, and for additional boards that may join the COG in the future. The COG Board of Trustees consists of six members, two from each of the founding counties. Other Mental Health and/or Alcohol and other Drug County Boards may petition for membership to the COG; however, membership must be approved by a unanimous vote of all COG members in good standing at the time of the vote. In 2015, each of the three participating boards contributed \$572 toward the operation of the COG. On December 31, 2015, the account balance of the COG was \$618, allocated as \$206 per

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member. This amount is reported as Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Three C Recovery and Health Care Network Council of Governments may be obtained at 2350 Auburn Avenue, Cincinnati, Ohio 45219. (See note I A.)

D. Significant Commitments and Contingent Liabilities

The County has contracted construction commitments for the following:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Riverfront Development	\$ 210,738	\$ 10,717

At year-end, valid outstanding encumbrances are reappropriated and become part of the subsequent year's budget. The encumbrances as of December 31 are as follows:

General Fund	\$ 15,512
Public Assistance Fund	10,775
Health and Human Services Levies Fund	33,058
Other Governmental Funds	40,775
Total	<u>\$ 100,120</u>

The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio, are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, MSD's Revised Wet Weather Plan was approved by the federal government. The Plan commits MSD to complete a Phase 1 group of projects totaling \$1.145 billion (in 2006 dollars and including \$526 million that MSD has already spent on projects [amounts not rounded]) by 2018 before scheduling future work (Phase 2). The consent decree documents are posted on the MSD website, msdgc.org, under Consent Decree.

As part of MSD's capital improvement program, MSD has entered into a number of contracts for construction, design and other services. Commitments under these contracts aggregate approximately \$59,000 as of December 31, 2015.

Pursuant to a Memorandum of Understanding between the City and the County, dated September 30, 2002, a Cooperative Agreement between the City and the County, dated February 9, 2004, and a Project Service Agreement between the City and the CFA, dated February 3, 2004, the City and the County have agreed, among other things, that the City will (1) own the Duke Energy Center, (2) be responsible for the operation and maintenance of the Duke Energy Center and (3) manage the design and construction of the project. Construction of the improvements began in May 2004 and was completed in June 2006. There have been seven supplemental agreements. The most recent was executed December 16, 2015.

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

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

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E. Deferred Compensation Plan

Employees of the County may elect to participate in a deferred compensation plan administered by one of the following: (1) The Ohio Public Employees Deferred Compensation Plan; (2) ING Financial Services, Inc.; or (3) The County Commissioners Association of Ohio. Under these plans, employees could defer up to 25% of their annual salary not to exceed \$18,000 (amount not in thousands) in 2015. The deferred amounts, as well as any income related to the deferral, are not subject to federal or State income tax until actually received by the employee. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and Internal Revenue Code Section 457, assets of the aforementioned plans were placed in trust for the exclusive benefit of the participants and beneficiaries during 1999. The amounts held in all three plans are no longer reported as assets of the County.

F. Net Pension Liability

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

G. Ohio Public Employees Retirement System (OPERS)

Plan Description. County employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (i.e., County employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS's traditional plan; therefore, the following disclosures focus on the traditional pension plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Group C Members not in other groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

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

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

When a benefit recipient has received benefits for 12 months, an annual cost-of-living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded.

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For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

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

	State and Local	Public Safety	Law Enforcement
2015 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2015 Actual Contribution Rates			
Employer:			
Pension	12.0 %	16.1 %	16.1 %
Post-Employment Health Care Benefits	2.0	2.0	2.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

* This rate is determined by OPERS's Board and has no maximum rate established by ORC.

** This rate is also determined by OPERS's Board but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contributions to OPERS were \$23,910 for 2015. MSD's totaled \$280. Of this amount, \$994 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPERS. The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's and MSD's proportions of the net pension liability were based on their shares of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	County	MSD
Proportionate Share of the Net Pension Liability	\$ 200,397	\$ 1,825
Proportion of the Net Pension Liability	1.66151589%	0.015177505%
Pension Expense	\$ 21,911	\$ 98

At December 31, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	County	MSD
Deferred Outflows of Resources		
Net difference between projected and actual earnings on pension plan investments	\$ 10,693	\$ 125
County contributions subsequent to the measurement date	23,910	280
Total Deferred Outflows of Resources	\$ 34,603	\$ 405
Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 3,521	\$ (42)

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The \$23,910 and \$280 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31	County	MSD
2016	\$ 1,049	\$ 13
2017	1,049	12
2018	2,401	28
2019	2,673	31
Total	\$ 7,172	\$ 84

Actuarial Assumptions. Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, Including Inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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

The most recent experience study was completed for the five-year period ended December 31, 2010.

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

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	<u>100.00 %</u>	<u>5.28 %</u>

Discount Rate. The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's and MSD's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following table presents the County's and MSD's proportionate shares of the net pension liability calculated using the current period discount rate assumption of 8%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7%) or one-percentage-point higher (9%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate share of the net pension liability			
County	\$ 368,674	\$ 220,397	\$ 58,668
MSD	3,369	1,825	525

H. City of Cincinnati Retirement System (CRS)

Plan Description and Plan Benefits. The majority of MSD's full-time employees participate in the Retirement System of the City of Cincinnati (CRS). CRS is accounted for as a cost-sharing, single-employer defined benefit public employee retirement system. CRS provides retirement, disability and death benefits to plan members and beneficiaries. CRS also provides health care benefits to vested retirees. Benefits provided under the plan are established by the Cincinnati Municipal Code, which provides statutory authority for employee and employer contribution rates.

CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund. The financial report that includes financial statements, required supplementary information, and detailed information about CRS's fiduciary net position may be obtained by visiting <http://www.cincinnati-oh.gov/finance/cafr/>. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of CRS in the Board of Trustees of the City of Cincinnati Retirement System.

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Information in the remainder of this footnote is provided for the MSD's portion, being reported as an agency fund of the City, which also participates and contributes to CRS, with a measurement date of June 30, 2015.

A major plan revision was approved by the City Council on March 16, 2011, and adopted by the Board of County Commissioners. The plan allows for a two and half year transition period from July 1, 2011, to January 1, 2014. Active members who are eligible or become eligible to retire and elect to retire during this transition period can retire with 30 years of creditable service or at age 60 with at least five years of creditable service and will receive benefits according to the current plan as described below.

A Collaborative Settlement Agreement was executed on May 7, 2015, and approved by the United States District Court on October 5, 2015. The Settlement Agreement impacts employees who were in service on July 1, 2011, and who were vested (had 5 years of service credit) on that date. Employees who are members of the Cincinnati Retirement System who did not meet those criteria remained subject to the plan provisions adopted in Ordinances #84-2011 and #85-2011. The disclosures and financial statements were not impacted by the agreement since the agreement was reached after the June 30, 2015, measurement period.

Prior Benefits. For pensioners who retired prior to July 1, 2014, the annual retirement allowance was equal to 2.50% or 2.22% of the average of the three highest years' compensation multiplied by the number of years of membership service. Employees hired before July 12, 1998, elected either the 2.5% or a 2.22% formula, which factors in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998, and thereafter are subject to the 2.5% formula.

Pensions are increased by 3% compounded annually, commencing one year after retirement. CRS also provides death and disability benefits. These benefit provisions and all other requirements, are established by the Cincinnati Municipal Code.

Current Plan Benefits. Active members who are not eligible to retire before January 1, 2014, will be subject to the new plan benefits. To be eligible to retire, an active employee must have completed 30 years of creditable service and have reached age 60 or older, or an employee must have 5 years of creditable service and have reached age 65 or older.

The annual retirement allowance through June 30, 2011, will be the same for the current plan. For years of service beginning July 1, 2011, all active employees will receive 2.2% per year of creditable service through 30 years and the 2.0% for every year after 30 years of creditable service. Benefits will be calculated using the average of the highest 60 consecutive months' compensation.

Pensions are increased based on the Consumer Price Index for All Urban Consumers with a maximum of 2% annually and will be based on simple interest, commencing one year after retirement. CRS will not provide death benefits but will continue to provide medical benefits. All retirees will be on MSD's 80/20 health plan. Premiums are charged for all retirees retiring after disability benefits. The medical benefits changed on January 1, 2011. Medicare reimbursements are eliminated for January 1, 2007, except for Carve-Out Plan, in which we have approximately 300 remaining participants.

The service retirement allowance vests after 5 years of creditable service. Medical benefits are provided after 15 years of creditable service or, if hired before January 9, 1997, after reaching age 60 with at least 5 years of creditable service. The 15-year requirement is universal for all members who retired on or after July 1, 2011.

Funding Policy. Each member contributed at a rate of 9% of his salary for fiscal year 2015. The percent contributed by employees is provided by Chapter 203 Section 73 of the Cincinnati Municipal Code.

MSD makes employer contributions based on a percentage of the covered payroll of all CRS members. For 2015, there were two contribution rate, 14.00% and 16.25%. MSD's contributions (including the Early Retirement Incentive Program) to the City of Cincinnati Retirement System's Pension Fund for the fiscal year ending June 30, 2015, were \$5,703.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CRS. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. MSD reported a net pension liability of \$265,050 and pension expense of \$14,527.

Actuarial Assumptions. Total pension liability was determined by an actuarial valuation as of December 31, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3 percent
Future Salary Increases, Including Inflation	3 to 7 percent, including inflation, for 5-year select period beginning December 31, 2011; 4 to 7.5 percent thereafter, including inflation
Long-Term Investment Rate of Return	7.5 percent, net of pension plan investment expense, including inflation
Municipal Bond Index Rate	
Prior Measurement Date	4.35 percent
Measurement Date	3.82 percent
Year FNP Is Projected to Be Depleted	2031
Single Equivalent Interest Rate	
Prior Measurement Date	5.59 percent, net of pension plan investment expense, including inflation
Measurement Date	5.08 percent, net of pension plan investment expense, including inflation

Both pre-retirement and post-retirement mortality rates were based on the RP-2000 combined mortality table, male rates set forward two years and female rates set forward one year and using a Scale AA projection to 2020. Post-disability mortality rates were based on the RP-2000 disabled retiree mortality table, female rates set back 5 years. The actuarial assumptions used in the December 31, 2014, valuation were based on the results of the last actuarial experience study, dated October 28, 2011.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad Fixed Income	14.00 %	1.10 %
High Yield	3.00	5.60
Broad U.S. Equity	19.50	6.60
U.S. Mid-Cap Growth	5.00	7.80
U.S. Small-Cap Growth	5.00	10.60
Developed Large-Cap	11.00	7.80
Non-U.S. Small-Cap	5.00	11.90
Emerging Market	5.00	11.30
Hedge Fund—Hedged Equity	15.00	4.70
Real Estate—Core	7.50	5.10
Infrastructure	5.00	8.30
Private Equity—FOF	5.00	13.20
Total	100.00 %	

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Discount Rate. The blended discount rate used to measure the total pension liability was 5.08% as of June 30, 2015. The discount rate determination used a municipal bond rate of 3.82% as of June 30, 2015. The projection of cash flows used to determine the discount rate assumed that plan member contributions and employer contributions will be made at the current contribution rates as set out in City Council ordinance. Projected future benefit payments for all current plan members were projected through 2031.

Sensitivity of MSD's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following table represents MSD's proportionate share in thousands of the net pension liability at the 5.08% blended discount rate as well as what MSD's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.08%) or one-percentage-point higher (6.08%) than the current rate:

	1% Decrease (4.08%)	Current Discount Rate (5.08%)	1% Increase (6.08%)
MSD's proportionate share of the net pension liability	\$ 331,562	\$ 265,050	\$ 209,269

Change in the Net Pension Liability: Changes in MSD's net pension liability for the year ended June 30, 2015, were as follows:

Balances at June 30, 2014	\$ 520,989	\$ 299,410	\$ 221,579
Changes for the Year:			
Service Cost	5,346	-	5,346
Interest	28,680	-	28,680
Changes of Assumptions	30,007	-	30,007
Difference between Expected and Actual Experience	(2,698)	-	(2,698)
Contributions—Employer	-	5,596	(5,596)
Contributions—Employee	-	3,115	(3,115)
Net Investment Income	-	9,455	(9,455)
Benefit Payments, Including Refunds of Employee Contributions	(31,057)	(31,057)	-
Administrative Expense	-	(302)	302
Net Changes	30,278	(13,193)	43,471
Balances at June 30, 2015	\$ 551,267	\$ 286,217	\$ 265,050

The date of the actuarial valuation upon which the total pension liability (TPL) is based is December 31, 2014. An expected TPL is determined as of June 30, 2015, using standard rollforward techniques. The rollforward calculation adds the normal cost for the first half of 2015 (also called the service cost), subtracts the actual benefit payments and refunds for the next six months, and then applies the expected single equivalent interest rate (SEIR)

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(5.59% as of June 30, 2014 and 5.08% as of June 30, 2015) for the period. This procedure was used to determine the TPL as of June 30, 2015, as shown in the following table:

	Old Assumptions (1)	New Assumptions (2)
(a) Interest Rate (SEIR)	5.59%	5.08%
(b) TPL as of December 31, 2014	\$ 527,309	\$ 557,512
(c) Entry Age Normal Cost for the Period January 1, 2015 - June 30, 2015	2,747	3,084
(d) Actual Benefit Payments and Refunds for the Period January 1, 2015 - June 30, 2015	15,529	15,529
(e) TPL as of June 30, 2015 = [(c) x (1 + (a)) ^{1/2}] + (d) - [(e) x (1 + (a)) ^{1/4}]	528,888	558,895
(f) June 30, 2014 TPL Rolled Forward to June 30, 2015	531,586	
(g) Experience (Gain)/Loss: (1e) - (1f)	\$ (2,698)	
(h) Assumption (Gain)/Loss: (2e) - (1e)		\$ 30,007

At June 30, 2015, MSD reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
MSD Contributions Subsequent to the Measurement Date	\$ 2,132	\$ -	\$ 2,132
Differences between Expected and Actual Experience	-	(1,349)	(1,349)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	9,983	(17,679)	(7,696)
Change in Assumptions	15,003	(1,805)	13,198
	\$ 27,118	\$ (20,833)	\$ 6,285

The \$2,132 reported as deferred outflows of resources related to pension resulting from MSD contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
2016	\$ 17,499	\$ (8,030)	\$ 9,469
2017	2,496	(6,681)	(4,185)
2018	2,496	(6,122)	(3,626)
2019	2,495	-	2,495
	\$ 24,986	\$ (20,833)	\$ 4,153

The County is currently examining its obligation with respect to the amount of City pension liability that the City has assigned, for financial reporting purposes, to MSD. The County obligation for all or part of this debt will be determined at a later time.

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I. Post-Employment Benefits—Ohio Public Employees Retirement System

Plan Description. The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing, multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS-sponsored health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. See OPERS's CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml> by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy. The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0% of earnable salary and public safety and law enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2015. As recommended by OPERS's actuary, the portion of employer contributions allocated to health care beginning January 1, 2016, remained at 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Dollar Amounts Expressed in Thousands)

Substantially all of the County's contribution allocated to fund post-employment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2015, 2014, and 2013 was \$3,838, \$3,955, and \$3,649, respectively. The full amount has been contributed for all three years.

J. Post-Employment Benefits—Cincinnati Retirement System (CRS)

Plan Description. CRS provides hospital and surgical insurance to retired members who have fifteen years of credited service at the time of termination or terminate after age sixty with five years of credited service. Those who are receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance premiums paid by CRS. When benefits would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal social security laws, CRS will pay whatever additional fees are required for the Federal medical coverage. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

Funding Policy. The health care coverage provided by CRS is advance funded on an actuarially determined basis as a portion of the employer contribution requirement to the System. The Cincinnati Municipal Code provides authority for employer contributions. The City of Cincinnati Retirement System's healthcare coverage was established under, and is administrated in accordance with, Internal Revenue Code 401(h).

The actuarial assumptions used for the December 31, 2015, valuation included an assumption for hospital and surgical benefits recognizing adjusted premiums, based on experience from recent years, adjusted to current year by assumed annual increases in premium costs. The cost of coverage is recognized as an expense as claims are paid. CRS has 3,842 active contributing participants of which 559 are MSD employees. For 2015, MSD's contribution was 18.9 percent of the total employers' contribution.

The cost of OPEB is recognized as an expense as claims are paid. No employer contribution was used to fund post-employment benefits for the fiscal years ended June 30, 2014, and June 30, 2015. As of the December 31, 2013, City-wide valuation, the healthcare plan's unfunded actuarial accrued liability was \$56,201. The actuarial value of assets was \$674,709. The actuarial accrued liability was \$618,508. The unfunded actuarial accrued liability as a percentage of covered payrolls of \$163,477 was 34.4%. Calculations are based on the OPEB benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of cost sharing between the employer and the plan members at that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. The required supplementary schedule, which immediately follows the notes, contains multiyear trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

MSD's annual OPEB cost and net OPEB obligation to CRS for the current fiscal period was as follows:

Annual required contribution	\$ 249
Interest on net obligation	1,195
Adjustment to annual required contribution	(1,349)
Annual OPEB costs	95
Actual contribution	(2,381)
Decrease in net OPEB obligation	(2,288)
Net OPEB obligation beginning of year	12,456
Net OPEB obligation end of year	10,168
Percentage of annual OPEB cost contribution	2506.32%

K. Extraordinary Item

The County settled a claim with the Ohio Department of Job and Family Services (ODJFS) related to audits by ODJFS and the United States Department of Health and Human Services and subsequent negotiations from 2006 through 2011. The County settled the claim for \$22,500 and recorded the settlement as a liability and extraordinary

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Dollar Amounts Expressed in Thousands)

item. The County recorded the liability because the settlement occurred prior to the issuance of the financial statements. The County classified the expense as an extraordinary item because this type of claim is both unusual in nature and infrequent in occurrence.

L. Subsequent Events

The following occurred since December 31, 2015:

- In April 2016, Hamilton County Job and Family Services paid \$22,500 to the Ohio Department of Job and Family Services to settle a matter related to the special audit of Hamilton County Department of Job and Family Services. This is recorded in the financial statements as an extraordinary item and intergovernmental payable (see note VI K). This payment, the reversal of prior fund balance adjustments related to interfund transfers (see note II B), and the execution of and booking of a Note, in the amount of \$242 from the Bureau of Support Fund (Performance Account #002-009) to the Hamilton County Health and Human Services Levies Fund—Children’s Services Subfund (Performance Account #003-001) are final settlements of all matters related to the special audits of Hamilton County Job and Family Services.
- The City of Cincinnati offered an Early Retirement Incentive Program (ERIP) in 2007. The City of Cincinnati Retirement System requested MSD’s share of the remaining liability in the amount of \$8,723. This amount represents the full liability for 2015-2023. The payment was processed in March 2016.
- In September 2016, the County issued \$324,035 in Sales Tax Refunding Bonds to currently refund \$376,340 of the 2006A Sales Tax Refunding Bonds.
- MSD is currently undergoing a special audit. The effects of the outcome of this special audit on the information reported and disclosed are currently unknown.

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM—TRADITIONAL PLAN
LAST TWO YEARS ⁽¹⁾
(Dollar Amounts in Thousands)

	FISCAL YEAR	
	2014	2013
County's Proportion of the Net Pension Liability	1.66151589%	1.66151589%
County's Proportionate Share of the Net Pension Liability	\$ 200,397	\$ 195,871
County's Covered-Employee Payroll	\$ 197,745	\$ 182,463
County's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	101.34%	107.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

⁽¹⁾Information prior to 2013 is not available.

