

2017 Comprehensive Annual Financial Report

**For the year ended
December 31, 2017**

**The County of
Hamilton, Ohio**



**Issued by
Dusty Rhodes
Hamilton County
Auditor**

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**2017 Comprehensive
Annual Financial Report**
*For the fiscal year ended
December 31, 2017*



Issued by

Dusty Rhodes

**Auditor
Hamilton County, Ohio**

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**COUNTY OF HAMILTON, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Year Ended December 31, 2017**

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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

June 26, 2018

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, 2017. 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(B) require that the County produce annual financial statements pursuant to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The County's management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

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, 2017, 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. The State Auditor has issued an unmodified ("clean") opinion on the County's financial statements.

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

The 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 (currently estimated at 813,822). Located on the Ohio River, Hamilton County forms the core of the Cincinnati-Middletown Metropolitan Statistical Area, a 15-county, three-state area located at the intersection of Ohio, Kentucky and Indiana. The metro area has an estimated population of 2,179,082, which makes it the 29th largest metropolitan area in the country per the U.S. Census Bureau.

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, 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 353,000 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.

The County provides its citizens with a wide range of services that include tax collection and distribution, public safety and social services, health assistance, economic and community development services, civil and criminal justice systems, road and bridge maintenance, and other general and administrative support services. The County maintains enterprise funds to account for the operations of the stadium, parking garages and communications center, and for riverfront development. The County-owned Metropolitan Sewer District, operated by the City of Cincinnati under a management contract, is also reported as an enterprise fund. The County maintains internal service funds for workers' compensation, health insurance and the Auditor's computer center.

The financial statements contained within this CAFR include all funds, agencies, boards and commissions for which the County elected officials are financially accountable. Also included in these financial

statements 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.) A complete discussion of the County's reporting entity is provided in note I A to the basic financial statements.

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) but involves collective review by County officials at several stages. 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). Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and appropriation measures are to be certified by the County Auditor as not appropriating more moneys than set forth in those latest official estimates.

Factors Affecting Financial Condition

Local Economy

Hamilton County has been a transportation and industrial center since the early development of the territory west of the Appalachians. Our largest industries are health care and social assistance, manufacturing, and retail trade. The region's economy leads the Midwest in growth and is the largest metropolitan economy in Ohio.

The metropolitan area's operating costs for businesses are consistently ranked among the lowest in the nation. The region also has an affordable cost of living for our residents, and our County seat has been ranked number nine on the *Forbes* list of The Best Cities for Raising a Family.

As of December 2017, total employment was estimated at 393,300 for Hamilton County. The unemployment rate was 4.4 percent, the same rate as that of the nation as a whole and 0.6 points better than the State of Ohio. The County's unemployment rate increased 0.1 percent from December 2016, while the State of Ohio rate was unchanged and the national rate decreased 0.1 percent. The County's unemployment rate is less than half what it was at its high point during the last decade and has remained at 4.5 percent or lower in the past three years.

Long-Term Financial Planning and Major Initiatives

One of the County's fiscal goals is to maintain a General Fund reserve of 15.0 percent of annual expenditures. The reserve balance at December 31, 2017, was at 13.9%. The Board of County Commissioners strives to achieve a budget that is structurally balanced; that is, ongoing revenues meet or exceed ongoing expenditures in each fund. For 2017, budgeted expenditures for the General Fund exceeded budgeted revenues by \$4.8 million. Budgeted General Fund expenditures for 2017 were \$12.6 million more than the 2016 appropriations. This increase is mostly attributable to the change in accounting for the activity of the Sheriff's Rotary Funds (see additional discussion in the MD&A in the Financial Section of this report).

The General Fund's major revenue sources are sales tax, service fees, and property tax. Service fees include, most significantly, a number of real estate-related transaction fees, payments to the Sheriff for

patrol services provided to some of the political jurisdictions of the County, and fees between County departments. In 2017, sales tax revenues were essentially the same as in 2016. Prior to that, sales tax receipts had grown for six consecutive years; however, effective for the second half of 2017, new federal regulations went into effect no longer allowing the collection of sales tax from the Medicaid Managed Care Organizations. This law change is estimated to impact the County by \$15 million annually. The State has provided some transitional aid, but the County is working on additional remedies to make up for this loss in the long term.

The County's General Fund budget for 2017 addressed a host of key priorities as discerned from the BOCC's policy agenda: providing for basic services; ensuring public safety; spurring economic development; facilitating economic inclusion; and responding to the heroin crisis.

Currently the largest economic development project in Hamilton County and the region is The Banks riverfront development. The Banks is a multi-phase mixed-use project. It includes offices, retail space, a hotel, residential units, restaurant/entertainment venues, and parking. When completed, The Banks development is expected to generate over \$1 billion in annual economic impact.

The County embarked on other capital projects in 2017. The most significant of these was the purchase of land and the beginning of construction for the new Coroner's facility, whose anticipated cost is \$55 million.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Hamilton County for its comprehensive annual financial report (CAFR) for the year ended December 31, 2016. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certification.

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's Office 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. I would also like to thank all of the elected officials, department heads, and their staff for their support and assistance in this endeavor.

Sincerely,

A handwritten signature in black ink that reads "Dusty Rhodes". The signature is stylized and written in a cursive-like font.

Dusty Rhodes
Auditor



Government Finance Officers Association

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

Presented to

**County of Hamilton
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

COUNTY OF HAMILTON, OHIO ELECTED OFFICIALS

As of December 31, 2017

Board of County Commissioners

Todd Portune, President
Denise Driehaus, Vice-President
Chris Monzel

Dusty Rhodes
Aftab Pureval
Lakshmi K. Sammarco, M.D.
Theodore B. Hubbard
Joseph T. Deters
Norbert A. Nadel
James C. Neil
Robert A. Goering

Auditor
Clerk of Courts
Coroner
Engineer
Prosecutor
Recorder
Sheriff
Treasurer

Ohio Court of Appeals First District

Russell J. Mock II, Presiding Judge
Penelope R. Cunningham
Dennis Deters

Charles M. Miller
Beth A. Myers
Marilyn Zayas

Common Pleas Court Judges

General Division

Melba D. Marsh, Presiding Judge
Lisa Allen
Kim Wilson Burke
Ethna M. Cooper
Patrick T. Dinkelacker
J. Patrick Foley III
Leslie Ghiz
Curt C. Hartman

Tom Heekin
Charles J. Kubicki Jr.
Jody M. Luebbers
Steven E. Martin
Jerome J. Metz Jr.
Robert P. Ruehlman
Megan E. Shanahan
Robert C. Winkler

Domestic Relations Division

Jon Sieve, Administrative Judge
Amy L. Searcy

Susan Tolbert

Probate Court Division

Ralph E. Winkler, Presiding Judge

Juvenile Court Division

John M. Williams, Administrative Judge

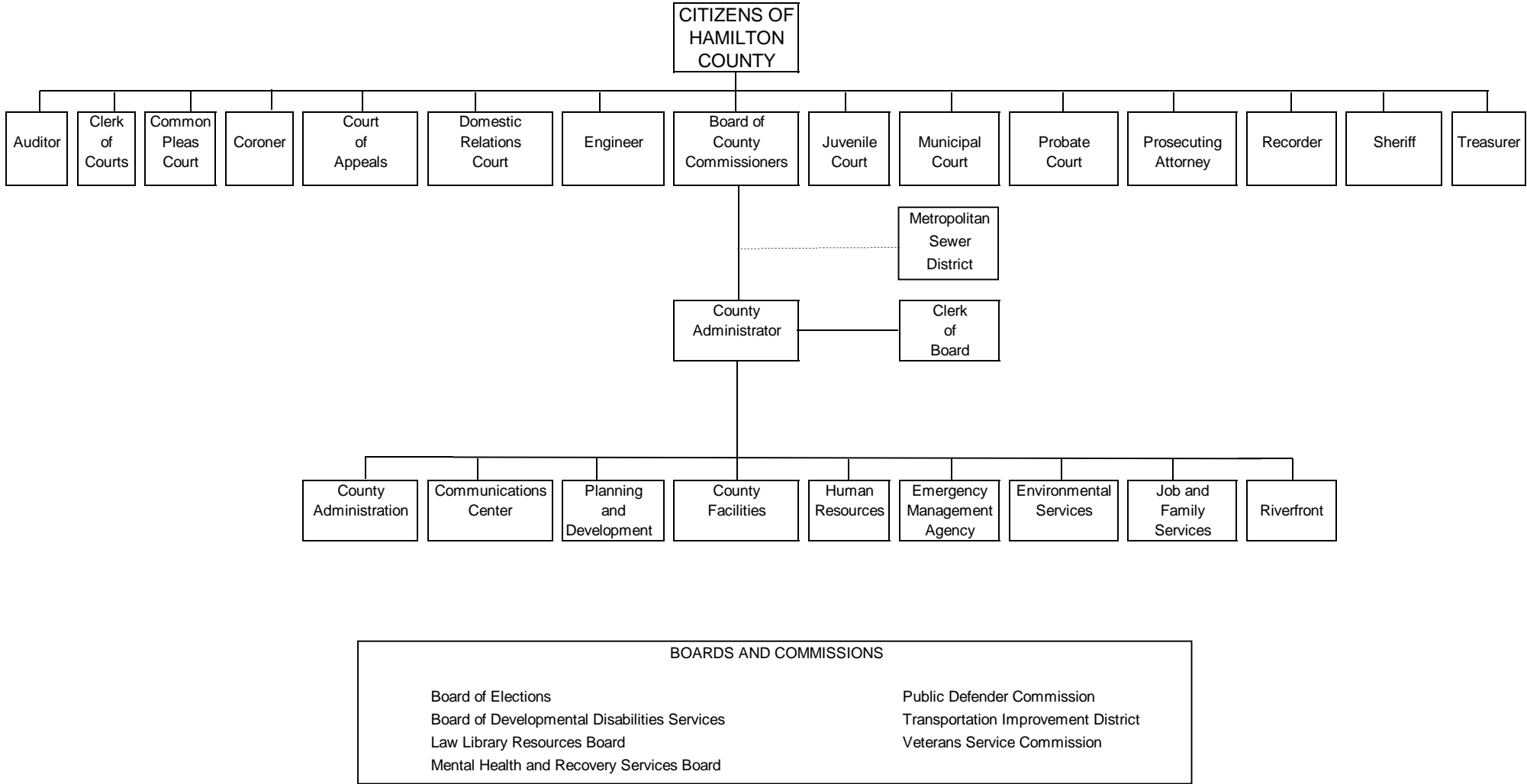
Melissa Powers

Municipal Court Judges

Brad Greenberg, Presiding and Administrative Judge
Gwen Bender
Josh Berkowitz
Richard Bernat
Ted N. Berry
Bernie Bouchard
Jackie Ginocchio

Curt Kissinger
Duane Mallory.
William Mallory
Fanon Rucker
Heather Russell
Tyrone 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 the Hamilton County, Ohio (the County), as of and for the year ended December 31, 2017, 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 such 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General 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.

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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2018, 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.



Dave Yost
Auditor of State

Columbus, Ohio

June 26, 2018

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
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, 2017. 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 2017 are as follows:

- ❑ The net position of the County as of December 31, 2017, was \$1,680.5 million, including \$473.3 million in governmental activities and \$1207.2 million in business-type activities.
- ❑ In total, net position increased \$90.9 million in 2017. Net position of governmental activities decreased \$63.5 million. Net position of business-type activities increased \$154.4 million.
- ❑ The revenues of the governmental activities were \$744.9 million; \$321.1 million was from program revenues, and \$423.8 million was from general revenues. During this same period, expenses related to the governmental activities were \$794.3 million. The largest category of expenses was for social services–related purposes in the amount of \$191.5 million.
- ❑ The 2017 revenues of the business-type activities were \$395.0 million—\$315.9 million from program revenues and \$79.1 million from general revenues. Expenses related to the business-type activities were \$254.7 million. The largest expenses were in the operations of Metropolitan Sewer District in the amount of \$162.1 million.
- ❑ General revenues accounted for \$502.9 million of total revenues for 2017. Program-specific revenues—charges for services, grants and contributions—accounted for \$637.0 million of total revenues of \$1,139.9 million in 2017.
- ❑ As of December 31, 2017, the County's governmental funds reported a combined fund balance of \$520.2 million, an increase of \$69.4 million compared to 2016. Just under 10 percent of this combined fund balance (\$49.3 million) is available for spending at the government's discretion (unassigned fund balance).
- ❑ The fund balance of the County's General Fund decreased \$7.7 million in 2017.
- ❑ The General Fund's unassigned fund balance was \$53.0 million at December 31, 2017, a 10 percent change from the \$59.1 million at December 31, 2016. This portion of fund balance represents 23 percent of General Fund expenditures and other financing uses.
- ❑ Long-term bonds and loans outstanding had a net increase of \$31.9 million.

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 OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

County as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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.
- **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.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

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 and community 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 2017, 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 other governmental funds.

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

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

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

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 and the Health and Human Services Levies fund, 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 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.

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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 stadiums; 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 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.

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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, and internal service funds. There is also certain required supplementary information related to the net pension liability and retirement systems.

This supplementary information 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 2017, 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 (\$267.1) 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 \$1,680.5 million in 2017. This represents \$473.3 million in governmental activities and \$1,207.2 million in business-type activities.

Table 1 below shows an \$85.4 million increase in current and other assets (8 percent increase compared to total 2016 assets). This is due to unspent bond proceeds that were issued in 2017 for capital improvements. The \$90.5 million increase in the liabilities due in more than one year (20 percent increase compared to total 2016 liabilities) is also a result of issuing debt in 2017. (See additional discussion in the Long-Term Obligations section later in Management's Discussion and Analysis.)

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Table 1 summarizes the County's net position at December 31, 2017, compared to net position at December 31, 2016.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
ASSETS						
Current and Other Assets	\$ 910.9	\$ 825.5	\$ 654.4	\$ 631.6	\$1,565.3	\$1,457.1
Capital Assets, Net	307.1	306.3	2,160.1	2,145.2	2,467.2	2,451.5
TOTAL ASSETS	1,218.0	1,131.8	2,814.5	2,776.8	4,032.5	3,908.6
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charge on Refunding	-	-	28.2	29.8	28.2	29.8
Pension	142.2	106.7	7.6	18.5	149.8	125.2
TOTAL DEFERRED OUTFLOWS OF RESOURCES	142.2	106.7	35.8	48.3	178.0	155.0
LIABILITIES						
Current and Other Liabilities	93.2	81.0	42.0	52.6	135.2	133.6
Long-Term Liabilities						
Due Within One Year	10.3	12.5	83.1	98.6	93.4	111.1
Due in More Than One Year	173.8	83.3	1,400.4	1,436.0	1,574.2	1,519.3
Net Pension Liability	366.7	277.7	99.3	102.7	466.0	380.4
Other Post-Employment Benefits	-	-	10.4	9.4	10.4	9.4
TOTAL LIABILITIES	644.0	454.5	1,635.2	1,699.3	2,279.2	2,153.8
DEFERRED INFLOWS OF RESOURCES						
Property Taxes Not Levied to Finance Current Year Operations	238.1	237.0	-	-	238.1	237.0
Deferred Charge on Refunding	0.1	0.2	3.5	3.8	3.6	4.0
Pension	4.7	10.0	4.4	69.2	9.1	79.2
TOTAL DEFERRED INFLOWS OF RESOURCES	242.9	247.2	7.9	73.0	250.8	320.2
NET POSITION						
Net Investment in Capital Assets	264.2	268.5	786.8	709.3	1,051.0	977.8
Restricted for:						
Debt Service	3.7	5.1	7.0	8.3	10.7	13.4
Capital Projects	77.2	5.0	-	-	77.2	5.0
Special Revenue Funds	395.3	399.1	-	-	395.3	399.1
Unrestricted	(267.1)	(140.9)	413.4	335.2	146.3	194.3
TOTAL NET POSITION	\$ 473.3	\$ 536.8	\$1,207.2	\$1,052.8	\$1,680.5	\$1,589.6

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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 revised 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. While accounting for pension costs, GASB 27, *Accounting for Pensions by State and Local Governmental Employers*, 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 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.