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM—TRADITIONAL PLAN
LAST TWO MEASUREMENT YEARS ⁽¹⁾⁽²⁾
(Dollar Amounts in Thousands)

	FISCAL YEAR	
	2014	2013
County's Proportion of the Net Pension Liability	0.015177505%	0.014994790%
County's Proportionate Share of the Net Pension Liability	\$ 1,825	\$ 1,766
County's Covered-Employee Payroll	\$ 2,479	\$ 2,443
County's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	73.63%	72.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

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

⁽²⁾Information prior to 2013 is not available.

**COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM—TRADITIONAL PLAN
LAST THREE YEARS⁽¹⁾
(Dollar Amounts in Thousands)**

	FISCAL YEAR		
	2015	2014	2013
Contractually Required Contribution	\$ 23,910	\$ 24,557	\$ 24,485
Contributions in Relation to the Contractually Required Contribution	<u>(23,910)</u>	<u>(24,557)</u>	<u>(24,485)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County Covered-Employee Payroll	\$ 191,890	\$ 197,745	\$ 182,463
Contributions as a Percentage of Covered-Employee Payroll	12.46%	12.42%	13.42%

⁽¹⁾Information prior to 2013 is not available.

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM--TRADITIONAL PLAN
LAST TEN YEARS

(Dollar Amounts in Thousands)

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 280	\$ 297	\$ 318	\$ 275	\$ 237	\$ 196	\$ 156	\$ 134	\$ 145	\$ 146
Contributions in Relation to the Contractually Required Contribution	-	(297)	(318)	(275)	(237)	(196)	(156)	(134)	(145)	(146)
Contribution Deficiency (Excess)	<u>\$ 280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County Covered-Employee Payroll	\$ 2,336	\$ 2,479	\$ 2,443	\$ 2,750	\$ 2,371	\$ 2,200	\$ 1,893	\$ 1,914	\$ 1,740	\$ 1,591
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	13.00%	10.00%	10.00%	8.92%	8.25%	7.00%	8.35%	9.20%

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CHANGES IN
NET PENSION LIABILITY AND RELATED RATIOS
CINCINNATI RETIREMENT SYSTEM
LAST TWO MEASUREMENT YEARS ⁽¹⁾⁽²⁾
(Dollar Amounts in Thousands)

	FISCAL YEAR	
	2015	2014
Total Pension Liability		
Service Cost	\$ 5,346	\$ 4,919
Interest	28,680	28,146
Difference between Expected and Actual Experience	(2,698)	-
Changes of Assumptions	30,007	(3,381)
Benefit Payments	(30,628)	(29,614)
Refunds of Contributions	(429)	(339)
Net Change in Total Pension Liability	<u>30,278</u>	<u>(269)</u>
Total Pension Liability--Beginning	<u>520,989</u>	<u>521,258</u>
Total Pension Liability--Ending (a)	<u>551,267</u>	<u>520,989</u>
Plan Net Position		
Contributions--Employer	5,596	7,252
Contributions--Member	3,115	2,761
Net Investment Income	9,455	49,002
Benefit Payments	(30,628)	(29,614)
Administrative Expense	(302)	(267)
Refunds of Contributions	(429)	(333)
Net Change in Plan Net Position	<u>(13,193)</u>	<u>28,801</u>
Plan Net Position--Beginning	<u>299,410</u>	<u>270,609</u>
Plan Net Position--Ending (b)	<u>286,217</u>	<u>299,410</u>
Net Pension Liability--Ending (a) - (b)	<u>\$ 265,050</u>	<u>\$ 221,579</u>
Ratio of Plan Net Position to Total Pension Liability	51.92%	57.47%
Covered-Employee Payroll	\$ 31,232	\$ 30,550
Net Pension Liability as a Percentage of Covered-Employee Payroll	848.65%	725.30%

⁽¹⁾Information prior to 2014 is not available.

**COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CONTRIBUTIONS
CINCINNATI RETIREMENT SYSTEM
LAST TEN YEARS
(Dollar Amounts in Thousands)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 13,756	\$ 16,087	\$ 13,051	\$ 9,923	\$ 10,792	\$ 15,289	\$ 7,765	\$ 6,527	\$ 6,349	\$ 3,810
Contributions in Relation to the Contractually Required Contribution	(4,328)	(5,302)	(6,179)	(6,676)	(6,128)	(5,676)	(4,805)	(4,201)	(5,228)	(4,092)
Contribution Deficiency (Excess)	<u>\$ 9,428</u>	<u>\$ 10,785</u>	<u>\$ 6,872</u>	<u>\$ 3,247</u>	<u>\$ 4,664</u>	<u>\$ 9,613</u>	<u>\$ 2,960</u>	<u>\$ 2,326</u>	<u>\$ 1,121</u>	<u>\$ (282)</u>
County Covered-Employee Payroll	\$ 31,232	\$ 30,550	\$ 31,369	\$ 33,671	\$ 31,651	\$ 30,976	\$ 29,549	\$ 26,694	\$ 28,957	\$ 28,768
Contributions as a Percentage of Covered-Employee Payroll	13.86%	17.36%	19.70%	19.83%	19.36%	18.32%	16.26%	15.74%	18.05%	14.22%

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COUNTY OF HAMILTON, OHIO

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

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

COMBINING FINANCIAL STATEMENTS

NONMAJOR SPECIAL REVENUE FUNDS

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

ANNUALLY BUDGETED

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

MULTIYEAR BUDGETED

Judicial Services Grants	To account for revenue from the federal, State and County governments and expenditures used to provide legal services to eligible County residents.
Public Safety Grants	To account for revenue from the federal, State and County governments and expenditures thereof as prescribed under the various public safety functions.
Health Grants	To account for revenue from the federal, State and County governments and expenditures used to provide health-related services to eligible County residents.
Environmental Control Grants	To account for revenue from the federal, State and County governments and expenditures for the purpose of environmental protection for the community.
Economic Development Grants	To account for revenue from the federal, State and County governments and expenditures used for economic development.

**COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING FINANCIAL STATEMENTS
NONMAJOR DEBT SERVICE FUNDS**

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

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

NONMAJOR CAPITAL PROJECTS FUND

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

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**COUNTY OF HAMILTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2015
(Amounts in Thousands)**

	Annually Budgeted				Special Revenue					Total Nonmajor Special Revenue Funds
	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Transportation Improvement District	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	
ASSETS										
Equity in Pooled Cash and Investments	\$ 37,451	\$ 54,049	\$ 30	\$ 956	\$ 2,516	\$ 183	\$ 2,304	\$ 2,123	\$ 845	\$ 100,457
Cash and Cash Equivalents—Segregated Accounts	340	-	-	-	-	-	-	-	-	340
Accounts Receivable	114	1,156	-	-	3	-	-	12	209	1,494
Sales Taxes Receivable	-	3,136	-	-	-	-	-	-	-	3,136
Intergovernmental Receivable	2	96	20	8	2,627	522	4,115	3,698	97	11,185
Real and Other Taxes Receivable	11,035	-	-	-	-	-	-	-	-	11,035
Due from Other Funds	17	227	-	-	-	-	-	-	-	244
Inventories	115	-	-	-	-	-	-	-	-	115
Special Assessments Receivable	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 49,074	\$ 58,664	\$ 50	\$ 964	\$ 5,146	\$ 705	\$ 6,419	\$ 5,833	\$ 1,151	\$ 128,006
LIABILITIES										
Accounts Payable	\$ 780	\$ 1,113	\$ 546	\$ 24	\$ 663	\$ 79	\$ 903	\$ 38	\$ 603	\$ 4,749
Accrued Wages and Benefits Payable	302	553	-	-	150	22	34	86	15	1,162
Matured Compensated Absences Payable	-	-	-	-	6	-	-	-	-	6
Intergovernmental Payable	232	135	-	-	21	20	17	14	47	486
Retainage Payable	340	-	-	-	-	-	-	-	-	340
Due to Component Unit	-	1,705	-	-	-	-	-	-	-	1,705
Due to Other Funds	9	717	40	-	37	-	-	-	-	803
Advances from Other Funds	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	9,297	-	-	-	5,258	93	5,330	3,539	-	23,517
TOTAL LIABILITIES	10,960	4,223	586	24	6,135	214	6,284	3,677	665	32,768
DEFERRED INFLOWS OF REOURCES										
Unavailable Revenue	-	3	-	-	127	386	51	239	203	1,009
TOTAL DEFERRED INFLOWS OF RESOURCES	-	3	-	-	127	386	51	239	203	1,009
FUND BALANCES (DEFICITS)										
Nonspendable	115	-	-	-	-	-	-	-	-	115
Restricted	36,148	53,329	-	-	-	105	84	1,917	283	91,866
Committed	1,851	1,109	-	940	-	-	-	-	-	3,900
Unassigned (Deficit)	-	-	(536)	-	(1,116)	-	-	-	-	(1,652)
TOTAL FUND BALANCES (DEFICITS)	38,114	54,438	(536)	940	(1,116)	105	84	1,917	283	94,229
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 49,074	\$ 58,664	\$ 50	\$ 964	\$ 5,146	\$ 705	\$ 6,419	\$ 5,833	\$ 1,151	\$ 128,006

	Debt Service			Capital Projects	Total Nonmajor Governmental Funds
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	
ASSETS					
Equity in Pooled Cash and Investments	\$ 216	\$ 282	\$ 498	\$ 5,405	\$ 106,360
Cash and Cash Equivalents—Segregated Accounts	-	-	-	-	340
Accounts Receivable	-	-	-	-	1,494
Sales Taxes Receivable	-	-	-	-	3,136
Intergovernmental Receivable	-	-	-	-	11,185
Real and Other Taxes Receivable	-	-	-	-	11,035
Due from Other Funds	-	-	-	-	244
Inventories	-	-	-	-	115
Special Assessments Receivable	-	5,458	5,458	-	5,458
TOTAL ASSETS	\$ 216	\$ 5,740	\$ 5,956	\$ 5,405	\$ 139,367
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ 43	\$ 4,792
Accrued Wages and Benefits Payable	-	-	-	-	1,162
Matured Compensated Absences Payable	-	-	-	-	6
Intergovernmental Payable	-	-	-	-	486
Retainage Payable	-	-	-	67	407
Due to Component Unit	-	-	-	-	1,705
Due to Other Funds	-	-	-	-	803
Advances from Other Funds	-	-	-	113	113
Unearned Revenue	-	-	-	-	23,517
TOTAL LIABILITIES	-	-	-	223	32,991
DEFERRED INFLOWS OF REOURCES					
Unavailable Revenue	-	5,458	5,458	-	6,467
TOTAL DEFERRED INFLOWS OF RESOURCES	-	5,458	5,458	-	6,467
FUND BALANCES (DEFICITS)					
Nonspendable	-	-	-	-	115
Restricted	216	282	498	-	92,364
Committed	-	-	-	5,182	9,082
Unassigned (Deficit)	-	-	-	-	(1,652)
TOTAL FUND BALANCES (DEFICITS)	216	282	498	5,182	99,909
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 216	\$ 5,740	\$ 5,956	\$ 5,405	\$ 139,367

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**
(Amounts in Thousands)

	Annually Budgeted				Special Revenue					Total Nonmajor Special Revenue Funds
	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Transportation Improvement District	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	
REVENUES										
Property Taxes and Special Assessments	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3
Sales and Use Tax	-	9,677	-	-	-	-	-	-	-	9,677
State Shared Taxes	22,456	-	-	-	-	-	-	-	-	22,456
Charges for Services	4,787	24,009	-	-	-	-	-	370	-	29,166
Licenses and Permits	-	5,145	-	-	-	-	-	-	-	5,145
Fines and Forfeitures	236	4,488	-	-	-	-	-	-	-	4,724
Intergovernmental	4,967	8,784	6,903	585	13,070	1,908	15,893	2,802	5,385	60,297
Investment Earnings	102	20	-	1	4	-	1	1	-	129
Other	333	1,825	-	-	469	346	-	198	197	3,368
TOTAL REVENUES	32,884	53,948	6,903	586	13,543	2,254	15,894	3,371	5,582	134,965
EXPENDITURES										
Current:										
General Government	1,291	12,810	-	-	111	-	-	-	5,675	19,887
Judicial	-	7,989	-	-	13,238	-	-	-	-	21,227
Public Safety	-	4,207	-	-	-	2,197	-	-	-	6,404
Social Services	-	11,686	6,346	-	-	-	-	-	-	18,032
Health	-	2,333	-	-	-	-	15,114	-	-	17,447
Public Works	30,260	-	-	1,038	-	-	-	-	-	31,298
Environmental Control	-	2,490	-	-	-	-	-	3,699	-	6,189
Economic and Community Development	-	8,247	-	-	-	-	-	-	-	8,247
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal Retirement	81	-	-	-	-	-	-	-	-	81
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	31,632	49,762	6,346	1,038	13,349	2,197	15,114	3,699	5,675	128,812
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,252	4,186	557	(452)	194	57	780	(328)	(93)	6,153
OTHER FINANCING SOURCES (USES)										
Transfers In	557	2,563	-	-	-	-	-	-	-	3,120
Transfers Out	-	(2,273)	-	-	-	-	-	-	-	(2,273)
Refunding Bonds Issued	-	-	-	-	-	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-	-	-	-	-	-
Payment to Refunded Bonds Escrow Agen	-	-	-	-	-	-	-	-	-	-
Proceeds of OPWC Loan	558	-	-	-	-	-	-	-	-	558
Proceeds from Sale of Bonds	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	1,115	290	-	-	-	-	-	-	-	1,405
NET CHANGE IN FUND BALANCES	2,367	4,476	557	(452)	194	57	780	(328)	(93)	7,558
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	35,747	49,962	(1,093)	1,392	(1,310)	48	(696)	2,245	376	86,671
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 38,114	\$ 54,438	\$ (536)	\$ 940	\$ (1,116)	\$ 105	\$ 84	\$ 1,917	\$ 283	\$ 94,229

	Debt Service			Capital Projects	
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	Total Nonmajor Governmental Funds
REVENUES					
Property Taxes and Special Assessments	\$ -	\$ 556	\$ 556	\$ -	\$ 559
Sales and Use Tax	755	-	755	-	10,432
State Shared Taxes	-	-	-	-	22,456
Charges for Services	-	-	-	-	29,166
Licenses and Permits	-	-	-	-	5,145
Fines and Forfeitures	-	-	-	-	4,724
Intergovernmental	295	-	295	-	60,592
Investment Earnings	-	-	-	(2)	127
Other	432	-	432	-	3,800
TOTAL REVENUES	1,482	556	2,038	(2)	137,001
EXPENDITURES					
Current:					
General Government	-	-	-	-	19,887
Judicial	-	-	-	-	21,227
Public Safety	-	-	-	-	6,404
Social Services	-	-	-	-	18,032
Health	-	-	-	-	17,447
Public Works	-	-	-	-	31,298
Environmental Control	-	-	-	-	6,189
Economic and Community Development	-	-	-	-	8,247
Capital Outlay	-	-	-	2,129	2,129
Debt Service:					
Principal Retirement	8,397	349	8,746	-	8,827
Interest and Fiscal Charges	2,616	201	2,817	-	2,817
TOTAL EXPENDITURES	11,013	550	11,563	2,129	142,504
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,531)	6	(9,525)	(2,131)	(5,503)
OTHER FINANCING SOURCES (USES)					
Transfers In	10,653	56	10,709	4,500	18,329
Transfers Out	-	-	-	(161)	(2,434)
Refunding Bonds Issued	5,485	-	5,485	-	5,485
Premium on Debt Issued	1,734	-	1,734	-	1,734
Payment to Refunded Bonds Escrow Agent	(8,280)	-	(8,280)	-	(8,280)
Proceeds of OPWC Loan	-	-	-	-	558
Proceeds from Sale of Bonds	-	-	-	5,345	5,345
TOTAL OTHER FINANCING SOURCES (USES), NET	9,592	56	9,648	9,684	20,737
NET CHANGE IN FUND BALANCES	61	62	123	7,553	15,234
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	155	220	375	(2,371)	84,675
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 216	\$ 282	\$ 498	\$ 5,182	\$ 99,909

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 36,015	\$ 36,015	\$ 36,711	\$ 696
Sales and Use Tax	72,250	72,250	77,982	5,732
State Shared Taxes	11,518	11,518	12,353	835
Charges for Services	45,804	36,874	39,707	2,833
Licenses and Permits	2,345	2,345	2,419	74
Fines and Forfeitures	7,391	7,391	8,080	689
Intergovernmental	12,642	12,642	18,417	5,775
Investment Earnings	4,566	5,966	6,023	57
Other	8,994	12,994	10,298	(2,696)
TOTAL REVENUES	<u>201,525</u>	<u>197,995</u>	<u>211,990</u>	<u>13,995</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Commissioners/County Administration				
Personnel Services	3,200	3,194	3,186	8
Other Expenditures	1,052	1,082	1,030	52
Capital Outlay	-	27	23	4
Total County Commissioners/County Administration	<u>4,252</u>	<u>4,303</u>	<u>4,239</u>	<u>64</u>
County Facilities				
Personnel Services	4,809	4,809	4,720	89
Other Expenditures	12,904	13,261	13,256	5
Capital Outlay	19	18	18	-
Total County Facilities	<u>17,732</u>	<u>18,088</u>	<u>17,994</u>	<u>94</u>
Non-Departmentals				
Personnel Services	2,593	2,193	2,137	56
Other Expenditures	3,135	5,026	4,965	61
Capital Outlay	3	269	169	100
Total Non-Departmentals	<u>5,731</u>	<u>7,488</u>	<u>7,271</u>	<u>217</u>
Contracts and Subsidies				
Other Expenditures	469	480	461	19
Capital Outlay	-	40	39	1
Total Contracts and Subsidies	<u>469</u>	<u>520</u>	<u>500</u>	<u>20</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Auditor				
Personnel Services	\$ 1,309	\$ 1,459	\$ 1,447	\$ 12
Other Expenditures	1,403	1,410	1,410	-
Total Auditor	<u>2,712</u>	<u>2,869</u>	<u>2,857</u>	<u>12</u>
Treasurer				
Personnel Services	217	217	209	8
Other Expenditures	415	415	411	4
Total Treasurer	<u>632</u>	<u>632</u>	<u>620</u>	<u>12</u>
Recorder				
Personnel Services	1,013	1,034	1,029	5
Other Expenditures	146	290	266	24
Total Recorder	<u>1,159</u>	<u>1,324</u>	<u>1,295</u>	<u>29</u>
Board of Elections				
Personnel Services	4,557	4,557	4,063	494
Other Expenditures	2,668	2,658	2,594	64
Capital Outlay	100	1,350	1,346	4
Total Board of Elections	<u>7,325</u>	<u>8,565</u>	<u>8,003</u>	<u>562</u>
Planning and Development				
Personnel Services	3,104	3,104	2,983	121
Other Expenditures	1,233	1,140	1,012	128
Capital Outlay	177	177	174	3
Total Planning and Development	<u>4,514</u>	<u>4,421</u>	<u>4,169</u>	<u>252</u>
TOTAL GENERAL GOVERNMENT	<u>44,526</u>	<u>48,210</u>	<u>46,948</u>	<u>1,262</u>
JUDICIAL				
Juvenile Court				
Personnel Services	12,407	12,562	12,562	-
Other Expenditures	1,011	3,010	1,667	1,343
Capital Outlay	-	30	-	30
Total Juvenile Court	<u>13,418</u>	<u>15,602</u>	<u>14,229</u>	<u>1,373</u>
Court of Appeals				
Other Expenditures	57	60	55	5
Capital Outlay	-	4	4	-
Total Court of Appeals	<u>57</u>	<u>64</u>	<u>59</u>	<u>5</u>