By far, the largest portion of the County's net position, \$1,051.0 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 \$476.2 million of governmental activities and \$7.0 million of business-type activities in 2017.

Changes in Net Position

Hamilton County's total revenues were \$1,139.9 million. Various taxes make up 42 percent of the County's revenue. Another 37 percent of the County's revenue comes from fees charged for services, and 19 percent is state and federal aid. Overall revenues in governmental activities were up \$9.0 million in 2017 versus the prior year, and expenditures increased by \$81.3 million. Net transfers were (\$14.1).

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for 2017 and 2016.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
REVENUES						
Program Revenues:						
Charges for Services	\$112.8	\$100.2	\$311.0	\$309.2	\$423.8	\$409.4
Operating Grants and Contributions	202.9	206.4	-	-	202.9	206.4
Capital Grants and Contributions	5.4	5.7	4.9	8.6	10.3	14.3
General Revenues:						
Property Taxes	240.9	235.0	-	-	240.9	235.0
Sales and Use Taxes	137.9	141.0	64.4	68.8	202.3	209.8
Other Taxes	35.4	35.1	-	-	35.4	35.1
Grants and Entitlements	2.6	5.1	-	-	2.6	5.1
Unrestricted Investment Earnings	6.6	7.0	8.7	9.3	15.3	16.3
Gain on Sale of Capital Assets	-	-	-	0.5	-	0.5
Other	0.4	0.4	6.0	6.3	6.4	6.7
TOTAL REVENUES	744.9	735.9	395.0	402.7	1,139.9	1,138.6

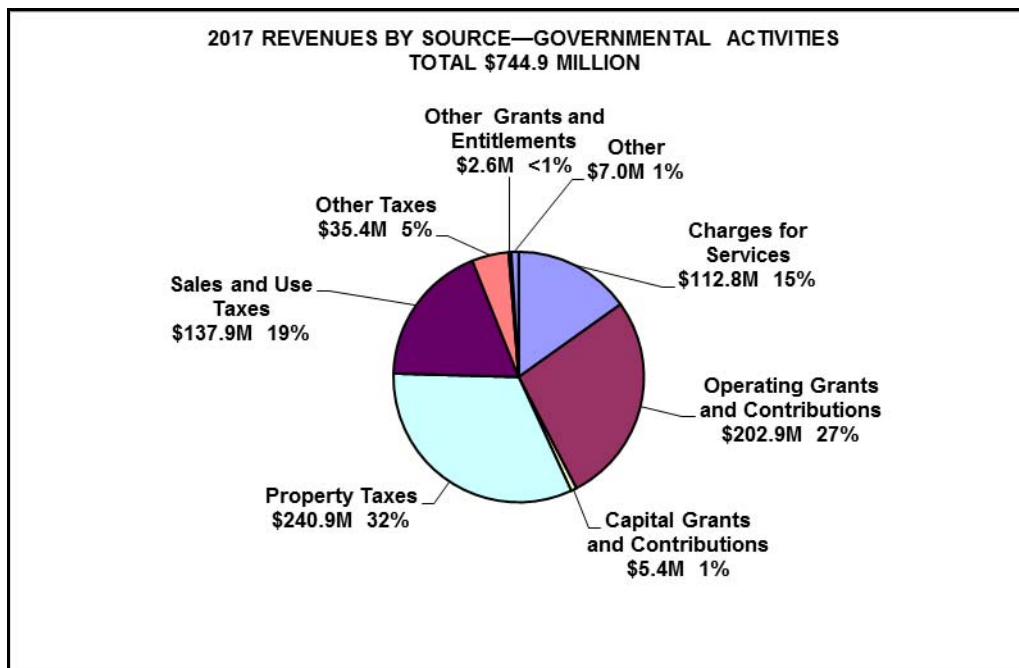
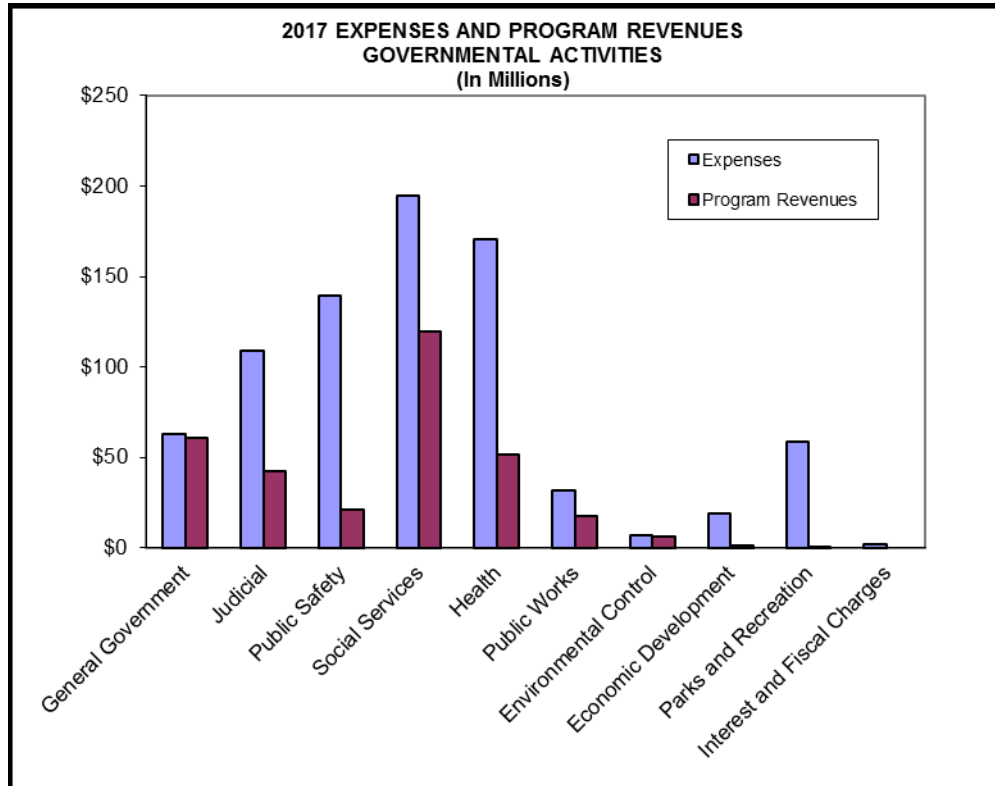
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	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
EXPENSES						
Program Expenses:						
General Government	\$ 66.0	\$ 66.0	\$ -	\$ -	\$ 66.0	\$ 66.0
Judicial	108.6	100.6	-	-	108.6	100.6
Public Safety	139.4	112.2	-	-	139.4	112.2
Social Services	191.5	165.2	-	-	191.5	165.2
Health	170.5	169.8	-	-	170.5	169.8
Public Works	31.7	31.7	-	-	31.7	31.7
Environmental Control	6.8	6.2	-	-	6.8	6.2
Economic and Community						
Development	19.3	24.0	-	-	19.3	24.0
Recreational Activities	58.4	35.1	-	-	58.4	35.1
Interest and Fiscal Charges	2.1	2.2	-	-	2.1	2.2
Metropolitan Sewer District	-	-	162.1	109.2	162.1	109.2
Paul Brown Stadium	-	-	38.6	41.7	38.6	41.7
Baseball Stadium	-	-	26.0	26.5	26.0	26.5
Riverfront Development	-	-	16.3	17.0	16.3	17.0
Main Street Parking Garage	-	-	0.7	0.8	0.7	0.8
Rotary Funds	-	-	0.2	12.1	0.2	12.1
Communications Center	-	-	10.8	7.5	10.8	7.5
Total Program Expenses	794.3	713.0	254.7	214.8	1,049.0	927.8
Indirect Expenses Allocation	3.4	3.1	-	-	3.4	3.1
Indirect Expenses Reimbursement	(3.4)	(3.1)	-	-	(3.4)	(3.1)
TOTAL EXPENSES	794.3	713.0	254.7	214.8	1,049.0	927.8
Increase (Decrease) in Net Position Before Transfers	(49.4)	22.9	140.3	187.9	90.9	210.8
Transfers	(14.1)	(4.0)	14.1	4.0	-	-
INCREASE (DECREASE) IN NET POSITION	(63.5)	18.9	154.4	191.9	90.9	210.8
NET POSITION—BEGINNING OF YEAR	536.8	517.9	1,052.8	860.9	1,589.6	1,378.8
NET POSITION—END OF YEAR	\$473.3	\$536.8	\$1,207.2	\$1,052.8	\$1,680.5	\$1,589.6