(Continued)

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Court of Common Pleas				
Personnel Services	\$ 3,223	\$ 2,894	\$ 2,894	\$ -
Other Expenditures	6,339	6,531	6,531	-
Capital Outlay	-	13	13	-
Total Court of Common Pleas	<u>9,562</u>	<u>9,438</u>	<u>9,438</u>	<u>-</u>
Municipal Court				
Personnel Services	4,872	5,152	5,152	-
Other Expenditures	28	28	26	2
Total Municipal Court	<u>4,900</u>	<u>5,180</u>	<u>5,178</u>	<u>2</u>
Domestic Relations				
Personnel Services	3,011	3,006	2,998	8
Other Expenditures	103	108	107	1
Capital Outlay	7	7	6	1
Total Domestic Relations	<u>3,121</u>	<u>3,121</u>	<u>3,111</u>	<u>10</u>
Probate Court				
Personnel Services	2,108	2,218	2,208	10
Other Expenditures	596	523	496	27
Total Probate Court	<u>2,704</u>	<u>2,741</u>	<u>2,704</u>	<u>37</u>
Clerk of Courts				
Personnel Services	9,105	9,152	9,092	60
Other Expenditures	2,773	2,722	2,714	8
Capital Outlay	9	316	264	52
Total Clerk of Courts	<u>11,887</u>	<u>12,190</u>	<u>12,070</u>	<u>120</u>
Public Defender				
Personnel Services	9,885	9,595	9,562	33
Other Expenditures	5,695	5,973	5,952	21
Total Public Defender	<u>15,580</u>	<u>15,568</u>	<u>15,514</u>	<u>54</u>
Court Reporters				
Personnel Services	2,165	2,263	2,255	8
Other Expenditures	85	92	92	-
Total Court Reporters	<u>2,250</u>	<u>2,355</u>	<u>2,347</u>	<u>8</u>

(Continued)

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Adult Probation				
Personnel Services	\$ 5,852	\$ 5,852	\$ 5,701	\$ 151
Other Expenditures	313	423	367	56
Total Adult Probation	<u>6,165</u>	<u>6,275</u>	<u>6,068</u>	<u>207</u>
TOTAL JUDICIAL	<u>69,644</u>	<u>72,534</u>	<u>70,718</u>	<u>1,816</u>
PUBLIC SAFETY				
Communications Center				
Personnel Services	671	621	617	4
Other Expenditures	1,004	1,004	998	6
Capital Outlay	102	152	141	11
Total Communications Center	<u>1,777</u>	<u>1,777</u>	<u>1,756</u>	<u>21</u>
Sheriff				
Personnel Services	54,231	50,866	49,561	1,305
Other Expenditures	8,624	8,314	8,213	101
Capital Outlay	990	1,658	1,317	341
Total Sheriff	<u>63,845</u>	<u>60,838</u>	<u>59,091</u>	<u>1,747</u>
Prosecutor				
Personnel Services	11,764	12,664	12,631	33
Other Expenditures	528	528	466	62
Capital Outlay	38	74	47	27
Total Prosecutor	<u>12,330</u>	<u>13,266</u>	<u>13,144</u>	<u>122</u>
Coroner				
Personnel Services	3,778	4,019	3,990	29
Other Expenditures	336	376	376	-
Capital Outlay	-	100	100	-
Total Coroner	<u>4,114</u>	<u>4,495</u>	<u>4,466</u>	<u>29</u>
Emergency Management				
Personnel Services	137	95	89	6
Other Expenditures	424	534	534	-
Total Emergency Management	<u>561</u>	<u>629</u>	<u>623</u>	<u>6</u>
TOTAL PUBLIC SAFETY	<u>82,627</u>	<u>81,005</u>	<u>79,080</u>	<u>1,925</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
SOCIAL SERVICES				
Veterans Service Commission				
Personnel Services	\$ 692	\$ 692	\$ 603	\$ 89
Other Expenditures	869	868	678	190
Total Veterans Service Commission	<u>1,561</u>	<u>1,560</u>	<u>1,281</u>	<u>279</u>
TOTAL SOCIAL SERVICES	<u>1,561</u>	<u>1,560</u>	<u>1,281</u>	<u>279</u>
PUBLIC WORKS				
Metropolitan Sewer District				
Personnel Services	849	849	428	421
Other Expenditures	4,218	4,218	4,030	188
Total Engineer	<u>5,067</u>	<u>5,067</u>	<u>4,458</u>	<u>609</u>
TOTAL PUBLIC WORKS	<u>5,067</u>	<u>5,067</u>	<u>4,458</u>	<u>609</u>
ECONOMIC DEVELOPMENT				
Economic Development				
Personnel Services	40	40	32	8
Other Expenditures	1,901	4,406	3,406	1,000
Total Economic Development	<u>1,941</u>	<u>4,446</u>	<u>3,438</u>	<u>1,008</u>
TOTAL ECONOMIC DEVELOPMENT	<u>1,941</u>	<u>4,446</u>	<u>3,438</u>	<u>1,008</u>
DEBT SERVICE				
Debt Service				
Interest and Fiscal Charges	32	32	32	-
Total Debt Service	<u>32</u>	<u>32</u>	<u>32</u>	<u>-</u>
TOTAL DEBT SERVICE	<u>32</u>	<u>32</u>	<u>32</u>	<u>-</u>
TOTAL EXPENDITURES	<u>205,398</u>	<u>212,854</u>	<u>205,955</u>	<u>6,899</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,873)</u>	<u>(14,859)</u>	<u>6,035</u>	<u>20,894</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 2,405	\$ 2,880	\$ 3,132	\$ 252
Advances In	29	29	3,562	3,533
Transfers Out	(13,381)	(22,194)	(20,879)	1,315
Advances Out	(50)	(50)	(50)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(10,997)</u>	<u>(19,335)</u>	<u>(14,235)</u>	<u>5,100</u>
NET CHANGE IN FUND BALANCE	(14,870)	(34,194)	(8,200)	25,994
FUND BALANCE AT BEGINNING OF YEAR	51,843	51,843	51,843	-
Prior-Year Encumbrances Appropriated	<u>14,797</u>	<u>14,797</u>	<u>14,797</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 51,770</u></u>	<u><u>\$ 32,446</u></u>	<u><u>\$ 58,440</u></u>	<u><u>\$ 25,994</u></u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
PUBLIC ASSISTANCE—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Charges for Services	\$ 31,466	\$ 31,466	\$ 29,000	\$ (2,466)
Intergovernmental	57,823	57,823	50,314	(7,509)
Other	1,819	1,819	2,131	312
TOTAL REVENUES	<u>91,108</u>	<u>91,108</u>	<u>81,445</u>	<u>(9,663)</u>
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	42,408	42,408	38,855	3,553
Other Expenditures	56,075	52,751	49,109	3,642
Capital Outlay	1,613	1,425	425	1,000
Total Job and Family Services	<u>100,096</u>	<u>96,584</u>	<u>88,389</u>	<u>8,195</u>
TOTAL SOCIAL SERVICES	<u>100,096</u>	<u>96,584</u>	<u>88,389</u>	<u>8,195</u>
TOTAL EXPENDITURES	<u>100,096</u>	<u>96,584</u>	<u>88,389</u>	<u>8,195</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(8,988)</u>	<u>(5,476)</u>	<u>(6,944)</u>	<u>(1,468)</u>
OTHER FINANCING SOURCES				
Transfers In	653	653	653	-
TOTAL OTHER FINANCING SOURCES	<u>653</u>	<u>653</u>	<u>653</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(8,335)	(4,823)	(6,291)	(1,468)
FUND BALANCE AT BEGINNING OF YEAR	21,125	21,125	21,125	-
Prior-Year Encumbrances Appropriated	8,783	8,783	8,783	-
FUND BALANCE AT END OF YEAR	<u>\$ 21,573</u>	<u>\$ 25,085</u>	<u>\$ 23,617</u>	<u>\$ (1,468)</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Property Taxes and Special Assessments	\$ 191,595	\$ 191,595	\$ 197,984	\$ 6,389
Sales Taxes	-	16,000	19,686	3,686
Charges for Services	4,853	4,853	9,015	4,162
Intergovernmental	85,061	102,277	88,092	(14,185)
Other	7,676	7,676	1,374	(6,302)
TOTAL REVENUES	<u>289,185</u>	<u>322,401</u>	<u>316,151</u>	<u>(6,250)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Facilities				
Other Expenditures	484	258	258	-
Total County Facilities	<u>484</u>	<u>258</u>	<u>258</u>	<u>-</u>
TOTAL GENERAL GOVERNMENT	<u>484</u>	<u>258</u>	<u>258</u>	<u>-</u>
JUDICIAL				
Juvenile Court				
Other Expenditures	1,434	1,428	1,412	16
Total Juvenile Court	<u>1,434</u>	<u>1,428</u>	<u>1,412</u>	<u>16</u>
Municipal Court				
Personnel Services	268	309	270	39
Other Expenditures	3,300	3,259	3,055	204
Total Municipal Court	<u>3,568</u>	<u>3,568</u>	<u>3,325</u>	<u>243</u>
Probation				
Other Expenditures	1,578	1,578	1,578	-
Total Probation	<u>1,578</u>	<u>1,578</u>	<u>1,578</u>	<u>-</u>
TOTAL JUDICIAL	<u>6,580</u>	<u>6,574</u>	<u>6,315</u>	<u>259</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
PUBLIC SAFETY				
Sheriff				
Personnel Services	\$ 5,304	\$ 5,496	\$ 5,447	\$ 49
Other Expenditures	7,611	7,513	7,459	54
Capital Outlay	20	-	-	-
Total Sheriff	<u>12,935</u>	<u>13,009</u>	<u>12,906</u>	<u>103</u>
CLEAR				
Other Expenditures	5,255	4,885	4,861	24
Total CLEAR	<u>5,255</u>	<u>4,885</u>	<u>4,861</u>	<u>24</u>
TOTAL PUBLIC SAFETY	<u>18,190</u>	<u>17,894</u>	<u>17,767</u>	<u>127</u>
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	90,978	106,556	77,955	28,601
Total Job and Family Services	<u>90,978</u>	<u>106,556</u>	<u>77,955</u>	<u>28,601</u>
Senior Services				
Personnel Services	10	10	9	1
Other Expenditures	23,947	22,136	22,127	9
Total Senior Services	<u>23,957</u>	<u>22,146</u>	<u>22,136</u>	<u>10</u>
TOTAL SOCIAL SERVICES	<u>114,935</u>	<u>128,702</u>	<u>100,091</u>	<u>28,611</u>
HEALTH				
Health and Hospitalization Tax				
Personnel Services	294	294	256	38
Other Expenditures	28,154	28,198	25,077	3,121
Total Health and Hospitalization Tax	<u>28,448</u>	<u>28,492</u>	<u>25,333</u>	<u>3,159</u>
Developmental Disabilities Services				
Personnel Services	41,116	42,116	36,522	5,594
Other Expenditures	71,361	66,840	64,807	2,033
Capital Outlay	768	761	358	403
Total Developmental Disabilities Services	<u>113,245</u>	<u>109,717</u>	<u>101,687</u>	<u>8,030</u>
Mental Health and Recovery Services				
Personnel Services	1,642	1,639	1,583	56
Other Expenditures	50,854	48,255	46,276	1,979
Total Mental Health and Recovery Services	<u>52,496</u>	<u>49,894</u>	<u>47,859</u>	<u>2,035</u>
TOTAL HEALTH	<u>194,189</u>	<u>188,103</u>	<u>174,879</u>	<u>13,224</u>

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
RECREATIONAL ACTIVITIES				
Zoological Gardens				
Personnel Services	\$ 4	\$ 4	\$ 4	\$ -
Other Expenditures	6,663	6,663	6,656	7
Total Zoological Gardens	<u>6,667</u>	<u>6,667</u>	<u>6,660</u>	<u>7</u>
Cincinnati Museum Center				
Personnel Services	3	3	2	1
Other Expenditures	101	16,501	16,492	9
Total Cincinnati Museum Center	<u>104</u>	<u>16,504</u>	<u>16,494</u>	<u>10</u>
TOTAL RECREATIONAL ACTIVITIES	<u>6,771</u>	<u>23,171</u>	<u>23,154</u>	<u>17</u>
TOTAL EXPENDITURES	<u>341,149</u>	<u>364,702</u>	<u>322,464</u>	<u>42,238</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(51,964)	(42,301)	(6,313)	35,988
OTHER FINANCING SOURCES (USES)				
Transfers In	-	287	34	(253)
Transfers Out	(915)	(2,121)	(2,121)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(915)</u>	<u>(1,834)</u>	<u>(2,087)</u>	<u>(253)</u>
NET CHANGE IN FUND BALANCE	(52,879)	(44,135)	(8,400)	35,735
FUND BALANCE AT BEGINNING OF YEAR	172,513	172,513	172,513	-
Prior-Year Encumbrances Appropriated	27,756	27,756	27,756	-
FUND BALANCE AT END OF YEAR	<u>\$ 147,390</u>	<u>\$ 156,134</u>	<u>\$ 191,869</u>	<u>\$ 35,735</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
MOTOR VEHICLE GAS TAX—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes and Special Assessments	\$ 5	\$ 5	\$ 3	\$ (2)
State Shared Taxes	21,760	21,760	22,389	629
Charges for Services	3,541	3,541	4,824	1,283
Fines and Forfeitures	241	241	228	(13)
Intergovernmental	103	6,287	4,967	(1,320)
Investment Earnings	17	17	93	76
Other	288	303	389	86
TOTAL REVENUES	<u>25,955</u>	<u>32,154</u>	<u>32,893</u>	<u>739</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Planning and Development				
Personnel Services	1,123	1,123	1,021	102
Other Expenditures	247	277	169	108
Capital Outlay	146	145	133	12
Total Planning and Development	<u>1,516</u>	<u>1,545</u>	<u>1,323</u>	<u>222</u>
TOTAL GENERAL GOVERNMENT	<u>1,516</u>	<u>1,545</u>	<u>1,323</u>	<u>222</u>
PUBLIC WORKS				
County Engineer				
Personnel Services	12,746	12,746	9,540	3,206
Other Expenditures	11,572	11,487	8,553	2,934
Capital Outlay	27,549	42,376	35,320	7,056
Total County Engineer	<u>51,867</u>	<u>66,609</u>	<u>53,413</u>	<u>13,196</u>
TOTAL PUBLIC WORKS	<u>51,867</u>	<u>66,609</u>	<u>53,413</u>	<u>13,196</u>
DEBT SERVICE				
Debt Service				
Principal Retirement	-	81	81	-
Total Debt Service	<u>-</u>	<u>81</u>	<u>81</u>	<u>-</u>
TOTAL DEBT SERVICE	<u>-</u>	<u>81</u>	<u>81</u>	<u>-</u>
TOTAL EXPENDITURES	<u>53,383</u>	<u>68,235</u>	<u>54,817</u>	<u>13,418</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(27,428)</u>	<u>(36,081)</u>	<u>(21,924)</u>	<u>14,157</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of OPWC Loan	558	558	558	-
Transfers In	1,249	10,788	7,081	(3,707)
Transfers Out	(6,300)	(6,778)	(6,524)	254
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(4,493)</u>	<u>4,568</u>	<u>1,115</u>	<u>(3,453)</u>
NET CHANGE IN FUND BALANCE	(31,921)	(31,513)	(20,809)	10,704
FUND BALANCE AT BEGINNING OF YEAR	20,375	20,375	20,375	-
Prior-Year Encumbrances Appropriated	15,051	15,051	15,051	-
FUND BALANCE AT END OF YEAR	<u>\$ 3,505</u>	<u>\$ 3,913</u>	<u>\$ 14,617</u>	<u>\$ 10,704</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and Use Tax	\$ 8,500	\$ 9,400	\$ 8,160	\$ (1,240)
Charges for Services	27,649	27,649	24,034	(3,615)
Licenses and Permits	4,944	4,944	5,120	176
Fines and Forfeitures	2,884	2,884	4,440	1,556
Intergovernmental	9,108	9,108	8,837	(271)
Investment Earnings	11	11	6	(5)
Other	4,963	4,978	5,025	47
TOTAL REVENUES	<u>58,059</u>	<u>58,974</u>	<u>55,622</u>	<u>(3,352)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Auditor				
Personnel Services	4,178	4,168	3,137	1,031
Other Expenditures	9,921	9,792	9,043	749
Capital Outlay	625	625	64	561
Total Auditor	<u>14,724</u>	<u>14,585</u>	<u>12,244</u>	<u>2,341</u>
Treasurer				
Personnel Services	1,257	1,257	1,132	125
Other Expenditures	3,303	3,191	3,140	51
Capital Outlay	15	15	2	13
Total Treasurer	<u>4,575</u>	<u>4,463</u>	<u>4,274</u>	<u>189</u>
Recorder				
Personnel Services	185	185	184	1
Other Expenditures	73	73	67	6
Capital Outlay	61	61	57	4
Total Recorder	<u>319</u>	<u>319</u>	<u>308</u>	<u>11</u>
Law Library				
Personnel Services	416	431	426	5
Other Expenditures	741	741	723	18
Total Law Library	<u>1,157</u>	<u>1,172</u>	<u>1,149</u>	<u>23</u>
TOTAL GENERAL GOVERNMENT	<u>20,775</u>	<u>20,539</u>	<u>17,975</u>	<u>2,564</u>
JUDICIAL				
Juvenile Court				
Personnel Services	150	150	150	-
Other Expenditures	257	257	224	33
Capital Outlay	32	32	30	2
Total Juvenile Court	<u>439</u>	<u>439</u>	<u>404</u>	<u>35</u>

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Court of Common Pleas				
Personnel Services	\$ 2,056	\$ 2,056	\$ 1,741	\$ 315
Other Expenditures	2,202	2,186	1,145	1,041
Capital Outlay	3,289	2,159	1,538	621
Total Court of Common Pleas	<u>7,547</u>	<u>6,401</u>	<u>4,424</u>	<u>1,977</u>
Municipal Court				
Personnel Services	402	402	297	105
Other Expenditures	451	451	438	13
Total Municipal Court	<u>853</u>	<u>853</u>	<u>735</u>	<u>118</u>
Court of Domestic Relations				
Personnel Services	218	218	210	8
Total Court of Domestic Relations	<u>218</u>	<u>218</u>	<u>210</u>	<u>8</u>
Probate Court				
Other Expenditures	754	737	358	379
Total Probate Court	<u>754</u>	<u>737</u>	<u>358</u>	<u>379</u>
Clerk of Courts				
Personnel Services	1,859	1,939	1,915	24
Other Expenditures	407	414	397	17
Capital Outlay	20	20	5	15
Total Clerk of Courts	<u>2,286</u>	<u>2,373</u>	<u>2,317</u>	<u>56</u>
Probation				
Personnel Services	1,299	1,299	982	317
Other Expenditures	991	1,010	709	301
Capital Outlay	153	153	87	66
Total Probation	<u>2,443</u>	<u>2,462</u>	<u>1,778</u>	<u>684</u>
TOTAL JUDICIAL	<u>14,540</u>	<u>13,483</u>	<u>10,226</u>	<u>3,257</u>
PUBLIC SAFETY				
Dog Warden				
Other Expenditures	1,507	1,526	1,524	2
Total Dog Warden	<u>1,507</u>	<u>1,526</u>	<u>1,524</u>	<u>2</u>
Sheriff				
Personnel Services	219	219	189	30
Other Expenditures	385	385	251	134
Total Sheriff	<u>604</u>	<u>604</u>	<u>440</u>	<u>164</u>