Governmental Activities. Governmental activities decreased Hamilton County's net position by \$63.5 million (5 percent decrease compared to 2016's total net position). Of the \$81.3 million in increased expenses over prior year, the biggest changes were in public safety, social services and recreational activities spending. The significant changes mirror those discussed later in the Governmental Funds section. In addition, the net pension liability and the deferred outflows/inflows related to pension have a material effect on net position, as noted in the earlier discussion of net position. Compared to 2016, the decrease in net position due to pension amounts was \$48.2 million.

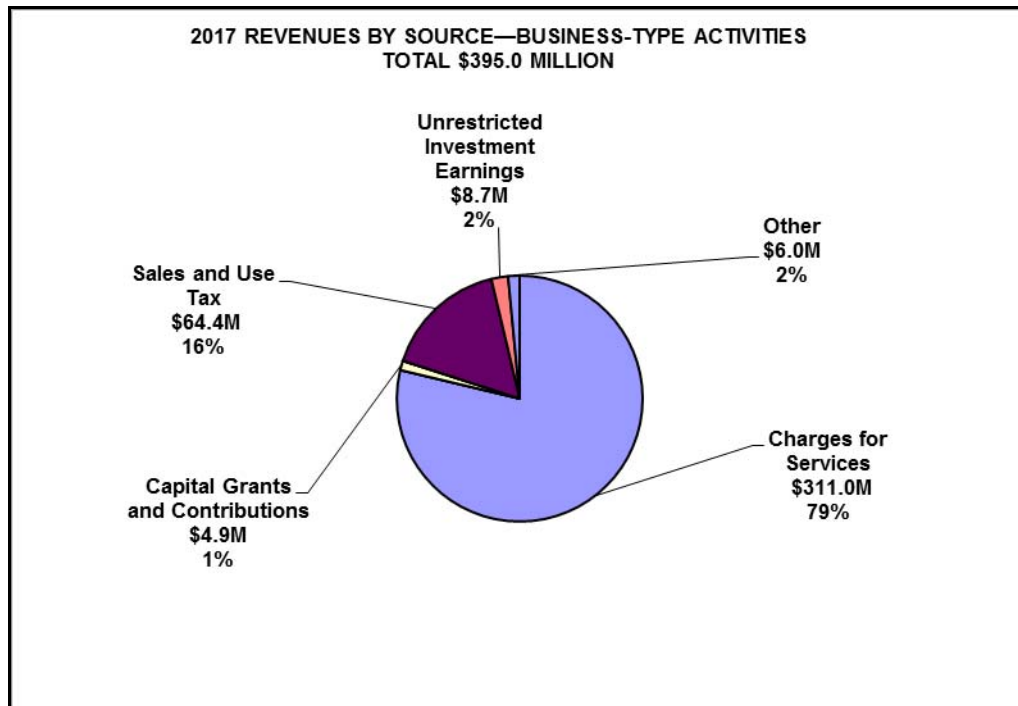
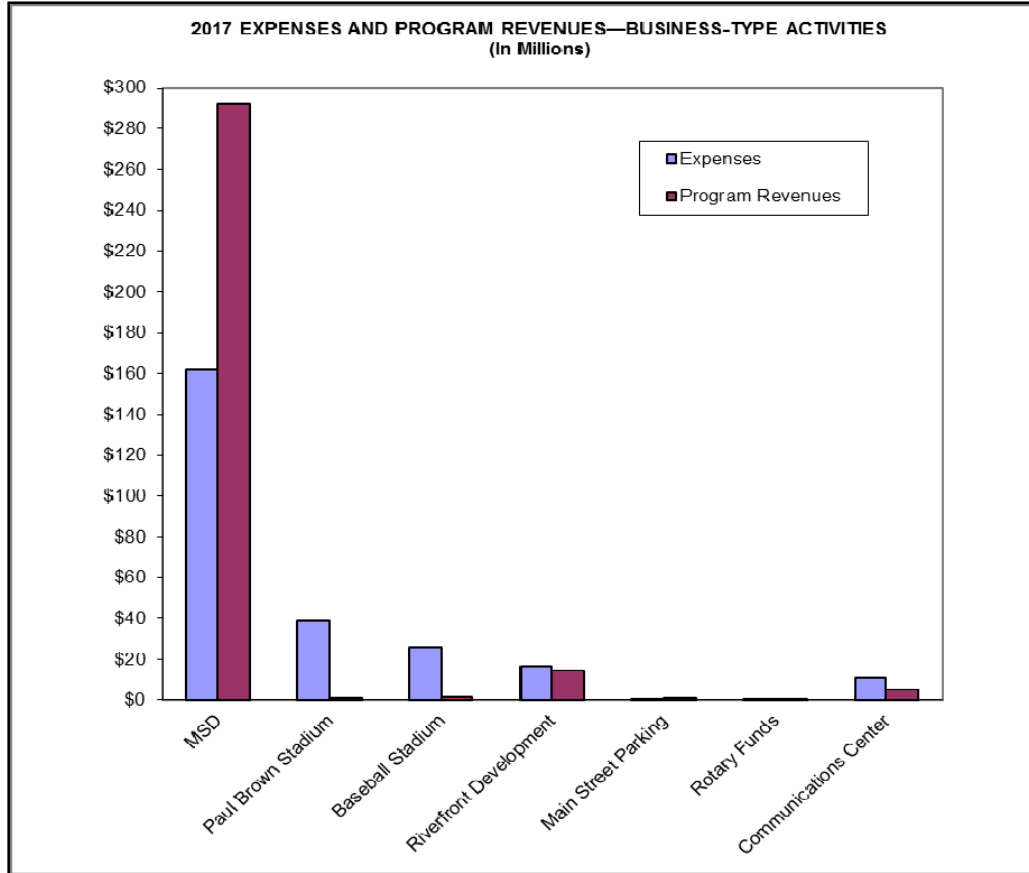
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Total program expenses of the County's governmental activities were \$794.3 million in 2017. The social services category accounts for \$191.5 million (24 percent) of the total expenses for governmental activities. Health expenses was the next largest program within the County at \$170.5 million (21 percent) 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 \$154.4 million, or 10 percent, in 2017.



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The County's direct charges to users of County business-type services, charges for services, were \$311.0 million or 79 percent of business-type activities' revenues in 2017. A significant portion of these charges, \$287.6 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 2017 was sales and use tax revenues of \$64.4 million.

Overall expenses of the County's business-type activities were \$254.7 million. Metropolitan Sewer District accounted for \$162.1 million (64 percent) of the total expenses for business-type activities in 2017. Paul Brown Stadium accounted for the next largest amount of business-type expenses at \$38.6 million (15 percent) of the 2017 total.

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 \$520.2 million. Almost 10 percent of this amount (\$49.3 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 (\$0.3 million); (2) legally required to be maintained intact (\$5.2 million); (3) restricted for particular purposes (\$363.3 million); (4) committed for particular purposes (\$90.0 million), or (5) assigned for particular purposes (\$12.1 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 2017, unassigned fund balance of the General Fund was \$53.0 million, while total fund balance was \$70.6 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 2017, unassigned fund balance represents approximately 23 percent of the total General Fund expenditures and net other financing uses, while total fund balance represents 31 percent of that same amount.

The fund balance of the County's General Fund decreased \$7.7 million during 2017. Expenditures that increased the most from 2016 were in the public safety function, which increased by \$15.1 million. The Sheriff's personnel costs account for \$12.0 million of this increase, which was a result of shifting the Rotary Fund enterprise fund's activities into

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the General Fund early in 2017. Revenues were fairly consistent overall with the prior year, except in Charges for Services, which increased by \$10.4 million. Most of this increase was also related to the Rotary Fund activities now being in the General Fund.

Health and Human Services Levies Fund. The Health and Human Services Levies fund, a major special revenue fund, is budgeted annually. It 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 decreased by \$13.5 million in 2017. Revenues were nearly equal those of 2016, but expenditures in the social services and recreational activities functions increased by \$16.8 and \$23.3 million, respectively. Two significant components of the change in social services expenditures are (1) additional accruals in 2017 of \$4.5 million and (2) \$5.0 million less in reimbursements for services between Job and Family Services funds. The increase in recreational activities was because of the increased payments to reimburse project costs of the Union Terminal renovation that are financed by the voted sales tax collected for this purpose.

Other Governmental Funds. The Public Assistance fund, a major special revenue fund in prior years, is not a major fund for 2017 and is included with Other Governmental Funds. The fund balances of Other Governmental Funds had a net increase of \$90.5 million during 2017. An increase of \$99.4 million was due to debt issuances and premiums.

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 MSD exceeded liabilities and deferred inflows by \$1,091.2 million in 2017. Of that net position, 64 percent reflects MSD's investment in capital assets, less any related debt used to acquire those assets that is still outstanding.

Net position increased \$142.9 million in 2017. The major factors in that increase were the \$55.2 million net decrease in the pension expense and the \$12.8 million increase in income—a combination of income before contributions and contributions in the form of connection fees, assessments and developer contributions.

*Source: Metropolitan Sewer District of Greater Cincinnati 2017 Audited Financial Statements

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 \$65.0 million in 2017, an increase of \$14.0 million, which included \$8.9 million transferred in related to the issuance of debt.

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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 \$12.6 million, a decrease of \$4.8 million compared to 2016.

Both stadia continue to have significant depreciation expense with minimal operating revenue offset.

Other Enterprise Funds. The \$168.5 million fund net position of Other Enterprise Funds reflects only a \$2.4 million change from 2016; however, there are significant reductions in both revenues and expenses compared to the prior year because of the removal of the activity of the Rotary Funds, which are now being reported with the County's General Fund. For more information about Other Enterprise Funds, refer to the Combining Statement of Revenues, Expenses and Changes in Fund Net Position found 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. For 2017, an approved temporary budget was in place until the final budget was approved in March. 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 2017 are included in the revised budget amounts presented in the budget-to-actual comparisons.

The final revised General Fund appropriations for 2017 were \$234.5 million. The County spent 99 percent of the amount appropriated in the General Fund during 2017. Expenditures in the areas of public safety and the court system combine for 78 percent of General Fund expenditures. The cost of employee wages and benefits continues to be the largest expenditure category, accounting for approximately 74 percent of expenditures.

The final revised estimated resources for the General Fund for 2017 were \$229.7 million. Actual General Fund revenues received were \$228.5 million, a variance of less than 1% from final budgeted General Fund revenues. Of note is that even with the elimination of the sales tax on Medicaid Managed Care Organizations, effective in 2017, sales tax collections in the General Fund were even with those of 2016, though 2017 collections fell short of their estimate by \$2.6 million.

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

Significant changes in final versus original budget occurred in the following General Fund departments:

- Public Defender, \$1.3 million, to cover increased caseloads, rates, and billable hours
- Sheriff, \$2.6 million, to cover salaries, overtime and compensatory time

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Hamilton County has invested \$2,467.2 million (net of accumulated depreciation) as of 2017 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 \$307.0 million. Net capital assets related to business-type activities amount to \$2,160.2 million and include \$1,576.5 million net capital assets of MSD.

Table 3 summarizes capital assets, net of accumulated depreciation, for 2017.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
Land and Improvements	\$ 96.2	\$ 93.8	\$ 97.5	\$ 97.5	\$ 193.7	\$ 191.3
Buildings, Structures and Improvements	65.2	69.8	642.2	685.9	707.4	755.7
Infrastructure	103.8	103.6	-	-	103.8	103.6
Sewer Laterals	-	-	708.0	727.3	708.0	727.3
Furniture, Fixtures and Equipment	18.7	18.4	290.6	259.1	309.3	277.5
Construction in Progress	23.1	20.7	421.9	375.4	445.0	396.1
TOTAL CAPITAL ASSETS, NET	\$307.0	\$306.3	\$2,160.2	\$2,145.2	\$2,467.2	\$2,451.5

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

- The net decrease in Buildings, Structures and Improvements in business-type activities was due to depreciation of \$43.7 million with no additions for completed improvements.
- Construction in Progress increased by \$46.5 million in business-type activities. MSD accounted for \$42.4 million, due in large part to completed sewer replacements and improvements.*
- MSD disposed of \$10.5 million in sewer laterals.*
- Completed road improvements totaled \$12.9 million.

*Source: Metropolitan Sewer District of Greater Cincinnati 2017 Audited Financial Statements

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

Five-Year Capital Plan. The Hamilton County five-year capital improvement plan was submitted and accepted for the years 2018 through 2022. The plan includes \$67.2 million in approved and \$63.0 million in recommended General Fund capital improvement projects. The 15 recommended projects would be funded by the General Fund, some special revenue funds, grants and the election capital reserve.

Approved projects for Riverfront and Parking Revenue Capital Financing total \$53.1 million.

Additional information regarding the County's capital assets can be found later in this report in the Capital Assets section of 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 \$2,014.8 million (\$533.2 million related to governmental activities and \$1,481.6 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 2017, the County had a number of debt issues outstanding. These issues, excluding any unamortized discounts and premiums, included \$148.6 million of general obligation bonds, \$2.5 million of general obligation special assessment bonds, \$893.8 million of sewer revenue bonds and other obligations of MSD, \$411.9 million of stadium sales tax bonds, and \$8.6 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 percent sales tax approved by County voters in 1996.