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Prosecutor				
Personnel Services	\$ 1,086	\$ 1,086	\$ 1,059	\$ 27
Other Expenditures	660	659	418	241
Capital Outlay	19	19	15	4
Total Prosecutor	<u>1,765</u>	<u>1,764</u>	<u>1,492</u>	<u>272</u>
Coroner				
Other Expenditures	154	154	152	2
Capital Outlay	30	70	60	10
Total Coroner	<u>184</u>	<u>224</u>	<u>212</u>	<u>12</u>
Communications Center				
Personnel Services	346	346	260	86
Other Expenditures	900	793	784	9
Total Communications Center	<u>1,246</u>	<u>1,139</u>	<u>1,044</u>	<u>95</u>
TOTAL PUBLIC SAFETY	<u>5,306</u>	<u>5,257</u>	<u>4,712</u>	<u>545</u>
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	6,474	6,549	6,542	7
Other Expenditures	6,745	6,507	5,440	1,067
Total Job and Family Services	<u>13,219</u>	<u>13,056</u>	<u>11,982</u>	<u>1,074</u>
TOTAL SOCIAL SERVICES	<u>13,219</u>	<u>13,056</u>	<u>11,982</u>	<u>1,074</u>
HEALTH				
Mental Health and Recovery Services				
Personnel Services	59	89	80	9
Other Expenditures	9,136	9,636	6,184	3,452
Capital Outlay	-	90	19	71
Total Mental Health and Recovery Services	<u>9,195</u>	<u>9,815</u>	<u>6,283</u>	<u>3,532</u>
TOTAL HEALTH	<u>9,195</u>	<u>9,815</u>	<u>6,283</u>	<u>3,532</u>

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
ENVIRONMENTAL CONTROL				
Environmental Services				
Personnel Services	\$ 498	\$ 498	\$ 485	\$ 13
Other Expenditures	2,364	2,284	2,210	74
Total Environmental Services	<u>2,862</u>	<u>2,782</u>	<u>2,695</u>	<u>87</u>
TOTAL ENVIRONMENTAL CONTROL	<u>2,862</u>	<u>2,782</u>	<u>2,695</u>	<u>87</u>
ECONOMIC DEVELOPMENT				
Economic Development				
Other Expenditures	8,500	9,400	8,160	1,240
Total Economic Development	<u>8,500</u>	<u>9,400</u>	<u>8,160</u>	<u>1,240</u>
TOTAL ECONOMIC DEVELOPMENT	<u>8,500</u>	<u>9,400</u>	<u>8,160</u>	<u>1,240</u>
TOTAL EXPENDITURES	<u>74,397</u>	<u>74,332</u>	<u>62,033</u>	<u>12,299</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(16,338)</u>	<u>(15,358)</u>	<u>(6,411)</u>	<u>8,947</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,315	1,315	4,731	3,416
Transfers Out	(2,178)	(4,441)	(4,441)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(863)</u>	<u>(3,126)</u>	<u>290</u>	<u>3,416</u>
NET CHANGE IN FUND BALANCE	(17,201)	(18,484)	(6,121)	12,363
FUND BALANCE AT BEGINNING OF YEAR	38,950	38,950	38,950	-
Prior-Year Encumbrances Appropriated	12,211	12,211	12,211	-
FUND BALANCE AT END OF YEAR	<u>\$ 33,960</u>	<u>\$ 32,677</u>	<u>\$ 45,040</u>	<u>\$ 12,363</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES GRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 5,022	\$ 7,552	\$ 7,030	\$ (522)
TOTAL REVENUES	<u>5,022</u>	<u>7,552</u>	<u>7,030</u>	<u>(522)</u>
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	5,040	7,566	7,123	443
Total Job and Family Services	<u>5,040</u>	<u>7,566</u>	<u>7,123</u>	<u>443</u>
TOTAL SOCIAL SERVICES	<u>5,040</u>	<u>7,566</u>	<u>7,123</u>	<u>443</u>
TOTAL EXPENDITURES	<u>5,040</u>	<u>7,566</u>	<u>7,123</u>	<u>443</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(18)</u>	<u>(14)</u>	<u>(93)</u>	<u>(79)</u>
NET CHANGE IN FUND BALANCE	(18)	(14)	(93)	(79)
FUND BALANCE AT BEGINNING OF YEAR	<u>123</u>	<u>123</u>	<u>123</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 105</u>	<u>\$ 109</u>	<u>\$ 30</u>	<u>\$ (79)</u>

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
TRANSPORTATION IMPROVEMENT DISTRICT—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 600	\$ 612	\$ 12
Investment Earnings	-	2	-	(2)
TOTAL REVENUES	<u>-</u>	<u>602</u>	<u>612</u>	<u>10</u>
EXPENDITURES				
Current:				
PUBLIC WORKS				
Transportation Improvement District				
Other Expenditures	<u>592</u>	<u>1,463</u>	<u>1,355</u>	<u>108</u>
Total Transportation Improvement District	<u>592</u>	<u>1,463</u>	<u>1,355</u>	<u>108</u>
TOTAL PUBLIC WORKS	<u>592</u>	<u>1,463</u>	<u>1,355</u>	<u>108</u>
TOTAL EXPENDITURES	<u>592</u>	<u>1,463</u>	<u>1,355</u>	<u>108</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(592)</u>	<u>(861)</u>	<u>(743)</u>	<u>118</u>
NET CHANGE IN FUND BALANCE	<u>(592)</u>	<u>(861)</u>	<u>(743)</u>	<u>118</u>
FUND BALANCE AT BEGINNING OF YEAR	1,094	1,094	1,094	-
Prior-Year Encumbrances Appropriated	<u>333</u>	<u>333</u>	<u>333</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 835</u>	<u>\$ 566</u>	<u>\$ 684</u>	<u>\$ 118</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL OBLIGATION NONVOTED—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and Use Tax	\$ 756	\$ 756	\$ 755	\$ (1)
Intergovernmental	295	295	295	-
Other	277	431	431	-
TOTAL REVENUES	<u>1,328</u>	<u>1,482</u>	<u>1,481</u>	<u>(1)</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	8,365	8,397	8,397	-
Interest and Fiscal Charges	2,593	3,207	2,616	591
TOTAL EXPENDITURES	<u>10,958</u>	<u>11,604</u>	<u>11,013</u>	<u>591</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(9,630)</u>	<u>(10,122)</u>	<u>(9,532)</u>	<u>590</u>
OTHER FINANCING SOURCES				
Transfers In	9,578	9,753	10,654	901
Refunding Bonds Issued	-	5,485	5,485	-
Premium on Bonds Issued	-	4,583	1,734	(2,849)
Payment to Refunded Bonds Escrow Agent	-	(8,280)	(8,280)	-
TOTAL OTHER FINANCING SOURCES	<u>9,578</u>	<u>11,541</u>	<u>9,593</u>	<u>(1,948)</u>
NET CHANGE IN FUND BALANCE	(52)	1,419	61	(1,358)
FUND BALANCE AT BEGINNING OF YEAR	105	105	105	-
Prior-Year Encumbrances Appropriated	50	50	50	-
FUND BALANCE AT END OF YEAR	<u>\$ 103</u>	<u>\$ 1,574</u>	<u>\$ 216</u>	<u>\$ (1,358)</u>

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
SPECIAL ASSESSMENTS—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes and Special Assessments	\$ 496	\$ 496	\$ 587	\$ 91
TOTAL REVENUES	<u>496</u>	<u>496</u>	<u>587</u>	<u>91</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Other Expenditures	980	980	168	812
TOTAL GENERAL GOVERNMENT	<u>980</u>	<u>980</u>	<u>168</u>	<u>812</u>
DEBT SERVICE				
Debt Service				
Principal Retirement	368	380	380	-
Interest and Fiscal Charges	221	208	202	6
TOTAL DEBT SERVICE	<u>589</u>	<u>588</u>	<u>582</u>	<u>6</u>
TOTAL EXPENDITURES	<u>1,569</u>	<u>1,568</u>	<u>750</u>	<u>818</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(1,073)</u>	<u>(1,072)</u>	<u>(163)</u>	<u>909</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	77	77	57	(20)
Bonds Issued	1,000	1,000	169	(831)
Transfers Out	(20)	(20)	(1)	19
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>1,057</u>	<u>1,057</u>	<u>225</u>	<u>(832)</u>
NET CHANGE IN FUND BALANCE	(16)	(15)	62	77
FUND BALANCE AT BEGINNING OF YEAR	<u>220</u>	<u>220</u>	<u>220</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 204</u>	<u>\$ 205</u>	<u>\$ 282</u>	<u>\$ 77</u>

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

COMBINING FINANCIAL STATEMENTS

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

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

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2015
(Amounts in Thousands)

	<u>Business-Type Activities</u>		
	<u>Riverfront Development</u>	<u>Main Street Parking Garage</u>	<u>Sales Tax Stabilization</u>
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 35,191	\$ 442	\$ 7,407
Restricted Cash, Cash Equivalents and Investments:			
Accounts Receivable	550	48	-
Intergovernmental Receivable	983	-	-
Due from Other Funds	-	-	-
Total Current Assets	<u>36,724</u>	<u>490</u>	<u>7,407</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	3,638	1,827	-
Construction in Progress	13,254	-	-
Total Nondepreciable Capital Assets	<u>16,892</u>	<u>1,827</u>	<u>-</u>
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	193,756	9,273	-
Furniture, Fixtures and Equipment	68	-	-
Less Accumulated Depreciation	<u>(76,711)</u>	<u>(4,963)</u>	<u>-</u>
Total Depreciable Capital Assets, Net	<u>117,113</u>	<u>4,310</u>	<u>-</u>
Total Capital Assets, Net	<u>134,005</u>	<u>6,137</u>	<u>-</u>
Total Noncurrent Assets	<u>134,005</u>	<u>6,137</u>	<u>-</u>
TOTAL ASSETS	<u>170,729</u>	<u>6,627</u>	<u>7,407</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	2,213	11	-
Due to Other Funds	25	-	-
Accrued Wages and Benefits Payable	22	1	-
Intergovernmental Payable	315	1	-
Accrued Interest Payable	2	17	-
Accrued Interest Payable from Restricted Assets	121	-	-
Retainage Payable	179	-	-
Accrued Compensated Absences	-	-	-
Current Portion of State Loans Payable	2,176	-	-
Current Portion of Long-Term Debt	<u>1,074</u>	<u>480</u>	<u>-</u>
Total Current Liabilities	<u>6,127</u>	<u>510</u>	<u>-</u>
Noncurrent Liabilities:			
Accrued Compensated Absences	-	-	-
State Loans Payable	9,027	-	-
Long-Term Debt	15,317	4,583	-
Interfund Payable	<u>21,720</u>	<u>-</u>	<u>-</u>
Total Noncurrent Liabilities	<u>46,064</u>	<u>4,583</u>	<u>-</u>
TOTAL LIABILITIES	<u>52,191</u>	<u>5,093</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	94,153	1,074	-
Unrestricted	<u>24,385</u>	<u>460</u>	<u>7,407</u>
TOTAL NET POSITION	<u>\$ 118,538</u>	<u>\$ 1,534</u>	<u>\$ 7,407</u>

Business-Type Activities

Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ -	\$ 10,078	\$ 53,118
1,749	66	2,413
-	-	983
9	-	9
<u>1,758</u>	<u>10,144</u>	<u>56,523</u>
-	-	5,465
-	9,687	22,941
-	9,687	28,406
-	21,662	224,691
45	9,367	9,480
(41)	(14,999)	(96,714)
4	16,030	137,457
4	25,717	165,863
4	25,717	165,863
<u>1,762</u>	<u>35,861</u>	<u>222,386</u>
2	2,937	5,163
1,480	-	1,505
76	174	273
11	21	348
-	57	76
-	-	121
-	-	179
14	25	39
-	-	2,176
-	5	1,559
<u>1,583</u>	<u>3,219</u>	<u>11,439</u>
297	530	827
-	-	9,027
-	16,948	36,848
-	-	21,720
<u>297</u>	<u>17,478</u>	<u>68,422</u>
<u>1,880</u>	<u>20,697</u>	<u>79,861</u>
4	16,030	111,261
(122)	(866)	31,264
<u>\$ (118)</u>	<u>\$ 15,164</u>	<u>\$ 142,525</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	<u>Business-Type Activities</u>		
	<u>Riverfront Development</u>	<u>Main Street Parking Garage</u>	<u>Sales Tax Stabilization</u>
OPERATING REVENUES			
Charges for Services	\$ 12,664	\$ 956	\$ -
Lease Rent Revenue	-	27	-
Other	5	-	-
TOTAL OPERATING REVENUES	<u>12,669</u>	<u>983</u>	<u>-</u>
OPERATING EXPENSES			
Personnel Services	152	46	-
Utilities, Fuel and Supplies	428	34	-
Purchased Services	4,749	103	-
Depreciation and Amortization	7,881	310	-
Other	1,034	56	-
TOTAL OPERATING EXPENSES	<u>14,244</u>	<u>549</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>(1,575)</u>	<u>434</u>	<u>-</u>
NONOPERATING REVENUES (EXPENSES)			
Sales and Use Tax	-	-	450
Other Non-Operating Revenues	1,280	-	-
Other Non-Operating Expenses	(1,578)	-	-
Interest Expense	(685)	(222)	-
Fiscal Charges on Long-Term Debt	(265)	-	-
Investment Earnings	(8)	-	2
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(1,256)</u>	<u>(222)</u>	<u>452</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(2,831)</u>	<u>212</u>	<u>452</u>
Capital Contributions	4,342	-	-
Transfers In	-	-	-
Transfers Out	-	-	-
CHANGE IN NET POSITION	1,511	212	452
TOTAL NET POSITION—BEGINNING	<u>117,027</u>	<u>1,322</u>	<u>6,955</u>
TOTAL NET POSITION—ENDING	<u>\$ 118,538</u>	<u>\$ 1,534</u>	<u>\$ 7,407</u>

Business-Type Activities

Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 12,221	\$ 5,896	\$ 31,737
-	58	85
-	4	9
12,221	5,958	31,831
12,705	4,825	17,728
27	238	727
17	1,023	5,892
1	1,100	9,292
32	464	1,586
12,782	7,650	35,225
(561)	(1,692)	(3,394)
-	-	450
-	-	1,280
-	-	(1,578)
-	(483)	(1,390)
-	141	(124)
-	(6)	(12)
-	(348)	(1,374)
(561)	(2,040)	(4,768)
-	1,064	5,406
-	2,595	2,595
-	(3,982)	(3,982)
(561)	(2,363)	(749)
443	17,527	143,274
\$ (118)	\$ 15,164	\$ 142,525

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 12,140	\$ 945	\$ -
Lease Rent Revenue	-	27	-
Cash Payments to Suppliers for Goods and Services	(5,400)	(145)	-
Cash Payments for Personnel Costs	(149)	(46)	-
Other Operating Revenue	5	-	-
Other Operating Expenses	(1,032)	(51)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>5,564</u>	<u>730</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	-	450
Other Non-Operating Revenue	6	-	-
Transfers from Other Funds	-	-	-
Acquisition and Construction of Property, Plant and Equipment	-	-	-
Negative Cash Balance Implicitly Financed from the General Fund	25	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>31</u>	<u>-</u>	<u>450</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Other Non-Operating Revenue	1,343	-	-
Other Non-Operating Expense	(1,578)	-	-
Principal Payments on Long-Term Debt	(3,280)	(460)	-
Interest Payments on Long-Term Debt	(828)	(222)	-
Fiscal Charges on Long-Term Debt	(273)	-	-
General Obligation Bond Proceeds	21,880	-	-
General Obligation Bond Issuance Costs	-	-	-
Transfer In	-	-	-
Transfer Out	-	-	-
Capital Contributions	6,956	-	-
Acquisition and Construction of Property, Plant and Equipment	(14,127)	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>10,093</u>	<u>(682)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings	(8)	-	2
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(8)</u>	<u>-</u>	<u>2</u>
Net Increase in Cash and Equity in Pooled Cash and Investments	15,680	48	452
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	19,511	394	6,955
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 35,191</u>	<u>\$ 442</u>	<u>\$ 7,407</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (1,575)	\$ 434	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	7,881	310	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(524)	(11)	-
Due from Other Funds	-	-	-
Operating Accounts Payable	(210)	(4)	-
Accrued Payroll and Other Related Withholdings	(11)	-	-
Intergovernmental Payable	3	1	-
Compensated Absences	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 5,564</u>	<u>\$ 730</u>	<u>\$ -</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ 35,191	\$ 442	\$ 7,407
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 35,191</u>	<u>\$ 442</u>	<u>\$ 7,407</u>

Business-Type Activities		
Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 11,297	\$ 6,131	\$ 30,513
-	58	85
(48)	(1,608)	(7,201)
(11,889)	(4,753)	(16,837)
-	4	9
<u>(26)</u>	<u>(247)</u>	<u>(1,356)</u>
<u>(666)</u>	<u>(415)</u>	<u>5,213</u>
-	-	450
-	-	6
-	2,500	2,500
(5)	-	(5)
671	-	696
<u>666</u>	<u>2,500</u>	<u>3,647</u>
-	-	1,343
-	-	(1,578)
-	-	(3,740)
-	(426)	(1,476)
-	-	(273)
-	17,249	39,129
-	(155)	(155)
-	95	95
-	(3,982)	(3,982)
-	1,064	8,020
-	<u>(7,842)</u>	<u>(21,969)</u>
<u>-</u>	<u>6,003</u>	<u>15,414</u>
-	(6)	(12)
<u>-</u>	<u>(6)</u>	<u>(12)</u>
-	8,082	24,262
-	1,996	28,856
<u>\$ -</u>	<u>\$ 10,078</u>	<u>\$ 53,118</u>
\$ (561)	\$ (1,692)	\$ (3,394)
1	1,100	9,292
(930)	226	(1,239)
6	9	15
2	(130)	(342)
10	14	13
2	2	8
804	56	860
<u>\$ (666)</u>	<u>\$ (415)</u>	<u>\$ 5,213</u>
<u>\$ -</u>	<u>\$ 10,078</u>	<u>\$ 53,118</u>
<u>\$ -</u>	<u>\$ 10,078</u>	<u>\$ 53,118</u>

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

COMBINING FINANCIAL STATEMENTS

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

Workers' Compensation Reserve	To provide self-insurance to the County through a retrospective rating plan with the State of Ohio for workers' compensation.
Auditor's Computer Center	To account for the financial activity relating to the data processing center.
Medical Self-Insurance	To account for the financial activity of the County's health-care coverage for its employees.