Table 4 summarizes the outstanding long-term bonds and loans for 2017 and 2016.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
General Obligation Bonds—Unvoted	\$ 113.7	\$ 40.8	\$ 34.9	\$ 36.2	\$ 148.6	\$ 77.0
General Obligation Special Assessment Bonds	2.5	2.7	-	-	2.5	2.7
Metropolitan Sewer District Obligations	-	-	893.8	894.1	893.8	894.1
Adjustable Rate Revenue Bonds	-	-	-	14.4	-	14.4
Sales Tax Bonds	-	-	411.9	434.0	411.9	434.0
Loans	2.1	2.3	6.5	9.0	8.6	11.3
TOTAL LONG-TERM DEBT	\$118.3	\$ 45.8	\$1,347.1	\$1,387.7	\$1,465.4	\$1,433.5

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
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2017 Debt Issuances/Refundings. During 2017, the County issued \$88.8 million of Various Purpose Limited Tax General Obligation Improvement and Refunding Bonds (2017A) and \$8.6 million of Urban Redevelopment Limited Tax General Obligation Refunding Bonds (2017B). A portion of the 2017A bonds are in business-type activities (\$15.4 million). The remaining 2017A bonds plus the 2017B bonds (\$82.0 million) are in governmental activities. The 2017A bonds were used to (1) partially advance refund the 2009 Emergency Alert System Bonds, 2012 Energy Conservation Phase 1A Bonds, 2014 Riverfront Infrastructure Improvement Bonds and 2015 Various Purpose Improvement and Refunding Bonds (2) construct or improve County buildings, finance energy conservation measures at the stadia, and finance a fire alarm replacement system and technology improvements, and (3) pay certain costs of issuance.

The 2017B bonds were used to partially refund the 2009 Urban Redevelopment Bonds and to pay certain issuance costs. This was a crossover refunding, and the liability remains on the Statement of Net Position until the crossover date in 2018.

In 2017, the County refunded \$14.4 in Adjustable Rate Parking System Bonds, Series 2001.

Manuscript Bonds. Manuscript bonds of \$0.7 million were issued to reimburse MSD for costs of acquiring and constructing sewer system improvements. 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 2017 as follows:

County Bonds Issued	Bond Rating			Insurer
	Moody's	Standard & Poor's (S&P)	Fitch	
General Obligation	Aa2			
MSD Revenue (Series 2007-2015)*	Aa2	AA+		
Sales Tax—Riverfront (2000B)	A1		A+	AMBAC
Sales Tax—Riverfront (2011)	A1		A+	
Sales Tax—Riverfront (2016)	A1	AA-	A+	

Sources: Hamilton County Office of Budget and Strategic Initiatives and Metropolitan Sewer District of Greater Cincinnati 2017 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

Insurer

AMBAC—American Municipal Bond Assurance Corporation

* Underlying rating is A1 by Moody's Investors Service and A+ by Fitch.

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 percent of the first \$100 million or part of the tax list, plus 1½ percent of the tax list in excess of \$100 million and not in excess of \$300 million, plus 2½ percent 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 percent of the tax list of the County. Contained in the Uniform Bond Law of the State of Ohio are exceptions

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
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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 percent, 1½ percent and 2½ percent limitation described above is \$482.1 million. The total County net debt subject to this limitation is \$155.2 million, leaving a borrowing capacity of \$326.9 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 percent limitation is \$193.4 million. The total County debt subject to such limitation is \$155.2 million, leaving a borrowing capacity of \$38.2 million within the 1 percent limitation for unvoted non-exempt debt.

Other Long-Term Obligations. The County's long-term obligations for 2017 also include compensated absences of \$43.3 million related to governmental activities and \$11.3 million related to business-type activities; forgivable loan contracts of \$3.5 million; various long-term leases for office space or equipment amounting to \$24.0 million; workers' compensation of \$1.4 million; net pension liability of \$366.7 million related to governmental activities and \$99.3 million related to MSD; and MSD's other post-employment benefits obligation of \$10.4 million.

Interest and fiscal charges for governmental activities were \$2.1 million, less than 1 percent of the total expenses in 2017.

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*

Here are some highlights of the region's economic picture:

- The region's economy of \$132 billion
 - leads the Midwest in growth,
 - is the largest metropolitan economy in Ohio,
 - is the 28th largest metropolitan economy in the U.S.,
 - has strength in multiple sectors—with manufacturing, financial and professional services growing the fastest.
- #1 least costly location to do business in the U.S. (*KPMG*)
- Average unemployment rate of 4.4%, consistent with U.S., better than Ohio average
- Nine Fortune 500 companies
- #9 ranking of Best Cities for Raising a Family (*Forbes*)

**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

For 2018 the Board of County Commissioners (BOCC) approved a total budget of \$957.7 million. General Fund appropriations and estimated revenues are \$241.0. The total 2018 budget for the County's restricted funds is \$716.7 million.

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.

Effective January 2018, the customer billing period for MSD services for wastewater treatment fees is monthly rather than quarterly.

The County and the City of Cincinnati have entered into an agreement via commitment letter that will replace the 1968 Operating Agreement and shall transfer all the operations of MSD from the City to the Board of County Commissioners.

*Sources: Hamilton County Office of Budget and Strategic Initiatives; Board of County Commissioners' meeting minutes and Annual Information Statement; Metropolitan Sewer District of Greater Cincinnati 2017 Audited Financial Statements; choosecincy.com

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, 2017
(Amounts in Thousands)

	Primary Government			Component Unit Convention Facility Authority
	Governmental Activities	Business-Type Activities	Totals	
ASSETS				
Equity in Pooled Cash and Investments	\$ 513,603	\$ 62,017	\$ 575,620	\$ 9,456
Cash and Cash Equivalents—Segregated Accounts	1,453	10,566	12,019	-
Accounts Receivable	4,154	58,063	62,217	-
Lease Rent Receivable	-	262	262	-
Sales Tax Receivable	22,825	8,592	31,417	-
Interest Receivable	1,880	12	1,892	-
Intergovernmental Receivable	63,520	-	63,520	-
Real and Other Taxes Receivable	266,721	-	266,721	3,505
Internal Balances	20,805	(20,805)	-	-
Prepaid Expenses	-	7,727	7,727	-
Inventories	153	-	153	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	102,575	102,575	-
Amount to Be Transferred to Surplus Account	-	50,697	50,697	-
Held by Trustees:				
Cash and Cash Equivalents	10,352	97,202	107,554	-
Investments—Held to Maturity	-	277,316	277,316	-
Special Assessments Receivable	5,361	-	5,361	-
Nondepreciable Capital Assets	119,017	519,472	638,489	-
Depreciable Capital Assets, Net	188,064	1,640,691	1,828,755	-
Other Long-Term Assets	-	156	156	-
TOTAL ASSETS	1,217,908	2,814,543	4,032,451	12,961
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	-	28,197	28,197	-
Pension	142,212	7,654	149,866	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	142,212	35,851	178,063	-
LIABILITIES				
Accounts Payable	33,069	12,176	45,245	-
Accrued Wages and Benefits Payable	9,785	2,211	11,996	-
Matured Compensated Absences Payable	155	-	155	-
Intergovernmental Payable	4,067	82	4,149	-
Accrued Interest Payable	486	4,659	5,145	249
Construction Accounts Payable	-	7,698	7,698	-
Retainage Payable	652	162	814	-
Due to Other Governments	-	-	-	7,297
Due to Component Unit	1,993	-	1,993	-
Unearned Revenue	33,380	15,015	48,395	-
Escheat	5,235	-	5,235	-
Estimated Future Claims	4,336	-	4,336	-
Long-Term Liabilities:				
Due Within One Year	10,296	83,121	93,417	2,865
Due in More Than One Year	173,788	1,400,371	1,574,159	65,953
Net Pension Liability	366,722	99,307	466,029	-
Net Other Post-Employment Benefit Obligations	-	10,413	10,413	-
TOTAL LIABILITIES	643,964	1,635,215	2,279,179	76,364
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Not Levied to Finance Current-Year Operations	238,119	-	238,119	-
Deferred Charge on Refunding	96	3,532	3,628	1,218
Pension	4,670	4,396	9,066	-
TOTAL DEFERRED INFLOWS OF RESOURCES	242,885	7,928	250,813	1,218
NET POSITION				
Net Investment in Capital Assets	264,167	786,866	1,051,033	-
Restricted for:				
Debt Service	3,658	6,973	10,631	-
Capital Projects	77,207	-	77,207	-
Public Assistance	38,206	-	38,206	-
Health and Human Services Levies	244,051	-	244,051	-
Motor Vehicle Gas Tax	46,808	-	46,808	-
Health and Community Services Nongrants	62,225	-	62,225	-
Capital Outlay	-	-	-	1,637
Other Purposes	4,046	-	4,046	-
Unrestricted	(267,097)	413,412	146,315	(66,258)
TOTAL NET POSITION	\$ 473,271	\$ 1,207,251	\$ 1,680,522	\$ (64,621)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017
(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	\$ 66,040	\$ (3,371)	\$ 44,917	\$ 15,949	\$ -	\$ (1,803)	\$ -	\$ (1,803)	\$ -
Judicial	108,570	83	25,871	16,422	-	(66,360)	-	(66,360)	-
Public Safety	139,361	82	19,173	1,655	74	(118,541)	-	(118,541)	-
Social Services	191,541	2,934	5,323	114,310	-	(74,842)	-	(74,842)	-
Health	170,544	58	3,675	47,789	-	(119,138)	-	(119,138)	-
Public Works	31,627	-	9,288	3,187	5,337	(13,815)	-	(13,815)	-
Environmental Control	6,849	203	3,524	2,544	-	(984)	-	(984)	-
Economic and Community Development	19,299	-	990	391	-	(17,918)	-	(17,918)	-
Recreational Activities	58,446	11	-	633	-	(57,824)	-	(57,824)	-
Debt Service:									
Interest and Fiscal Charges	2,066	-	-	-	-	(2,066)	-	(2,066)	-
Total Governmental Activities	<u>794,343</u>	<u>-</u>	<u>112,761</u>	<u>202,880</u>	<u>5,411</u>	<u>(473,291)</u>	<u>-</u>	<u>(473,291)</u>	
Business-Type Activities									
Metropolitan Sewer District	162,072	-	287,594	-	4,731	-	130,253	130,253	
Paul Brown Stadium	38,642	-	1,238	-	-	-	(37,404)	(37,404)	
Baseball Stadium	25,966	-	1,270	-	-	-	(24,696)	(24,696)	
Riverfront Development	16,330	-	14,300	-	-	-	(2,030)	(2,030)	
Main Street Parking Garage	745	-	1,187	-	-	-	442	442	
Rotary Funds	157	-	734	-	-	-	577	577	
Communications Center	10,770	-	4,711	-	189	-	(5,870)	(5,870)	
Total Business-Type Activities	<u>254,682</u>	<u>-</u>	<u>311,034</u>	<u>-</u>	<u>4,920</u>	<u>-</u>	<u>61,272</u>	<u>61,272</u>	
Total Primary Government	<u>\$ 1,049,025</u>	<u>\$ -</u>	<u>\$ 423,795</u>	<u>\$ 202,880</u>	<u>\$ 10,331</u>	<u>(473,291)</u>	<u>61,272</u>	<u>(412,019)</u>	
Component Unit:									
Convention Facility Authority	<u>\$ 12,717</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530</u>				<u>(12,187)</u>
General Revenues									
Property Taxes						240,921	-	240,921	-
Sales and Use Taxes						137,837	64,444	202,281	-
Hotel Occupancy Taxes						-	-	-	13,359
Other Taxes						35,406	-	35,406	-
Grants and Entitlements not Restricted to Specific Programs						2,623	-	2,623	-
Gifts and Donations						169	-	169	-
Unrestricted Investment Earnings						6,621	8,686	15,307	-
Gain on Sale of Capital Assets						19	-	19	-
Other						258	5,991	6,249	-
Transfers						(14,074)	14,074	-	-
Total General Revenues and Transfers						<u>409,780</u>	<u>93,195</u>	<u>502,975</u>	<u>13,359</u>
Change in Net Position						<u>(63,511)</u>	<u>154,467</u>	<u>90,956</u>	<u>1,172</u>
Net Position—Beginning						<u>536,782</u>	<u>1,052,784</u>	<u>1,589,566</u>	<u>(65,793)</u>
Net Position—Ending						<u>\$ 473,271</u>	<u>\$ 1,207,251</u>	<u>\$ 1,680,522</u>	<u>\$ (64,621)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017
(Amounts in Thousands)

	General	Health and Human Services Levies	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Equity in Pooled Cash and Investments	\$ 60,252	\$ 206,361	\$ 230,093	\$ 496,706
Cash and Cash Equivalents—Segregated Accounts	-	1,021	432	1,453
Restricted Cash and Cash Equivalents Held by Trustee	-	-	10,352	10,352
Accounts Receivable	2,453	80	1,600	4,133
Sales Tax Receivable	12,807	6,360	3,658	22,825
Interest Receivable	1,880	-	-	1,880
Intergovernmental Receivable	7,752	29,652	26,116	63,520
Real and Other Taxes Receivable	45,555	210,595	10,571	266,721
Due from Other Funds	3,792	-	4,133	7,925
Inventories	-	-	153	153
Due from Advances to Other Funds	113	-	-	113
Interfund Receivable	-	20,805	-	20,805
Special Assessments Receivable	-	-	5,361	5,361
TOTAL ASSETS	<u>\$ 134,604</u>	<u>\$ 474,874</u>	<u>\$ 292,469</u>	<u>\$ 901,947</u>
LIABILITIES				
Accounts Payable	\$ 3,354	\$ 19,584	\$ 9,887	\$ 32,825
Accrued Wages and Benefits Payable	5,689	1,198	2,838	9,725
Matured Compensated Absences Payable	102	-	53	155
Intergovernmental Payable	1,025	1,235	1,799	4,059
Retainage Payable	16	146	490	652
Due to Component Unit	-	-	1,993	1,993
Due to Other Funds	14	5,728	2,183	7,925
Advances from Other Funds	-	-	113	113
Unearned Revenue	5,076	2,376	25,928	33,380
Escheat	5,235	-	-	5,235
TOTAL LIABILITIES	<u>20,511</u>	<u>30,267</u>	<u>45,284</u>	<u>96,062</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Not Levied to Finance Current-Year Operations	37,563	200,556	-	238,119
Unavailable Revenue	5,867	32,955	8,770	47,592
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>43,430</u>	<u>233,511</u>	<u>8,770</u>	<u>285,711</u>
FUND BALANCES (DEFICITS)				
Nonspendable	5,348	-	153	5,501
Restricted	-	210,879	152,415	363,294
Committed	218	217	89,586	90,021
Assigned	12,127	-	-	12,127
Unassigned (Deficit)	52,970	-	(3,739)	49,231
TOTAL FUND BALANCES (DEFICITS)	<u>70,663</u>	<u>211,096</u>	<u>238,415</u>	<u>520,174</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	<u>\$ 134,604</u>	<u>\$ 474,874</u>	<u>\$ 292,469</u>	<u>\$ 901,947</u>

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, 2017
(Amounts in Thousands)

Total Governmental Funds Balances	\$	520,174
<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	\$ 1,300,402	
Accumulated Depreciation	<u>(993,585)</u>	
Total		306,817
<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	11,925	
Grants and Other Intergovernmental Revenue	30,176	
Nongrants	130	
Special Assessments	<u>5,361</u>	
Total		47,592
<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>		
		11,051
<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	(113,727)	
Deferred Amount on Refunding	(96)	
Unamortized Premium	(17,581)	
Special Assessment Bonds	(2,429)	
Loan Contracts	(3,538)	
State Loan	(2,118)	
Compensated Absences	(43,208)	
Deferred Outflows--Pension	142,212	
Deferred Inflows--Pension	(4,670)	
Net Pension Liability	(366,722)	
Accrued Interest Payable	<u>(486)</u>	
Total		<u>(412,363)</u>
Net Position of Governmental Activities	\$	<u><u>473,271</u></u>