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2015
(Amounts in Thousands)

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self- Insurance	Total Governmental Activities
ASSETS				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 9,144	\$ 1,163	\$ 8,450	\$ 18,757
Total Current Assets	<u>9,144</u>	<u>1,163</u>	<u>8,450</u>	<u>18,757</u>
Depreciable Capital Assets, Net:				
Buildings, Structures and Improvements	-	41	-	41
Furniture, Fixtures and Equipment	-	568	-	568
Less Accumulated Depreciation	-	(426)	-	(426)
Total Depreciable Capital Assets, Net	<u>-</u>	<u>183</u>	<u>-</u>	<u>183</u>
Total Capital Assets, Net	<u>-</u>	<u>183</u>	<u>-</u>	<u>183</u>
Total Noncurrent Assets	<u>-</u>	<u>183</u>	<u>-</u>	<u>183</u>
TOTAL ASSETS	<u>9,144</u>	<u>1,346</u>	<u>8,450</u>	<u>18,940</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	10	1	24	35
Accrued Wages and Benefits Payable	2	46	8	56
Intergovernmental Payable	1	6	1	8
Claims Payable	687	-	5,120	5,807
Compensated Absences	-	15	-	15
Total Current Liabilities	<u>700</u>	<u>68</u>	<u>5,153</u>	<u>5,921</u>
Noncurrent Liabilities:				
Claims Payable—Net of Current Portion	474	-	-	474
Accrued Compensated Absences	-	169	-	169
Total Noncurrent Liabilities	<u>474</u>	<u>169</u>	<u>-</u>	<u>643</u>
TOTAL LIABILITIES	<u>1,174</u>	<u>237</u>	<u>5,153</u>	<u>6,564</u>
NET POSITION				
Net Investment in Capital Assets	-	183	-	183
Unrestricted	7,970	926	3,297	12,193
TOTAL NET POSITION	<u>\$ 7,970</u>	<u>\$ 1,109</u>	<u>\$ 3,297</u>	<u>\$ 12,376</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self- Insurance	Total Governmental Activities
OPERATING REVENUES				
Charges for Services	\$ 1,704	\$ 1,605	\$ 42,903	\$ 46,212
TOTAL OPERATING REVENUES	<u>1,704</u>	<u>1,605</u>	<u>42,903</u>	<u>46,212</u>
OPERATING EXPENSES				
Personnel Services	47	1,396	558	2,001
Purchased Services	1,324	211	3,323	4,858
Utilities, Fuel and Supplies	-	43	3	46
Claims	949	-	37,399	38,348
Depreciation	-	47	-	47
Other	17	52	575	644
TOTAL OPERATING EXPENSES	<u>2,337</u>	<u>1,749</u>	<u>41,858</u>	<u>45,944</u>
OPERATING INCOME (LOSS)	(633)	(144)	1,045	268
NONOPERATING REVENUES				
Investment Earnings	4	-	54	58
TOTAL NONOPERATING REVENUES	<u>4</u>	<u>-</u>	<u>54</u>	<u>58</u>
INCOME (LOSS)	<u>(629)</u>	<u>(144)</u>	<u>1,099</u>	<u>326</u>
CHANGE IN NET POSITION	(629)	(144)	1,099	326
NET POSITION—BEGINNING	<u>8,599</u>	<u>1,253</u>	<u>2,198</u>	<u>12,050</u>
NET POSITION—ENDING	<u>\$ 7,970</u>	<u>\$ 1,109</u>	<u>\$ 3,297</u>	<u>\$ 12,376</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015
(Amounts in Thousands)

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self- Insurance	Total Governmental Activities
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Interfund Services Provided	\$ 1,704	\$ 1,605	\$ 42,903	\$ 46,212
Other Operating Revenue	14	-	-	14
Cash Payments to Suppliers for Goods and Services	(1,314)	(305)	(3,335)	(4,954)
Cash Payments for Claims	(1,048)	-	(36,473)	(37,521)
Cash Payments for Personnel Costs	(47)	(1,366)	(556)	(1,969)
Other Operating Expenses	(18)	-	(575)	(593)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(709)</u>	<u>(66)</u>	<u>1,964</u>	<u>1,189</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Property, Plant and Equipment	-	(35)	-	(35)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(35)</u>	<u>-</u>	<u>(35)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Earnings	4	-	54	58
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>4</u>	<u>-</u>	<u>54</u>	<u>58</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(705)	(101)	2,018	1,212
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,849	1,264	6,432	17,545
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 9,144</u>	<u>\$ 1,163</u>	<u>\$ 8,450</u>	<u>\$ 18,757</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (633)	\$ (144)	\$ 1,045	\$ 268
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	47	-	47
Net Changes in Operating Assets and Liabilities:				
Accounts Receivable	14	-	-	14
Accounts Payable	8	1	(9)	-
Intergovernmental Payable	1	1	-	2
Claims Payable	(305)	-	926	621
Accrued Payroll and Other Related Withholdings	-	9	2	11
Compensated Absences	-	20	-	20
Estimated Future Claims	206	-	-	206
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (709)</u>	<u>\$ (66)</u>	<u>\$ 1,964</u>	<u>\$ 1,189</u>

**COUNTY OF HAMILTON, OHIO
AGENCY FUNDS**

COMBINING FINANCIAL STATEMENTS

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

Undivided Tax

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

Other Agency Funds

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

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2015

(Amounts in Thousands)

	Undivided Taxes	Other Agency	Total
ASSETS			
Equity in Pooled Cash and Investments	\$ 31,430	\$ 40,399	\$ 71,829
Cash and Cash Equivalents—Segregated Accounts	-	35,022	35,022
Real and Other Taxes Receivable	1,277,358	-	1,277,358
TOTAL ASSETS	\$ 1,308,788	\$ 75,421	\$ 1,384,209
 LIABILITIES			
Intergovernmental Payable	\$ 31,430	\$ 20,637	\$ 52,067
Future Tax Collections to Be Distributed	1,277,358	-	1,277,358
Other Current Liabilities	-	54,784	54,784
TOTAL LIABILITIES	\$ 1,308,788	\$ 75,421	\$ 1,384,209

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

(Amounts in Thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
UNDIVIDED TAXES				
ASSETS				
Equity in Pooled Cash and Investments	\$ 40,841	\$ 2,600,641	\$ 2,610,052	\$ 31,430
Real and Other Taxes Receivable	1,287,105	1,277,358	1,287,105	1,277,358
TOTAL ASSETS	<u>\$ 1,327,946</u>	<u>\$ 3,877,999</u>	<u>\$ 3,897,157</u>	<u>\$ 1,308,788</u>
LIABILITIES				
Intergovernmental Payable	\$ 40,841	\$ 2,600,641	\$ 2,610,052	\$ 31,430
Future Tax Collections to Be Distributed	1,287,105	1,277,358	1,287,105	1,277,358
TOTAL LIABILITIES	<u>\$ 1,327,946</u>	<u>\$ 3,877,999</u>	<u>\$ 3,897,157</u>	<u>\$ 1,308,788</u>
OTHER AGENCY FUNDS				
ASSETS				
Equity in Pooled Cash and Investments	\$ 39,788	\$ 38,982	\$ 38,371	\$ 40,399
Cash and Cash Equivalents—Segregated Accounts	28,624	199,584	193,186	35,022
TOTAL ASSETS	<u>\$ 68,412</u>	<u>\$ 238,566</u>	<u>\$ 231,557</u>	<u>\$ 75,421</u>
LIABILITIES				
Intergovernmental Payable	\$ 11,366	\$ 121,814	\$ 112,543	\$ 20,637
Other Current Liabilities	57,046	116,752	119,014	54,784
TOTAL LIABILITIES	<u>\$ 68,412</u>	<u>\$ 238,566</u>	<u>\$ 231,557</u>	<u>\$ 75,421</u>

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**Statistical
Section**

**The County of
Hamilton, Ohio**

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**COUNTY OF HAMILTON, OHIO
STATISTICAL SECTION**

STATISTICAL SCHEDULES

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

CONTENTS

	PAGE
Financial Trends	155
These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.	
Revenue Capacity	160
These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.	
Debt Capacity	166
These schedules represent information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	
Demographic and Economic Information	175
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.	
Operating Information	177
These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year.

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

	FISCAL YEAR									
	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽²⁾	2011 ⁽²⁾	2012	2013 ⁽²⁾	2014 ⁽²⁾	2015
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 465,681	\$ 452,453	\$ 417,001	\$ 379,653	\$ 350,462	\$ 314,319	\$ 287,912	\$ 279,328	\$ 273,507	\$ 267,343
Restricted	192,152	228,753	230,362	283,432	277,409	309,491	319,813	310,768	354,056	374,383
Unrestricted	8,442	(4,529)	(5,980)	(4,755)	17,777	25,282	37,346	39,327	(130,415)	(123,873)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	<u>\$ 666,275</u>	<u>\$ 676,677</u>	<u>\$ 641,383</u>	<u>\$ 658,330</u>	<u>\$ 645,648</u>	<u>\$ 649,092</u>	<u>\$ 645,071</u>	<u>\$ 629,423</u>	<u>\$ 497,148</u>	<u>\$ 517,853</u>
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 522,180	\$ 468,326	\$ 518,371	\$ 506,395	\$ 476,830	\$ 553,915	\$ 557,819	\$ 501,198	\$ 561,056	\$ 650,739
Restricted	4,581	5,810	5,234	6,460	8,408	8,008	7,994	8,423	8,454	8,238
Unrestricted	219,627	297,381	267,350	317,285	344,945	294,252	335,165	410,079	237,565	201,922
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	<u>\$ 746,388</u>	<u>\$ 771,517</u>	<u>\$ 790,955</u>	<u>\$ 830,140</u>	<u>\$ 830,183</u>	<u>\$ 856,175</u>	<u>\$ 900,978</u>	<u>\$ 919,700</u>	<u>\$ 807,075</u>	<u>\$ 860,899</u>
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	\$ 987,861	\$ 920,779	\$ 935,372	\$ 886,048	\$ 827,292	\$ 868,234	\$ 845,731	\$ 780,526	\$ 834,563	\$ 918,082
Restricted	196,733	234,563	235,596	289,892	285,817	317,499	327,807	319,191	362,510	382,621
Unrestricted	228,069	292,852	261,370	312,530	362,722	319,534	372,511	449,406	107,150	78,049
TOTAL PRIMARY GOVERNMENT NET POSITION	<u>\$ 1,412,663</u>	<u>\$ 1,448,194</u>	<u>\$ 1,432,338</u>	<u>\$ 1,488,470</u>	<u>\$ 1,475,831</u>	<u>\$ 1,505,267</u>	<u>\$ 1,546,049</u>	<u>\$ 1,549,123</u>	<u>\$ 1,304,223</u>	<u>\$ 1,378,752</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾ Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2006 financial statement amounts were not audited in full. Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾ As restated.

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

	FISCAL YEAR									
	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽⁴⁾	2011 ⁽⁴⁾	2012	2013 ⁽⁴⁾	2014	2015
EXPENSES										
Governmental Activities										
General Government	\$ 96,900	\$ 90,623	\$ 93,440	\$ 83,610	\$ 100,171	\$ 97,855	\$ 139,552	\$ 82,046	\$ 68,133	\$ 62,983
Judicial	121,663	121,578	118,827	101,347	91,320	88,641	89,903	89,524	94,281	92,282
Public Safety	131,933	123,099	117,497	101,128	101,631	98,943	106,958	101,155	104,530	98,236
Social Services	285,437	351,580	297,627	271,457	167,874	140,044	143,950	146,298	143,149	154,406
Health	249,097	239,911	247,755	252,592	250,968	255,933	226,480	189,604	185,594	171,507
Public Works	50,038	51,020	49,839	43,870	50,330	48,673	37,656	40,973	42,979	36,411
Environmental Control	6,603	5,811	7,479	7,077	6,720	6,508	6,337	5,943	6,889	6,470
Economic Development	18,343	6,068	7,505	6,799	7,527	7,848	8,248	8,867	9,014	11,785
Parks and Recreation	8,695	7,475	7,628	8,446	8,481	7,679	7,834	8,179	7,159	19,765
Interest and Fiscal Charges	5,710	4,960	4,649	4,880	4,689	4,330	4,769	3,667	3,118	2,987
Total Governmental Activities Program Expenses	974,419	1,002,125	952,246	881,206	789,711	756,454	771,687	676,256	664,846	656,832
Indirect Expenses Allocation ⁽³⁾	6,181	4,565	11,173	6,849	5,212	4,569	3,016	3,194	3,400	3,620
Indirect Expenses Reimbursement ⁽³⁾	(6,181)	(4,565)	(11,173)	(6,849)	(5,212)	(4,569)	(3,016)	(3,194)	(3,400)	(3,620)
Total Governmental Activities Expenses	974,419	1,002,125	952,246	881,206	789,711	756,454	771,687	676,256	664,846	656,832
Business-Type Activities										
Metropolitan Sewer District	152,267	155,209	159,071	167,871	194,947	202,666	190,006	245,379	219,566	208,063
Paul Brown Stadium ⁽²⁾	46,954	40,517	41,980	39,836	45,582	46,063	44,364	44,642	44,276	43,924
Baseball Stadium ⁽²⁾	26,580	26,436	28,071	25,932	29,671	31,056	29,873	29,731	30,276	29,674
Riverfront Development	11,475	13,524	11,649	9,771	41,780	27,025	14,356	14,984	14,876	16,772
Main Street Parking Garage	938	929	900	904	866	1,010	861	798	883	771
Rotary Funds	6,700	7,609	7,715	6,212	7,868	8,327	8,224	8,866	9,829	12,782
Communications Center ⁽²⁾	7,453	6,714	7,183	8,034	7,004	7,107	7,448	6,645	7,367	7,992
Workers' Compensation Reserve for Stadiums ⁽²⁾	161	167	-	-	-	-	-	-	-	-
Total Business-Type Activities Expenses	252,528	251,105	256,569	258,560	327,718	323,254	295,132	351,045	327,073	319,978
Total Primary Government Expenses	\$ 1,226,947	\$ 1,253,230	\$ 1,208,815	\$ 1,139,766	\$ 1,117,429	\$ 1,079,708	\$ 1,066,819	\$ 1,027,301	\$ 991,919	\$ 976,810
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General Government	\$ 57,622	\$ 54,450	\$ 51,564	\$ 42,938	\$ 41,937	\$ 43,542	\$ 51,993	\$ 49,759	\$ 44,309	\$ 45,546
Judicial	36,089	36,191	37,118	24,723	28,518	28,240	28,335	27,438	26,321	25,964
Public Safety	14,798	14,985	16,944	16,245	16,139	15,365	15,407	16,685	17,123	10,613
Social Services	37,839	63,640	6,554	5,924	5,091	7,422	5,850	6,054	5,438	5,198
Health	27,987	9,507	9,738	6,579	8,188	12,164	11,091	8,328	9,534	2,437
Public Works	4,827	4,982	7,201	4,205	3,858	3,300	3,388	2,839	4,156	8,372
Environmental Control	3,449	3,547	3,722	3,536	3,502	3,278	3,198	2,764	2,743	2,772
Economic Development	559	417	1,706	(1,332)	43	39	42	64	32	161
Parks and Recreation	1,254	67	-	-	-	-	112	-	-	-
Interest and Fiscal Charges	-	-	-	-	3,180	2,174	-	-	-	-
Operating Grants and Contributions	390,553	377,578	358,919	388,627	266,818	262,874	273,318	195,344	231,749	199,893
Capital Grants and Contributions	5,212	8,982	2,000	1,796	3,443	1,098	563	627	595	5,050
Total Governmental Activities Program Revenues	580,189	574,346	495,466	493,241	380,717	379,496	393,297	309,902	342,000	306,006

	FISCAL YEAR									
	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽⁴⁾	2011 ⁽⁴⁾	2012	2013 ⁽⁴⁾	2014	2015
Business-Type Activities										
Charges for Services										
Metropolitan Sewer District	\$ 163,647	\$ 176,933	\$ 189,069	\$ 201,273	\$ 217,915	\$ 234,905	\$ 245,614	\$ 250,382	\$ 257,465	\$ 272,507
Paul Brown Stadium	856	840	672	774	809	832	831	831	997	1,325
Baseball Stadium	547	1,171	1,163	980	1,071	1,240	1,211	1,278	1,458	1,419
Riverfront Development	6,764	6,481	6,664	5,731	6,493	6,291	8,895	12,181	11,322	12,664
Main Street Parking Garage	897	870	913	758	722	785	913	840	951	983
Rotary Funds	7,222	7,354	7,843	6,238	9,376	8,214	7,961	7,952	10,212	12,221
Communications Center	5,134	4,633	5,518	4,962	5,250	5,555	5,675	5,620	5,311	5,954
Workers' Compensation Reserve for Stadiums ⁽²⁾	160	167	-	-	-	-	-	-	-	-
Capital Grants and Contributions	26,083	21,234	25,075	12,385	23,684	29,751	7,175	14,921	9,679	9,673
Total Business-Type Activities Program Revenues	<u>211,310</u>	<u>219,683</u>	<u>236,917</u>	<u>233,101</u>	<u>265,320</u>	<u>287,573</u>	<u>278,275</u>	<u>294,005</u>	<u>297,395</u>	<u>316,746</u>
Total Primary Government Program Revenues	<u>\$ 791,499</u>	<u>\$ 794,029</u>	<u>\$ 732,383</u>	<u>\$ 726,342</u>	<u>\$ 646,037</u>	<u>\$ 667,069</u>	<u>\$ 671,572</u>	<u>\$ 603,907</u>	<u>\$ 639,395</u>	<u>\$ 622,752</u>
NET EXPENSE										
Governmental Activities	\$ (394,230)	\$ (427,779)	\$ (456,780)	\$ (387,965)	\$ (408,994)	\$ (376,958)	\$ (378,390)	\$ (366,354)	\$ (322,846)	\$ (350,826)
Business-Type Activities	(41,218)	(31,422)	(19,652)	(25,459)	(62,398)	(35,681)	(16,857)	(57,040)	(29,678)	(3,232)
Total Primary Government Net Expense	<u>\$ (435,448)</u>	<u>\$ (459,201)</u>	<u>\$ (476,432)</u>	<u>\$ (413,424)</u>	<u>\$ (471,392)</u>	<u>\$ (412,639)</u>	<u>\$ (395,247)</u>	<u>\$ (423,394)</u>	<u>\$ (352,524)</u>	<u>\$ (354,058)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property Taxes	\$ 263,625	\$ 259,345	\$ 248,073	\$ 241,924	\$ 238,961	\$ 236,518	\$ 226,392	\$ 228,717	\$ 235,070	\$ 231,836
Sales and Use Taxes	64,701	66,671	64,923	67,072	72,029	75,345	72,929	77,921	81,242	114,860
Other Taxes	46,892	47,735	42,259	44,206	43,606	39,480	36,919	33,306	35,356	34,945
Grants and Entitlements not Restricted to Specific Programs	-	39,249	51,348	59,590	34,474	23,784	15,787	11,264	11,263	9,055
Gifts and Donations	-	-	-	-	82	314	86	82	186	92
Unrestricted Investment Earnings	20,262	22,676	16,733	8,124	7,277	5,899	7,443	3,648	3,742	6,023
Gain on Sale of Capital Assets	-	-	-	-	1,546	98	12,551	24	37	58
Other Revenue	278	-	-	-	-	299	2,280	1,619	497	448
Extraordinary Item	-	-	-	-	-	-	-	-	-	(22,500)
Transfers	(1,500)	847	(1,850)	(16,006)	(1,663)	(1,329)	(18)	(5,875)	(5,508)	(3,286)
Total Governmental Activities	<u>394,258</u>	<u>436,523</u>	<u>421,486</u>	<u>404,910</u>	<u>396,312</u>	<u>380,408</u>	<u>374,369</u>	<u>350,706</u>	<u>361,885</u>	<u>371,531</u>
Business-Type Activities										
Sales and Use Taxes	34,329	42,504	36,609	49,026	50,222	50,518	49,981	56,063	59,764	65,973
Unrestricted Investment Earnings	13,561	16,548	11,046	(391)	6,436	4,736	7,698	4,208	42,505	(19,508)
Gain on Sale of Capital Assets	-	-	-	-	126	217	181	546	-	-
Other Revenue	-	-	12	-	3,994	4,867	3,782	9,070	8,162	7,305
Transfers	1,500	(847)	1,850	16,006	1,663	1,329	18	5,875	5,508	3,286
Total Business-Type Activities	<u>49,390</u>	<u>58,205</u>	<u>49,517</u>	<u>64,641</u>	<u>62,441</u>	<u>61,667</u>	<u>61,660</u>	<u>75,762</u>	<u>115,939</u>	<u>57,056</u>
Total Primary Government	<u>\$ 443,648</u>	<u>\$ 494,728</u>	<u>\$ 471,003</u>	<u>\$ 469,551</u>	<u>\$ 458,753</u>	<u>\$ 442,075</u>	<u>\$ 436,029</u>	<u>\$ 426,468</u>	<u>\$ 477,824</u>	<u>\$ 428,587</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 28	\$ 8,744	\$ (35,294)	\$ 16,945	\$ (12,682)	\$ 3,450	\$ (4,021)	\$ (15,648)	\$ 39,039	\$ 20,705
Business-Type Activities	8,172	26,783	29,865	39,182	43	25,986	44,803	18,722	86,261	53,824
Total Primary Government	<u>\$ 8,200</u>	<u>\$ 35,527</u>	<u>\$ (5,429)</u>	<u>\$ 56,127</u>	<u>\$ (12,639)</u>	<u>\$ 29,436</u>	<u>\$ 40,782</u>	<u>\$ 3,074</u>	<u>\$ 125,300</u>	<u>\$ 74,529</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2006 financial statement amounts were not audited in full.

Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾Beginning in 2008, business-type internal service fund activity is consolidated with the activity of the appropriate business-type program.

⁽³⁾In 2008, indirect costs increased for the social services function because oversight of building maintenance and other building costs, as well as human resource services, were restructured as part of the general government function and are now charged back to social services as indirect costs.

⁽⁴⁾As restated.

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

	FISCAL YEAR									
	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽²⁾	2011	2012	2013 ⁽²⁾	2014	2015
GENERAL FUND										
Nonspendable	\$ 8,975	\$ 8,413	\$ 6,358	\$ 6,010	\$ 6,208	\$ 7,646	\$ 9,244	\$ 7,962	\$ 8,804	\$ 4,542
Committed	-	-	-	-	-	284	203	217	302	275
Assigned	10,976	12,640	7,142	9,266	10,248	11,235	13,110	13,524	16,514	19,821
Unassigned	45,797	30,808	32,649	33,207	48,172	56,368	49,763	54,699	52,403	57,993
TOTAL GENERAL FUND	<u>\$ 65,748</u>	<u>\$ 51,861</u>	<u>\$ 46,149</u>	<u>\$ 48,483</u>	<u>\$ 64,628</u>	<u>\$ 75,533</u>	<u>\$ 72,320</u>	<u>\$ 76,402</u>	<u>\$ 78,023</u>	<u>\$ 82,631</u>
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	\$ 2,406	\$ 2,033	\$ 3,026	\$ 3,671	\$ 2,948	\$ 3,575	\$ 4,889	\$ 4,961	\$ 293	\$ 115
Restricted	138,294	182,098	192,421	203,565	235,680	268,118	266,517	266,882	303,190	328,157
Committed	8,809	8,809	5,946	5,770	6,042	14,086	19,996	15,375	8,309	9,579
Unassigned	(12,820)	(16,491)	(10,391)	(9,810)	(7,553)	(12,193)	(1,821)	(4,257)	(5,470)	(1,652)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<u>\$ 136,689</u>	<u>\$ 176,449</u>	<u>\$ 191,002</u>	<u>\$ 203,196</u>	<u>\$ 237,117</u>	<u>\$ 273,586</u>	<u>\$ 289,581</u>	<u>\$ 282,961</u>	<u>\$ 306,322</u>	<u>\$ 336,199</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2005-2006 financial statement amounts were not audited in full. Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾As restated.

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

	FISCAL YEAR									
	2006 ⁽¹⁾	2007	2008	2009	2010 ⁽²⁾	2011	2012	2013	2014	2015
REVENUES										
Property Taxes and Assessments	\$ 262,442	\$ 256,338	\$ 248,088	\$ 240,272	\$ 235,018	\$ 239,045	\$ 229,347	\$ 232,710	\$ 235,796	\$ 235,254
Sales and Use Tax	64,701	66,671	64,923	67,072	72,029	75,345	72,929	77,921	81,242	114,860
State Shared Taxes	46,892	47,735	42,350	44,547	43,606	39,480	36,919	33,306	35,356	34,945
Charges for Services	105,840	140,506	84,229	67,139	64,735	68,331	68,330	71,503	68,557	65,988
Licenses and Permits	5,249	6,124	4,995	4,949	6,407	7,037	6,973	7,561	7,257	7,559
Fines and Forfeitures	12,057	13,336	13,658	12,748	14,506	13,402	13,361	12,803	12,618	12,852
Intergovernmental	397,862	421,612	422,222	409,901	348,584	301,778	282,812	206,533	222,841	216,069
Investment Earnings	21,919	26,498	19,701	6,906	7,245	5,883	7,388	3,719	3,757	5,965
Other	30,546	26,447	27,966	21,243	27,205	32,906	32,405	25,274	21,863	15,378
TOTAL REVENUES	947,508	1,005,267	928,132	874,777	819,335	783,207	750,464	671,330	689,287	708,870
EXPENDITURES										
Current:										
General Government	82,703	72,074	69,956	63,451	74,294	76,461	115,470	64,317	54,301	53,532
Judicial	121,974	121,535	118,073	100,058	93,168	90,909	91,480	89,933	94,216	92,188
Public Safety	130,385	121,060	114,554	97,363	100,538	100,813	106,009	100,370	104,198	98,953
Social Services	288,547	352,722	307,296	279,070	175,546	150,843	142,046	149,918	145,870	151,481
Health	249,324	240,811	247,499	251,313	252,088	255,974	227,912	190,558	185,251	170,966
Public Works	39,356	34,056	29,118	26,313	32,903	24,984	26,046	26,295	32,998	34,301
Environmental Control	7,239	6,028	7,715	7,246	7,114	7,109	6,620	6,824	6,597	6,189
Economic Development	18,886	6,175	7,527	6,963	7,534	7,945	8,234	8,878	9,042	11,785
Parks and Recreation	8,927	7,604	7,638	8,455	8,470	7,925	7,845	7,670	7,687	20,273
Capital Outlay	625	2,083	326	699	378	1,480	8,431	9,431	5,363	2,129
Debt Service:										
Principal Retirement	30,785	12,779	12,419	13,485	11,419	11,651	11,439	11,790	11,369	8,827
Interest and Fiscal Charges	5,650	5,030	4,489	4,951	4,541	4,197	3,968	3,421	2,966	2,817
TOTAL EXPENDITURES	984,401	981,957	926,610	859,367	767,993	740,291	755,500	669,405	659,858	653,441
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(36,893)	23,310	1,522	15,410	51,342	42,916	(5,036)	1,925	29,429	55,429
OTHER FINANCING SOURCES (USES)										
Transfers In	44,992	28,311	28,906	21,429	24,449	15,185	5,787	13,761	16,043	21,298
Transfers Out	(46,492)	(27,464)	(30,756)	(37,435)	(26,112)	(16,514)	(5,805)	(18,406)	(21,353)	(24,584)
Proceeds of Refunding Bonds	-	18,130	-	-	-	-	-	-	-	5,485
Premium on Bonds Issued	202	193	112	249	-	-	175	-	-	1,734
Payment to Refunded Bonds Escrow Agent	-	(18,104)	-	-	-	-	(7,112)	-	-	(8,280)
Proceeds from Sale of Bonds	20,321	1,775	9,057	14,875	387	5,787	9,773	182	326	5,345
Proceeds from Loans	-	-	-	-	-	-	-	-	537	558
Other	278	(278)	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	15,000	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	19,301	2,563	7,319	(882)	(1,276)	4,458	17,818	(4,463)	(4,447)	1,556
EXTRAORDINARY ITEM	-	-	-	-	-	-	-	-	-	(22,500)
NET CHANGE IN FUND BALANCES	\$ (17,592)	\$ 25,873	\$ 8,841	\$ 14,528	\$ 50,066	\$ 47,374	\$ 12,782	\$ (2,538)	\$ 24,982	\$ 34,485
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	3.8%	1.8%	1.8%	2.2%	2.1%	2.2%	2.1%	2.3%	2.2%	1.8%

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾Unaudited. Due to the special audit of Hamilton County Job and Family Services, the 2006 financial statement amounts was not audited in full. Agreed-upon procedures relative to fund balances were performed by the Auditor of State.

⁽²⁾As restated.

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

(Amounts in Thousands)

Tax Year/ Collection Year	ASSESSED VALUES									Total Direct Tax Rate	Estimated Actual Taxable Value ⁽²⁾⁽³⁾	Assessed Value as a Percentage of Actual Value ⁽¹⁾
	REAL PROPERTY					PERSONAL PROPERTY			TOTAL			
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Public Utility Property	Tangible Property ⁽³⁾	Public Utility Property	Tax Exempt Property	Taxable Assessed Value ⁽¹⁾			
2005/2006	\$ 13,854,166	\$ 4,019,879	\$ 923,584	\$ 62,487	\$ 4,068	\$ 1,299,884	\$ 750,971	\$ 3,914,217	\$ 20,915,039	19.78	\$ 62,332,325	33.55%
2006/2007	13,921,087	4,017,471	922,763	60,717	4,019	1,002,703	718,505	4,245,482	20,647,265	19.15	63,101,926	32.72%
2007/2008	14,019,425	4,015,680	938,633	59,606	4,176	519,895	604,816	4,553,994	20,162,231	19.53	63,007,426	32.00%
2008/2009	14,206,751	4,300,440	990,862	59,429	7,148	61,888	608,626	4,760,067	20,235,144	19.60	57,734,995	35.05%
2009/2010	14,216,289	4,258,435	998,345	52,560	8,003	34,201	650,513	4,934,617	20,218,346	19.45	57,795,426	34.98%
2010/2011	14,158,842	4,074,153	989,564	53,209	8,000	-	683,436	5,088,595	19,967,204	19.45	56,463,352	35.36%
2011/2012	12,700,329	3,827,089	940,474	49,068	8,448	-	723,511	4,940,025	18,248,919	19.03	51,519,616	35.42%
2012/2013	12,671,139	3,717,857	932,521	47,004	9,026	-	773,714	5,075,748	18,151,261	19.03	51,197,562	35.45%
2013/2014	12,659,012	3,678,998	931,342	46,724	9,600	-	843,929	5,305,713	18,169,605	19.03	51,189,789	35.49%
2014/2015	12,724,934	3,688,759	887,143	57,051	9,999	-	899,654	5,406,076	18,267,540	18.85	51,421,839	35.52%

Source: Hamilton County Auditor's Finance Department.

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

⁽¹⁾Excludes tax-exempt property.

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

⁽³⁾The tangible personal property tax for businesses was phased out over a three-year period starting in 2006 with the last tax due in 2008. Telecommunication companies paid the tangible personal property tax on a declining basis with the last tax due in 2010.

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

	TAX YEAR/COLLECTION YEAR									
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
HAMILTON COUNTY DIRECT RATES:										
General Operating	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26
Debt (Bond Retirement)	0.14	0.13	0.13	0.14	-	-	-	-	-	-
Drake Hospital	0.84	0.84	0.84	0.84	-	-	-	-	-	-
For University of Cincinnati Hospital	5.32	4.49	4.49	4.49	4.49	4.49	4.07	4.07	4.07	4.07
For County Police Information Center	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54
For Developmental Disabilities Board	3.62	3.62	3.62	3.62	4.13	4.13	4.13	4.13	4.13	4.13
For Community Mental Health	2.74	2.74	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99
For Support of Children Services	2.56	2.77	2.77	2.77	2.77	2.77	2.77	2.77	2.77	2.77
For Recreation/Zoological Purposes	0.40	0.40	0.40	0.46	0.46	0.46	0.46	0.46	0.46	0.46
For Senior Services	1.16	1.16	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.29
For Family Treatment & Services	-	-	-	-	0.34	0.34	0.34	0.34	0.34	0.34
For Museum Center	0.20	0.20	0.20	0.20	0.18	0.18	0.18	0.18	0.18	-
Total Direct Rate	19.78	19.15	19.53	19.60	19.45	19.45	19.03	19.03	19.03	18.85
TOWNSHIP RATES⁽¹⁾:										
Anderson	11.87	11.87	11.87	14.57	14.57	14.57	14.57	14.57	14.57	14.57
Anderson Township Park District	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28	2.28
Colerain	16.18	16.18	17.33	17.33	17.33	18.26	18.26	18.26	18.26	20.21
Columbia	21.26	14.76	14.76	14.76	14.76	14.76	17.01	17.01	17.01	17.01
Crosby	9.24	9.24	10.24	10.24	10.24	10.24	10.24	10.24	10.24	10.24
Delhi	26.34	26.34	26.34	26.34	26.34	26.34	26.34	26.34	28.09	30.58
Green	9.81	9.81	9.81	11.71	11.71	11.71	11.71	11.71	11.71	14.66
Harrison	3.74	3.74	3.74	3.74	3.74	5.24	5.24	5.24	5.24	5.24
Miami	9.45	9.91	9.91	9.91	9.91	9.91	9.91	10.91	11.91	13.41
Springfield	20.30	20.30	20.30	20.30	22.80	22.80	22.80	23.80	23.80	23.80
Sycamore	7.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
Symmes	11.90	12.80	13.70	13.70	13.50	14.50	14.50	14.50	14.50	14.50
Whitewater	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44
SCHOOL DISTRICT RATES⁽¹⁾:										
Cincinnati	59.77	59.37	59.67	67.95	67.87	68.54	70.76	71.34	71.49	70.65
Deer Park	78.63	78.63	78.63	78.63	78.63	78.63	78.63	78.63	86.53	86.53
Finneytown	87.03	86.69	86.67	86.92	86.96	94.90	94.90	96.88	96.88	96.88
Forest Hills	55.66	61.36	61.46	61.65	61.65	61.65	61.65	65.55	65.55	70.50
Indian Hill	46.52	45.42	45.42	46.32	45.82	45.72	45.87	45.99	46.06	44.81
Lockland	52.69	52.09	51.59	51.59	50.79	48.59	48.59	48.59	47.19	47.09
Loveland	74.88	74.74	74.24	74.24	74.24	74.24	77.64	77.98	78.08	83.68
Madeira	85.67	94.77	94.77	95.39	94.02	94.02	101.27	101.94	101.82	101.82
Mariemont	90.57	90.37	97.87	97.87	97.72	106.47	106.97	107.77	107.77	113.92
Milford	69.10	69.10	69.10	74.60	74.60	74.60	75.05	75.05	79.65	79.65
Mt. Healthy	68.41	68.30	74.24	75.03	74.95	74.93	75.74	76.47	76.87	74.81
North College Hill	61.37	61.37	65.36	66.05	65.97	66.00	66.07	66.77	66.77	66.77
Northwest	49.64	49.50	53.39	53.56	53.57	53.60	54.22	59.57	59.57	59.57
Norwood	48.75	48.77	49.40	48.17	49.23	49.11	59.09	58.97	59.02	59.66
Oak Hills	46.68	46.35	46.35	45.90	45.83	45.80	46.02	46.05	50.97	51.15
Princeton	49.03	49.03	49.03	48.99	48.99	50.48	50.83	61.28	61.28	62.58
Reading	64.08	64.08	64.08	64.08	69.79	69.90	70.67	70.67	70.67	70.67
St. Bernard	40.73	46.93	49.17	53.20	52.87	53.01	58.68	58.28	57.34	58.46
Southwest	46.68	45.30	45.30	45.14	44.98	44.68	44.18	44.18	44.18	44.18
Sycamore	65.80	65.79	65.79	65.77	65.77	66.38	66.45	66.45	66.45	66.45
Three Rivers	44.90	44.90	44.90	44.90	44.90	49.87	49.87	49.87	49.87	49.87
Winton Woods	78.03	78.03	78.03	78.03	85.93	86.03	87.32	87.41	87.41	87.41
Wyoming	88.68	87.91	87.87	87.87	87.84	87.84	88.58	93.37	93.37	93.37
Great Oaks Joint Vocational	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Butler Tech Joint Vocational	-	-	-	-	1.93	1.93	1.93	1.93	1.93	1.93

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

CITY & VILLAGE RATES ⁽¹⁾ :	TAX YEAR/COLLECTION YEAR									
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Addyston	7.59	7.59	7.59	7.59	7.59	7.59	7.59	7.59	7.59	8.09
Amberley	7.00	7.00	7.00	7.00	7.00	7.00	7.00	17.00	17.00	17.00
Arlington Heights	9.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52
Blue Ash	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Cheviot	14.52	14.52	14.52	14.52	20.13	20.13	20.13	20.13	20.13	20.13
Cincinnati	10.19	9.93	9.89	9.89	9.82	10.07	10.50	10.85	12.20	12.10
Cleves	13.33	12.99	12.99	12.99	12.99	6.99	10.09	10.09	13.99	13.99
Deer Park	3.55	3.55	10.45	10.45	10.45	10.45	10.45	10.45	10.45	10.45
Elmwood Place	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78	17.78
Evendale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fairfax	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76
Fairfield	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94
Forest Park	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76
Glendale	21.39	21.18	21.03	20.08	20.08	20.08	20.08	21.58	21.58	21.58
Golf Manor	30.52	38.52	38.52	38.52	38.52	38.52	38.52	38.52	38.52	38.52
Greenhills	28.63	28.23	28.23	27.88	27.83	32.73	33.58	33.58	33.58	33.58
Harrison	13.00	13.00	13.00	11.19	14.50	14.50	14.50	14.50	14.50	14.50
Indian Hill	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
Lincoln Heights	28.33	28.33	35.33	35.33	35.33	39.33	40.73	48.73	48.73	48.73
Lockland	6.02	7.52	7.52	7.52	7.52	7.52	7.52	7.52	7.52	7.52
Loveland	12.00	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35	12.10
Madeira	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Mariemont	14.37	14.37	14.37	14.37	14.37	14.37	14.37	14.37	14.37	14.37
Milford	12.00	11.80	11.80	11.80	11.80	11.80	11.80	11.80	11.80	13.80
Montgomery	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05	10.05
Mt. Healthy	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11	11.11
Newtown	5.87	2.37	2.37	2.37	2.37	2.37	2.37	2.37	2.37	2.37
North Bend	10.09	10.09	10.09	10.09	10.09	10.09	10.09	10.09	11.38	11.38
North College Hill	7.98	7.98	7.98	7.98	7.98	7.98	7.98	7.98	12.88	12.88
Norwood	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Reading	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52	3.52
St. Bernard	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28
Sharonville	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Silverton	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15	8.15
Springdale	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Terrace Park	19.78	11.80	11.67	12.09	8.59	11.34	11.34	11.34	13.84	13.84
Woodlawn	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	10.08
Wyoming	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
SPECIAL DISTRICT RATES⁽¹⁾:										
Deer Park/Silverton Joint Fire District	6.50	6.40	6.40	6.40	6.40	6.40	6.40	6.4	7.90	7.90
Eastern Joint Ambulance District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Little Miami Joint Fire District	2.50	9.75	9.75	9.75	12.05	12.05	12.05	12.05	12.05	12.05
Western Joint Ambulance District	1.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Hamilton County Park District	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Public Library of Cincinnati & Hamilton County	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00

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

Note: The Ohio Constitution permits local governments, as a group within a taxing district, to levy up to 10 mills without a vote of the electorate. These levies, collectively called inside millage levies because they fall within the 10-mill limit, are also known as unvoted levies. The allocation of inside millage between entities is set by statute. The County's special revenue levy property tax rates may be increased only by a majority vote of the County's residents. The bond retirement rate is adjusted annually to meet the principal and interest payments required each year. A state-mandated County-wide property reappraisal was implemented in 2011.

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

**COUNTY OF HAMILTON, OHIO
PRINCIPAL PROPERTY TAXPAYERS
DECEMBER 31, 2015**

(Amounts in Thousands)

Name of Taxpayer	COLLECTION YEAR 2015			COLLECTION YEAR 2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Ohio, Inc. (formerly Cinergy Corp.)	\$906,248	1	4.96%	\$566,039	1	2.71%
City of Cincinnati	121,780	2	0.67%	91,526	3	0.44%
Procter & Gamble	78,149	3	0.43%	142,321	2	0.68%
The Christ Hospital	41,789	4	0.23%	—	—	—
Fifth Third Bank	34,727	5	0.19%	—	—	—
Dayton Power & Light	29,533	6	0.16%	—	—	—
Rookwood Commons LLC	26,936	7	0.15%	—	—	—
Emery Realty Inc.	26,113	8	0.14%	—	—	—
Columbia Development Corp.	20,039	9	0.11%	—	—	—
Rookwood Pavillion LLC	18,476	10	0.10%	—	—	—
Cincinnati Bell Telephone	—	—	—	85,521	4	0.41%
Duke Realty Ohio	—	—	—	65,983	5	0.32%
Thor Gallery	—	—	—	62,940	6	0.30%
General Electric	—	—	—	45,192	7	0.22%
Northgate Partners	—	—	—	36,239	8	0.17%
HK New Plan Exchange	—	—	—	35,227	9	0.17%
Ford Motor Company	—	—	—	30,248	10	0.14%
Total	<u>\$1,303,790</u>		<u>7.14%</u>	<u>\$1,161,236</u>		<u>5.55%</u>

Source: Hamilton County Auditor's Finance Department.

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

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Current Levy Collected	Delinquent Collection	Total Collection	Total Collections as a Percent of Current Levy
2005/2006	\$ 282,849,186	\$ 28,038,048	\$ 310,887,234	\$ 268,658,332	94.98%	\$ 14,813,792	\$ 283,472,124	100.22%
2006/2007	275,879,899	31,265,406	307,145,305	259,830,004	94.18%	17,578,853	277,408,857	100.55%
2007/2008	272,851,350	28,852,892	301,704,242	259,904,717	95.26%	13,535,836	273,440,553	100.22%
2008/2009	268,405,061	24,986,543	293,391,604	255,494,652	95.19%	11,893,488	267,388,140	99.62%
2009/2010	268,360,431	23,906,442	292,266,873	250,349,774	93.29%	9,796,207	260,145,981	96.94%
2010/2011	269,901,539	23,031,728	292,933,267	256,290,793	94.96%	11,297,992	267,588,785	99.14%
2011/2012	258,680,233	20,673,734	279,353,967	247,079,287	95.52%	11,218,173	258,297,460	99.85%
2012/2013	260,889,847	21,610,582	282,500,429	252,048,232	96.61%	8,612,038	260,660,270	99.91%
2013/2014	262,546,004	15,031,820	277,577,824	254,197,080	96.82%	8,252,965	262,450,045	99.96%
2014/2015	261,800,887	14,700,657	276,501,544	253,810,047	96.95%	7,477,900	261,287,947	99.80%
Totals	\$ 2,682,164,437	\$ 232,097,852	\$ 2,914,262,289	\$ 2,557,662,918		\$ 114,477,244	\$ 2,672,140,162	

Source: Hamilton County Auditor's Finance Department.

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

Note: Delinquent collections of property taxes are not separable by tax year because the tax tracking system does not differentiate between tax years.

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

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES							Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	General Obligation Bonds Voted	General Obligation Bonds Unvoted	Special Assessment Bonds	Loan Contracts	State Loans	Metropolitan Sewer District Revenue Bonds	Parking Facility Revenue Bonds	Sales Tax Bonds	General Obligation Bonds	Metropolitan Sewer District Loans	Riverfront Development State Loans				
2006	\$ 7,930	\$ 106,475	\$ 3,781	\$ 5,221	\$ 1,359	\$ 596,250	\$ 22,395	\$ 590,802	\$ 8,290	\$ 29,344	\$ -	\$ 1,371,847	3.82%	\$ 1,618	
2007	5,380	97,990	4,252	6,465	3,225	642,570	21,785	581,712	8,265	27,717	-	1,399,361	3.80%	1,635	
2008	2,740	97,320	4,200	4,791	3,543	613,745	21,140	571,737	7,920	46,170	-	1,373,306	3.66%	1,609	
2009	-	101,050	4,600	4,661	3,144	733,325	20,455	560,922	7,560	44,718	17,160	1,497,595	4.13%	1,751	
2010	-	89,995	4,623	4,468	2,607	787,100	19,730	558,782	7,190	93,817	17,160	1,585,472	4.31%	1,976	
2011	-	84,187	4,567	3,954	2,237	753,580	18,960	558,507	6,800	131,546	17,160	1,581,498	4.21%	1,976	
2012	-	76,257	4,193	3,778	1,896	718,330	18,145	557,381	6,395	204,040	16,415	1,606,830	4.05%	2,003	
2013	-	64,869	3,804	3,603	1,547	798,720	17,280	543,861	5,970	218,671	14,885	1,673,210	4.13% ⁽²⁾	2,080	
2014	-	54,112	3,456	3,340	1,613	737,080	16,365	528,146	24,460	222,999	13,310	1,604,881	3.79%	1,990	
2015	-	48,820	3,107	3,165	2,090	688,320	15,395	508,426	37,565	223,370	11,203	1,541,461	3.56%	1,909	

Source: Hamilton County Auditor's Finance Department.

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

⁽¹⁾See the Schedule of Demographic and Economic Statistics on page 175 for personal income and population data.

⁽²⁾2013-2015: Estimated figure using prior-year state and county figures; CAFR-year data not available.

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COUNTY OF HAMILTON, OHIO
LEGAL DEBT MARGIN INFORMATION—TOTAL DEBT LIMIT
LAST TEN FISCAL YEARS
(Amounts in Thousands)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limitation of Assessed Valuation	\$ 521,376	\$ 514,682	\$ 502,556	\$ 504,379	\$ 503,958	\$ 497,680	\$ 454,723	\$ 452,282	\$ 455,189	\$ 457,209
Total Net Debt Applicable to Debt Limitation	93,289	85,365	84,827	88,756	80,541	71,537	69,648	66,892	76,894	107,098
Legal Debt Margin Remaining	<u>\$ 428,087</u>	<u>\$ 429,317</u>	<u>\$ 417,729</u>	<u>\$ 415,623</u>	<u>\$ 423,417</u>	<u>\$ 426,143</u>	<u>\$ 385,075</u>	<u>\$ 385,390</u>	<u>\$ 378,295</u>	<u>\$ 350,111</u>
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	17.89%	16.59%	16.88%	17.60%	15.98%	14.37%	15.32%	14.79%	16.89%	23.42%

Legal Debt Margin Calculation for Fiscal Year 2015—Total Debt Limit

Assessed Valuation	\$ 18,348,376
Debt Limitation of Assessed Valuation⁽¹⁾	457,209
Debt Applicable to Limit:	
Outstanding Debt	1,552,844
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	688,320
Metropolitan Sewer District Loans	223,370
Special Assessments	4,094
Waterline West Phase II	645
Sales Tax Supported Bonds	508,426
Parking Garage Revenue Bond	15,395
Urban Redevelopment	4,998
Total Debt Exempt from Calculation	<u>1,445,248</u>
Less: Available Funds in Debt Service Funds as of December 31, 2015	<u>(498)</u>
Total Net Debt Applicable to Debt Limitation	<u>107,098</u>
Legal Debt Margin Remaining	<u>\$ 350,111</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is the sum of the following:

three percent (3%) of the first \$100,000,000 of the assessed valuation	\$ 3,000
plus one and a half percent (1.5%) of such valuation of \$100,000,000	3,000
and not in excess of \$300,000,000 plus two and a half percent (2.5%)	451,209
of such valuation in excess of \$300,000,000	<u>\$ 457,209</u>

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

(Amounts in Thousands)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limitation of Assessed Valuation	\$ 209,150	\$ 206,473	\$ 201,622	\$ 202,351	\$ 202,183	\$ 199,672	\$ 182,489	\$ 181,513	\$ 182,675	\$ 183,484
Total Net Debt Applicable to Debt Limitation	84,359	79,985	82,087	88,756	80,541	71,537	69,648	66,892	76,894	107,098
Legal Debt Margin Remaining	\$ 124,791	\$ 126,488	\$ 119,535	\$ 113,595	\$ 121,642	\$ 128,135	\$ 112,841	\$ 114,621	\$ 105,781	\$ 76,386
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	40.33%	38.74%	40.71%	43.86%	39.84%	35.83%	38.17%	36.85%	42.09%	58.37%

Legal Debt Margin Calculation for Fiscal Year 2015—Unvoted Debt Limit

Assessed Valuation	\$ 18,348,376
Debt Limitation of Assessed Valuation⁽¹⁾	183,484
Debt Applicable to Limit:	
Outstanding Debt	1,552,844
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	688,320
Metropolitan Sewer District Loans	223,370
Special Assessments	4,094
Waterline West Phase II	645
Sales Tax Supported Bonds	508,426
Parking Garage Revenue Bond	15,395
Urban Redevelopment	4,998
Total Debt Exempt from Calculation	<u>1,445,248</u>
Less: Available Funds in Debt Service Funds as of December 31, 2015	<u>(498)</u>
Total Net Debt Applicable to Debt Limitation	<u>107,098</u>
Legal Debt Margin Remaining	<u>\$ 76,386</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is the sum of the following:

three percent (3%) of the first \$100,000,000 of the assessed valuation	\$ 3,000
plus one and a half percent (1.5%) of such valuation of \$100,000,000	3,000
and not in excess of \$300,000,000 in excess of \$300,000,000 plus two	<u>451,209</u>
and a half percent (2.5%) of such valuation in excess of \$300,000,000	<u>\$ 457,209</u>

**COUNTY OF HAMILTON, OHIO
 PLEDGED REVENUE COVERAGE—METROPOLITAN SEWER DISTRICT
 LAST TEN FISCAL YEARS**

(Amounts in Thousands)

Fiscal Year	SEWER REVENUE BONDS						
	Sewerage Charges and Other	Less: Operating Expenses	Revenues Transferred to Surplus ⁽¹⁾	Net Revenue Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2006	\$ 181,167	\$ 97,005	\$ 9,049	\$ 93,211	\$ 23,130	\$ 26,218	1.89
2007	197,583	103,531	10,438	104,490	26,065	29,119	1.89
2008	202,406	101,033	15,716	117,089	28,825	31,037	1.96
2009	209,073	103,825	18,100	123,348	30,235	31,391	2.00
2010	227,040	120,368	18,418	125,090	31,845	37,546	1.80
2011	244,254	111,823	31,090	163,521	33,520	40,635	2.21
2012	260,388	101,418	36,535	195,505	35,250	38,553	2.65
2013	270,919	126,289	28,024	144,630 ⁽²⁾	37,115	37,423	1.94
2014	276,941	120,018	33,513	156,923	42,435	35,211	2.02
2015	290,431	115,271	70,757	175,160	40,920	38,262	2.21

Source: Audited MSD financial reports.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sewerage Charges and Other includes sewerage service charges, sewer surcharges, all other operating revenues, interest income, capitalized interest income and tap-in/connection fees. Operating expenses do not include interest, depreciation or amortization expenses.

⁽¹⁾Half of pledged revenues are transferred to a surplus account.

⁽²⁾Revised formula per trust agreement.

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**COUNTY OF HAMILTON, OHIO
PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

(Amounts in Thousands)

ADJUSTABLE RATE PARKING SYSTEM REVENUE BONDS							
Fiscal Year	Parking Service Charges and Other ⁽¹⁾	Less: Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage	
				Principal	Interest		
2006	\$ 6,764	\$ 4,372	\$ 2,392	\$ 575	\$ 855	1.67	
2007	6,481	4,503	1,978	610	816	1.39	
2008	6,664	4,299	2,365	645	474	2.11	
2009 ⁽²⁾⁽³⁾	5,731	3,641	2,090	685	93	2.69	
2010	6,612	4,680	1,932	725	49	2.50	
2011	6,482	4,667	1,815	770	36	2.25	
2012	9,179	6,032	3,147	815	33	3.71	
2013	12,221	6,408	5,813	865	39	6.43	
2014	11,434	6,780	4,654	915	60	4.77	
2015	12,140	6,363	5,777	970	24	5.81	

Source: Audited Hamilton County financial statements and Hamilton County Auditor's Finance Department.

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

⁽¹⁾Parking Service Charges and Other includes charges for services and sales and use tax revenues.

Operating Expenses do not include interest, depreciation or amortization expenses.

⁽²⁾In May 2009, the County obtained a loan from the State of Ohio in the amount of \$11,685 for construction of an intermodal transit facility. The loan is secured by parking revenues, sales tax receipts, and by other non-tax revenues of the County on a contingent basis. The loan will be repaid in 2012–2019. Loan interest rates range from 3.00% to 4.25%.

⁽³⁾In October 2009, the County secured a loan for \$5,475 from the State of Ohio for riverfront development. The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati. The loan will be repaid in 2015–2024. Loan interest rates are 0% for the first five years and 3% thereafter.

SPECIAL ASSESSMENT BONDS					SALES TAX BONDS ⁽⁴⁾					
Special Assessment Collections	Debt Service ⁽⁶⁾		Coverage	Sales Tax Collections ⁽⁴⁾	Paul Brown Stadium Debt Service		Baseball Stadium Debt Service		Coverage	
	Principal	Interest			Principal	Interest	Principal	Interest		
\$ 491	\$ 265	\$ 201	1.05	\$ 64,022	\$ 1,698	\$ 18,631	\$ 3,427	\$ 10,468	1.87	
468	279	191	1.00	66,232	2,567	17,243	6,523	9,063	1.87	
485	314	217	0.91	65,381	2,955	17,522	7,019	9,002	1.79	
467	310	216	0.89	60,630	3,219	17,372	7,595	8,659	1.65	
512	364	225	0.87	62,172	2,140	17,201	-	8,269	2.25	
498	331	224	0.90	65,044	73,418 ⁽⁵⁾	15,752	1,273	8,285	0.66	
502	374	216	0.85	66,642	180	16,843	945	8,339	2.53	
543	402	212	0.88	69,637	7,009	16,896	6,511	8,344	1.80	
571	368	200	1.01	74,141	10,590	16,485	5,125	7,976	1.85	
556	379	201	0.96	77,982	15,110	15,966	4,610	7,719	1.80	

⁽⁴⁾On March 19, 1996, voters of Hamilton County approved a ½% increase in the County's general sales tax. The County Commissioners approved by resolution that this additional tax be used for the development of the riverfront area, including construction of the football and baseball stadiums—Paul Brown Stadium and Great American Ball Park. The sales tax bonds are not a general obligation of the County. They are secured by the County's pledge and assignment of the revenue from the additional ½% sales tax.

⁽⁵⁾2011 includes payment of principal on refunded bonds.

⁽⁶⁾Includes manuscript bonds for 2012 and after.

COUNTY OF HAMILTON, OHIO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value⁽¹⁾ of Property	Per Capita⁽²⁾
2006	\$ 122,695	\$ 3,123	\$ 119,572	0.19%	\$ 141
2007	111,635	2,161	109,474	0.17%	127.90
2008	107,980	2,164	105,816	0.17%	123.98
2009	108,610	2,094	106,516	0.18%	124.57
2010	97,185	2,059	95,126	0.16%	118.56
2011	90,987	8,255	82,732	0.15%	103.37
2012	82,652	5,303	77,349	0.15%	96.44
2013	70,839	132	70,707	0.14%	87.89
2014	78,572	105	78,467	0.15%	97.28
2015	86,385	216	86,169	0.17%	106.70

Source: Hamilton County Auditor's Finance Department.

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

⁽¹⁾See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 160 for property value data.

⁽²⁾Population data can be found in the Schedule of Demographic and Economic Statistics on page 175.

**COUNTY OF HAMILTON, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population⁽¹⁾	Personal Income⁽²⁾⁽⁵⁾ (Amounts in Thousands)	Per Capita Personal Income	Annual Average Unemployment Rate⁽³⁾	Median Age⁽⁴⁾
2006	847,656	\$ 35,914,206	\$ 42,369	5.00%	37.8
2007	855,928	36,835,038	43,035	5.00%	38.0
2008	853,508	37,484,285	43,918	5.60%	38.6
2009	855,062	36,248,694	42,393	8.90%	36.8
2010	802,374	36,770,921	45,828	9.50%	37.1
2011	800,362	37,522,065	46,881	8.60%	37.3
2012	802,038	39,631,501	49,413	7.00%	37.3
2013	804,520	40,522,891	50,369	7.10%	37.1
2014	806,631	42,299,608	52,440	5.30%	37.4
2015	807,598	43,277,897	53,588	4.50%	37.1

Data Sources:

⁽¹⁾U.S. Department of Commerce, Bureau of the Census, 2006–2015 Census and Midyear Population Estimates

⁽²⁾U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System (2006-2012)

⁽³⁾Ohio Department of Job and Family Services, Labor Market Information

⁽⁴⁾U.S. Department of Commerce, Bureau of the Census, 2006–2015 American FactFinder Fact Sheets

⁽⁵⁾2013-2015: Estimated figure using prior-year state and county figures; CAFR-year data not available.

**COUNTY OF HAMILTON, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Name of Employer⁽¹⁾⁽²⁾	2015			2006⁽³⁾		
	Number of Employees⁽¹⁾	Rank	Percentage of Total County Employment	Number of Employees⁽³⁾	Rank	Percentage of Total County Employment
Kroger Company	21,646	1	5.63%	15,093	2	3.73%
University of Cincinnati	16,016	2	4.16%	15,400	1	3.81%
Cincinnati Children's Hospital Medical Center	14,944	3	3.89%	8,874	6	2.19%
TriHealth Incorporated	11,800	4	3.07%	8,912	5	2.20%
Procter & Gamble Company	11,000	5	2.86%	12,256	4	3.03%
UC Health (fna: Health Alliance of Greater Cincinnati Inc.)	10,000	6	2.60%	13,745	3	3.40%
General Electric Aviation	7,800	7	2.03%	7,100	8	1.76%
Mercy Health	7,500	8	1.95%	6,743	9	1.67%
Fifth Third Bancorp	6,882	9	1.79%	8,834	7	2.19%
City of Cincinnati	6,530	10	1.70%	–	–	–
Hamilton County	–	–	–	6,179	10	1.53%
Total Principal Employers	114,118		27.98%	103,136		25.51%
Total County Employed⁽²⁾	384,600			404,300		

Data Sources:

⁽¹⁾Cincinnati Business Courier 2015/2016 Book of Lists

⁽²⁾Ohio Department of Job and Family Services, Labor Market Information

⁽³⁾Cincinnati Business Courier 2007 Book of Lists

COUNTY OF HAMILTON, OHIO
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR									
	2006	2007	2008	2009 ⁽¹⁴⁾	2010 ⁽¹⁶⁾	2011 ⁽¹⁶⁾	2012	2013	2014	2015
General Government ⁽²⁾⁽¹⁰⁾⁽¹⁵⁾⁽¹⁷⁾	478.27	494.52	522.21	499.69	427.13	413.50	417.02	359.78	359.53	358.84
Judicial ⁽²⁾⁽¹⁰⁾⁽¹³⁾⁽¹⁶⁾	1,719.26	1,686.15	1,672.62	1,450.13	1,298.06	1,115.30	1,109.65	1,023.12	1,050.80	1,051.04
Public Safety ⁽¹⁾⁽²⁾⁽¹⁰⁾	1,230.90	1,202.36	1,170.15	950.33	963.21	1,007.99	1,045.23	1,065.80	1,083.74	1,088.53
Social Services ⁽¹⁾⁽²⁾⁽¹⁰⁾⁽¹⁶⁾	1,660.65	1,680.65	1,637.65	1,445.80	949.69	817.69	801.56	823.56	874.25	854.27
Health ⁽²⁾⁽⁷⁾⁽⁹⁾	648.76	648.66	654.67	659.76	678.45	630.18	630.84	621.31	628.28	607.96
Public Works ⁽¹⁾⁽¹⁵⁾	231.65	231.65	220.65	191.60	208.20	209.05	210.20	206.84	209.90	210.55
Environmental Control ⁽²⁾	61.89	59.59	59.59	59.90	55.35	10.27	9.06	8.52	7.69	7.80
Economic and Community Development ⁽²⁾⁽⁸⁾⁽¹⁵⁾	7.50	7.50	6.25	14.19	0.29	-	-	-	0.75	0.65
Recreational Activities	-	-	-	1.00	0.10	4.19	5.20	4.51	4.01	6.42
Metropolitan Sewer District ⁽³⁾	-	-	-	-	-	-	-	-	-	-
Paul Brown Stadium ⁽⁴⁾	28.55	29.50	28.01	27.81	26.22	26.21	26.60	25.61	25.34	26.98
Cinergy Field ⁽⁵⁾	-	-	-	-	-	-	-	-	-	-
Baseball Stadium ⁽⁵⁾	2.85	1.75	1.00	1.00	1.07	0.47	-	-	-	-
Riverfront Development ⁽⁶⁾	-	-	-	-	2.47	0.60	0.87	1.02	0.87	1.25
Main Street Parking Garage ⁽⁶⁾	-	-	-	-	-	-	-	-	0.52	0.55
Rotary Funds ⁽¹¹⁾	109.00	107.00	108.00	106.00	103.00	35.00	-	-	-	-
Communications Center	91.00	93.00	94.00	93.00	91.00	84.00	76.42	79.42	75.42	74.42
Workers' Compensation Reserve for Stadiums ⁽¹²⁾⁽¹⁷⁾	2.00	2.00	2.00	2.00	2.00	2.00	-	-	-	-
Total	6,272.28	6,244.33	6,176.80	5,502.21	4,806.24	4,356.45	4,332.65	4,219.49	4,321.10	4,289.26

Sources: Hamilton County, Ohio 2006-2015 Budgets, Budgeted FTEs

Hamilton County, Ohio, Department of Budget and Strategic Initiatives

Method: An FTE is the equivalent of one full-time employee. To calculate a percentage of an FTE, for each employee a ratio is derived by dividing expected hours to be worked by 2,080 hours per year.

⁽¹⁾Employees of certain agencies subsidized by the General Fund are included.

⁽²⁾Employees funded by grants are included in certain departmental FTE counts.

⁽³⁾Personnel in this agency are employed by the City of Cincinnati.

⁽⁴⁾Paul Brown Stadium personnel are managed in part by Hamilton County and in part by Paul Brown Stadium, Ltd.

⁽⁵⁾Great American Ball Park baseball stadium personnel are managed by the Cincinnati Reds.

⁽⁶⁾Parking facilities personnel services are provided via management contract.

⁽⁷⁾During 2006, the Alcohol and Drug Addiction Services and Community Mental Health Boards merged to form the Mental Health and Recovery Services Board.

⁽⁸⁾In 2006, the Section 8 housing program transferred to the Cincinnati Metropolitan Housing Authority.

⁽⁹⁾During 2006, the department functions of Treatment Alternatives to Street Crime transitioned to community-based agencies.

⁽¹⁰⁾During 2007, the budget and small business sections transferred from Administrative Services to County Administration, the facilities maintenance section of Juvenile Court transferred to County Facilities, and the child support legal services section of the Prosecutor transferred to Job and Family Services.

⁽¹¹⁾The County is fully reimbursed for Sheriff's Township Patrol services.

⁽¹²⁾Employees who service the Workers' Compensation Reserve for Stadiums internal service fund are employed by the Board of County Commissioners.

⁽¹³⁾Court of Appeals staff are employees of the State of Ohio.

⁽¹⁴⁾The 674.59 positions reduced in 2009 resulted primarily from budget reductions shared across most departments.

⁽¹⁵⁾In 2009, Community Development, Building Inspections, Public Works, Regional Planning and Regional Zoning combined to form the Planning and Development Department (General Government).

⁽¹⁶⁾The 695.97 positions reduced in 2010 and the 449.79 in 2011 resulted primarily from budget reductions in the Judicial and Social Services functions.

⁽¹⁷⁾For 2012-2015, employees who service the Workers' Compensation Reserve for Stadiums internal service fund are reported with the General Government function.

**COUNTY OF HAMILTON, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

FUNCTION/PROGRAM	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
General Government										
Auditor										
Non-Exempt Property Conveyances	22,132	19,509	16,772	15,060	14,649	14,349	14,333	17,554	16,331	17,538
Exempt Property Conveyances	12,079	11,974	11,038	10,217	9,403	10,066	10,688	11,603	11,466	11,656
Parcels Assessed or Reappraised at Market Value	343,479	345,712	347,481 ⁽¹⁾	347,587	348,148	348,360 ⁽²⁾	348,362	347,492	348,535	348,885
Dog and Kennel Licenses Issued	57,764	56,781	58,942	61,833	59,316	60,298	59,045	58,051	55,414	50,638
Weights and Measures Inspections and Tests Performed	33,757	47,867	31,837	38,983	14,365	- ⁽¹²⁾	-	-	-	-
Board of Elections										
Voter Registrations and Changes Processed	77,300	52,283	177,515 ⁽⁴⁾	50,294	43,490	82,037	146,758 ⁽⁴⁾	94,519	84,081	88,788
Building Inspections										
Building Inspections Performed	21,184	22,171	21,098	18,893	13,566	12,708	12,699	13,340	13,255	13,219
Building Permits Issued	4,847	4,402	3,960	9,361	10,125	9,942	9,263	10,619	10,653	11,125
Recorder										
Deeds Filed	34,272	31,314	27,952	25,206	23,758	22,788	24,053	28,413	26,637	27,646
Mortgages Filed	59,443	47,849	36,771	43,031	39,184	35,862	42,425	40,612	28,453	31,191
Treasurer										
Tax Bills Processed	285,000	283,000	285,000	289,000	286,500	291,600	294,700	294,000	293,700	292,350
Judicial										
Court of Appeals										
Overall New Cases ⁽⁵⁾	1,121	931	1,326	947	872	899	915	877	809	817
Criminal New Cases ⁽⁵⁾	670	591	971	587	521	480	506	457	440	412
Civil New Cases ⁽⁵⁾	291	227	221	229	234	276	266	420	346	381
Court of Common Pleas										
Overall New Cases ⁽⁵⁾	24,819	25,329	25,229	24,845	24,455	23,041	22,447	19,457	18,064	15,866
Criminal New Cases ⁽⁵⁾	10,722	11,024	10,287	9,224	9,078	9,072	8,920	8,182	7,981	6,684
Civil New Cases ⁽⁵⁾	14,097	14,305	14,942	15,621	15,377	13,969	13,527	11,275	10,083	9,182
Court of Domestic Relations										
Overall New Cases ⁽⁵⁾	9,526	8,356	7,837	7,560	6,699	6,479	6,061	6,239	6,035	5,989
Juvenile Court										
Overall New Cases ⁽⁵⁾	48,647	40,204	37,681	33,199	30,681	28,355	28,109	30,379	24,816	16,468
Hearings Conducted	163,890	153,339	143,653	128,764	120,169	120,028	118,853	118,800	118,669	128,981
Municipal Court										
Overall New Cases ⁽⁵⁾	312,927	320,351	354,811	332,902	319,097	316,812	206,611	233,940	214,466	289,727
Probate Court										
Overall New Cases ⁽⁵⁾	6,829	6,584	6,697	6,564	6,458	6,606	6,632	6,552	6,029	6,037
Public Safety										
Coroner										
Autopsies Performed	997	1,026	1,000	898	860	922	909	936	796	930
Prosecutor										
Criminal Misdemeanor and Felony Arraignments	43,000	43,200	43,300	44,184	40,719	41,426	39,384	34,410	34,917	32,962
Formal Opinions and Letters of Advice to County Agencies	102	100	105	49	37	42	26	48	24	36
Property Foreclosures	3,750	3,750	3,750	4,767	7,843	5,848	5,833	4,262	3,350	2,990
Sheriff										
Inmates Housed	50,727	49,921	46,000	42,000	40,000	38,626	36,653	32,425	31,872	30,985
Prisoners Transported	4,815	4,815	4,482	3,615	3,333	3,059	3,077	2,820	4,954	3,229
Courtroom Security Provided (Hours)	51,576	53,123	51,928	46,126	43,960	55,472	55,038	49,628	49,202	51,322
Major Crime Cases Investigated	4,120	4,125	4,130	7,245	6,835	6,713	6,260	5,066	4,974	4,442
Social Services										
Job and Family Services—JFS										
Cash Assistance Recipients (Monthly Average)	17,045	17,169	17,644	26,496	25,301	20,326	17,570	15,670	14,062	13,295
Food Stamp Assistance Recipients (Monthly Average)	77,123	72,419	76,057	119,189	137,148	129,281	135,280	135,898	126,984	125,808
Medicaid Participants (Monthly Average)	121,084	127,242	128,259	142,116	156,494	154,768	171,131	180,295	206,464	225,000
Subsidized Child Care Recipients (Monthly Average 2006-2009)	12,999	12,986	14,121	14,034	15,451	19,292	16,201 ⁽³⁾	16,563	16,376	16,799
Children's Services Recipients	17,460	17,717	16,469	15,422	15,831	16,964	16,912	16,824	16,101	15,780
Child Support Collections (Millions)	\$ 155.0	\$ 142.0	\$ 154.6	\$ 143.0	\$ 126.0	\$ 129.6	\$ 129.6	\$ 130.0	\$ 127.8	\$ 129.5
Workforce Development Admissions (Includes Reapplications) ⁽⁶⁾	3,182	3,602	3,278	5,129	13,810	14,500	28,738	20,212	25,820	29,268
Health										
Developmental Disability Services										
Eligible Individuals Served ⁽⁷⁾	5,638	7,243	7,931	16,051	15,443	16,585	16,689	15,893	13,982	17,219

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Works										
County Engineer										
Bridges Constructed/Repaired	8	3	11	2	6	2	2	2	5	8
Landslides Stabilized	1	1	2	-	-	5	8	3	2	2
Roads Resurfaced (Number)	20	20	- ⁽⁸⁾	21	24	4	11	23	9	14
Roads Resurfaced (Miles)	14	10	- ⁽⁸⁾	12	18	3	8	26	8	11
Public Works										
Permits Processed for Storm Review and FEMA Regulations	2,048	1,879	2,000	1,461	1,783	1,610	1,732	2,190	1,763	1,853
Environmental Control										
Environmental Services										
Material Recycled (Tons)	33,496	31,985	34,500	36,615	39,885	45,498	43,590	40,935	40,350	38,562
FUNCTION/PROGRAM										
Business-Type Activities										
Metropolitan Sewer District										
Sewer Connections	228,512	229,226	229,943	228,133	229,452	231,100	229,808	227,160	211,631	211,689
Wastewater Collected and Treated (Millions of Gallons) ⁽⁹⁾	67,966	66,038	67,264	60,800	58,746	73,008	54,785	70,147	65,551	71,135
Paul Brown Stadium										
Game Attendance (Total)	524,468	527,870	526,320	516,663	575,718	482,917	489,504	593,800	525,372	599,456
Game Attendance (Average)	65,559	65,984	65,790	64,583	63,969	60,365	61,188	53,982	52,537	54,496
Baseball Stadium										
Game Attendance (Total)	2,134,607	2,058,593	2,058,632	1,747,919	2,060,550	2,213,498	2,347,251	2,492,059	2,476,664	2,550,410
Game Attendance (Average)	26,353	25,415	25,415	21,579	25,439	27,327	28,978	31,151	30,576	30,362
Riverfront Development										
Parking Spaces Managed	6,317	6,317	6,317	6,317	7,077	7,641	7,768	7,401	7,085	7,085
Main Street Parking Garage										
Parking Spaces Managed	700	700	700	700	700	694	694	692	693	693
Rotary Funds										
Sheriff's Road Patrol Division										
Jurisdictions Served	7	7	7	7	6	7	7	8	8	14
Central Warrants/Identification Division										
Expungements Processed	2,095	2,184	2,565	1,846	1,862	2,847	3,566	3,212	4,352	5,103
Warrants/Capias Processed	138,090	144,059	147,637	184,546	185,012	155,464	143,354	118,518	114,314	169,442
Offender Fingerprints Processed	58,806	54,693	49,945	46,561	45,442	53,796	49,785	40,846	34,962	34,303
Public Fingerprint Services Provided	14,498	15,755	27,079	26,240	20,537	19,215	26,240	23,773	20,537	19,256
Communications Center										
Emergency 911 Telephone Calls Processed	899,202	900,000	902,000	766,452	589,542	745,139	688,817	681,755	658,761	551,960
Police, Fire and Rescue Unit Calls Processed	555,777	585,000	587,000	598,359	580,428	570,475	547,852	555,778	583,312	590,405
Workers' Compensation Reserve for Stadiums										
Claims Managed	10 ⁽¹¹⁾	5 ^{##}	8 ⁽¹¹⁾	6 ⁽¹¹⁾	5 ⁽¹¹⁾	4 ⁽¹⁰⁾	4 ⁽¹⁰⁾	-	1	1

Sources:

- Hamilton County, Ohio, 2006-2008 Budgets
- Hamilton County Auditor
- Various Hamilton County Departments
- Supreme Court of Ohio
- <http://www.hcifs.hamilton-co.org>, 2006-2010
- <http://www.hcso.org/GeneralInformation/AnnualReport.pdf>
- <http://www.sconet.state.oh.us/Publications/default.asp>
- <http://www.bengals.com/team/history>
- <http://www.baseball-reference.com/teams/CIN/attend.html>

(1)Triennial reassessment, payable following year. Ohio law requires a mid-cycle value adjustment three years after the mass reappraisal to update the six-year mass reappraisal so values change gradually.
(2)Mass reappraisal, payable following year. Ohio law requires counties to revalue all real property every three years. The Auditor's Office is responsible for setting the value of properties, not the assessment of taxes.
(3)Revised figure.
(4)These are presidential election years.
(5)The number includes new cases docketed, transferred in or reactivated as reported to the Supreme Court of Ohio.
(6)Southwest Ohio Career Resource network became The Super Jobs Center in April of 2005; services changeover affected total individuals placed.
(7)For fiscal years 2006-2008, the number of eligible individuals served is an unduplicated count of individuals served per year and does not represent the number of services provided to those individuals.
For fiscal years 2009-2015, the number of eligible individuals served includes some individuals who received more than one service per year.
(8)No resurfacing occurred due to budget constraints.
(9)Yearly rainfall levels result in variances in amounts of wastewater collected and treated.
(10)The number represents management of workers' compensation claims for Paul Brown Stadium and Great American Ball Park.
(11)The number represents management of workers' compensation claims for Great American Ball Park.

**COUNTY OF HAMILTON, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>FUNCTION/PROGRAM</u>										
<u>Governmental Activities</u>										
General Government										
Properties ⁽¹⁾⁽⁶⁾	6	8	8	8	8	8	5	5	5	5
Judicial										
Properties ⁽¹⁾	10	10	10	10	10	10	10	10	10	10
Public Safety										
Coroner										
Properties ⁽¹⁾	1	1	1	1	1	1	1	1	1	1
Emergency Management										
Office Building ⁽²⁾	1	1	1	1	1	1	1	1	1	1
Emergency Warning Sirens	189	195	195	195	195	199	199	200	199	194
Sheriff										
District Patrol Headquarters ⁽³⁾	5	5	5	5	5	5	5	5	5	5
Detention Facilities ⁽⁴⁾	4	4	4	3	3	3	3	3	3	3
Social Services										
Job and Family Services										
Properties ⁽¹⁾	4	4	4	4	4	3	3	3	3	3
Health										
Developmental Disabilities Services										
Properties ⁽¹⁾	13	13	13	13	12	12	12	12	12	12
Mental Health and Recovery Services Board										
Properties ⁽¹⁾	64	64	62	64	64	63	63	63	63	63
Public Works										
Planning and Development										
Maintenance Facility	1	1	1	1	1	1	1	1	1	1
Maintenance Vehicles and Equipment	30	30	30	29	30	31	31	30	30	24
County Engineer										
County Roads Maintained (Miles)	504	504	544	544	532	532	504	504	504	504
Maintenance Facilities	6	6	6	6	6	6	6	6	7	7

FUNCTION/PROGRAM	FISCAL YEAR										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
<u>Business-Type Activities</u>											
Metropolitan Sewer District											
Major Wastewater Treatment Plants	7	7	7	7	7	7	7	7	7	7	
Combined and Sanitary Sewers (Miles)	3,050	3,050	3,050	2,994	2,994	2,994	2,990	2,991	2,994	2,994	
Paul Brown Stadium											
Paul Brown Football Stadium	1	1	1	1	1	1	1	1	1	1	
Parking Garage	1	1	1	1	1	1	1	1	1	1	
Baseball Stadium											
Great American Ballpark Baseball Stadium	1	1	1	1	1	1	1	1	1	1	
Hall of Fame Museum	1	1	1	1	1	1	1	1	1	1	
Team Store	1	1	1	1	1	1	1	1	1	1	
Riverfront Development											
Parking Garages ⁽⁷⁾	3	3	3	3	3	4	4	4	2	2	
Surface Parking Lots	5	5	5	5	5	5	5	5	5	5	
Main Street Parking Garage											
Alms & Doepke Parkhaus Parking Garage	1	1	1	1	1	1	1	1	1	1	
Communications Center											
911 Communications Center	1	1	1	1	1	1	1	1	1	1	
Radio Towers ⁽⁵⁾	15	15	15	15	15	15	15	15	15	15	
Emergency Alert System	-	-	-	-	-	1	1	1	1	1	

Sources: Hamilton County, Ohio, 2006-2008 Budgets
Hamilton County Auditor
Various Hamilton County Departments

Note: No capital asset indicators are available for the following functions/programs:
* the Environmental Control, Economic Development and Parks and Recreation functions
* the Rotary fund

⁽¹⁾Improved real properties are primarily buildings, County-owned unless otherwise indicated, presented in the function of the primary use(r).

⁽²⁾The permanent Emergency Management Agency (EMA) office building, formerly housed in trailers at the Communications Center, was completed in 2005. EMA shares space with the Homeland Security Division. The office building is leased from the City of Cincinnati.

⁽³⁾Three District Patrol Headquarters are owned by townships. The Sheriff provides contracted police services.

⁽⁴⁾The Queensgate Correctional Facility, formerly a leased property, closed in December 2008. The lease terminated 12/31/08.

⁽⁵⁾Ten of the Communications Center towers are County-owned; the other five towers are leased.

⁽⁶⁾Hamilton County sold Drake Hospital and the former Kahn's Meat Packing Facilities in 2012.

⁽⁷⁾Three small garages were combined to become one large one.

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