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, 2017
(Amounts in Thousands)

	General	Health and Human Services Levies	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes and Special Assessments	\$ 36,961	\$ 200,093	\$ 2,838	\$ 239,892
Sales and Use Tax	79,810	39,722	18,305	137,837
State Shared Taxes	12,406	-	23,000	35,406
Charges for Services	46,520	773	29,043	76,336
Licenses and Permits	2,690	-	5,122	7,812
Fines and Forfeitures	6,985	-	4,152	11,137
Intergovernmental	19,494	85,523	104,406	209,423
Investment Earnings	7,537	(655)	(404)	6,478
Other	8,485	505	7,853	16,843
TOTAL REVENUES	<u>220,888</u>	<u>325,961</u>	<u>194,315</u>	<u>741,164</u>
EXPENDITURES				
Current:				
General Government	33,448	-	18,640	52,088
Judicial	74,801	5,653	18,667	99,121
Public Safety	98,579	16,599	5,692	120,870
Social Services	1,125	108,335	70,022	179,482
Health	-	148,052	20,721	168,773
Public Works	3,666	-	32,310	35,976
Environmental Control	-	-	6,021	6,021
Economic and Community Development	1,977	-	17,316	19,293
Recreational Activities	-	58,945	-	58,945
Capital Outlay	-	-	4,189	4,189
Debt Service:				
Principal Retirement	-	-	7,937	7,937
Interest and Fiscal Charges	27	-	2,601	2,628
TOTAL EXPENDITURES	<u>213,623</u>	<u>337,584</u>	<u>204,116</u>	<u>755,323</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>7,265</u>	<u>(11,623)</u>	<u>(9,801)</u>	<u>(14,159)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,100	48	16,577	18,725
Transfers Out	(16,985)	(1,971)	(13,839)	(32,795)
Issuance of Refunding Debt	-	-	8,832	8,832
Premium on Debt Issued	-	-	17,363	17,363
Payment to Refunded Bonds Escrow Agent	-	-	(1,819)	(1,819)
Issuance of Debt	-	-	73,165	73,165
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(14,885)</u>	<u>(1,923)</u>	<u>100,279</u>	<u>83,471</u>
NET CHANGE IN FUND BALANCES	(7,620)	(13,546)	90,478	69,312
FUND BALANCES AT BEGINNING OF YEAR	<u>78,283</u>	<u>224,642</u>	<u>147,937</u>	<u>450,862</u>
FUND BALANCES AT END OF YEAR	<u>\$ 70,663</u>	<u>\$ 211,096</u>	<u>\$ 238,415</u>	<u>\$ 520,174</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, 2017

(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds \$ 69,312

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 capital outlays exceeded depreciation expense in the current period.

Capital Outlays	\$ 23,367	
Depreciation Expense	(22,515)	
Excess of Capital Outlays over Depreciation		852

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	(21)	
Gain Earned on Sale of Capital Assets	19	
Loss on Sale of Capital Assets	(115)	
Net Book Value of Capital Assets Sold		(117)

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	1,491	
Grants and Other Intergovernmental Revenue	1,420	
Nongrants	(30)	
Special Assessments	478	
Total Revenues		3,359

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows. 27,963

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the Statement of Activities. (76,171)

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	(8,832)	
General Obligation Bonds	(73,165)	
Premium on Bonds	(17,363)	
Deferred Amount on Refundings	123	
Principal Retirement	7,937	
Principal Defeased	1,588	
Total		(89,712)

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due. (316)

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	785	
Amortization of Deferred Amount on Refundings	(25)	
Amortization of Premium on Bonds	1,013	
Amortization of Mortgages Payable and Forgiveness of Loans or Loan Contracts	243	
Total		2,016

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. (697)

Change in Net Position of Governmental Activities \$ (63,511)

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, 2017

(Amounts in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes and Special Assessments	\$ 36,263	\$ 36,263	\$ 36,961	\$ 698
Sales and Use Tax	83,095	83,095	80,475	(2,620)
State Shared Taxes	12,748	12,748	12,309	(439)
Charges for Services	51,416	51,416	51,564	148
Licenses and Permits	2,672	2,672	2,694	22
Fines and Forfeitures	7,926	7,926	7,060	(866)
Intergovernmental	19,160	19,160	20,802	1,642
Investment Earnings	7,052	7,052	7,519	467
Other	9,280	9,335	9,106	(229)
TOTAL REVENUES	229,612	229,667	228,490	(1,177)
EXPENDITURES				
Current:				
General Government	43,549	43,491	42,896	595
Judicial	77,844	80,136	79,515	621
Public Safety	98,641	102,127	101,417	710
Social Services	1,520	1,422	1,131	291
Public Works	4,823	4,885	4,797	88
Economic and Community Development	1,950	2,400	2,329	71
Debt Service	33	28	28	-
TOTAL EXPENDITURES	228,360	234,489	232,113	2,376
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,252	(4,822)	(3,623)	1,199
OTHER FINANCING SOURCES (USES)				
Transfers In	2,608	2,608	3,030	422
Advances In	-	-	2,397	2,397
Transfers Out	(15,578)	(19,185)	(17,915)	1,270
Advances Out	(50)	(50)	(1,897)	(1,847)
TOTAL OTHER FINANCING SOURCES (USES), NET	(13,020)	(16,627)	(14,385)	2,242
NET CHANGE IN FUND BALANCE	(11,768)	(21,449)	(18,008)	3,441
FUND BALANCE AT BEGINNING OF YEAR	58,939	58,939	58,939	-
Prior-Year Encumbrances Appropriated	11,609	11,609	11,609	-
FUND BALANCE AT END OF YEAR	\$ 58,780	\$ 49,099	\$ 52,540	\$ 3,441

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, 2017

(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	\$ 200,001	\$ 200,001	\$ 200,093	\$ 92
Sales Tax	40,165	40,165	40,022	(143)
Charges for Services	4,920	4,920	861	(4,059)
Intergovernmental	72,179	92,260	83,803	(8,457)
Other	1,622	1,622	1,044	(578)
TOTAL REVENUES	<u>318,887</u>	<u>338,968</u>	<u>325,823</u>	<u>(13,145)</u>
EXPENDITURES				
Current:				
Judicial	6,068	6,175	6,033	142
Public Safety	22,100	23,718	22,967	751
Social Services	145,866	174,052	113,823	60,229
Health	175,622	168,768	161,932	6,836
Recreational Activities	48,457	62,688	62,657	31
TOTAL EXPENDITURES	<u>398,113</u>	<u>435,401</u>	<u>367,412</u>	<u>67,989</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(79,226)</u>	<u>(96,433)</u>	<u>(41,589)</u>	<u>54,844</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	49	49
Advances In	-	-	7,000	
Transfers Out	(1,752)	(2,117)	(1,971)	242
Advances Out	-	-	(7,000)	(7,000)
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(1,752)</u>	<u>(2,117)</u>	<u>(1,922)</u>	<u>195</u>
NET CHANGE IN FUND BALANCE	(80,978)	(98,550)	(43,511)	55,039
FUND BALANCE AT BEGINNING OF YEAR	199,351	199,351	199,351	-
Prior-Year Encumbrances Appropriated	34,336	34,336	34,336	-
FUND BALANCE AT END OF YEAR	<u>\$ 152,709</u>	<u>\$ 135,137</u>	<u>\$ 190,176</u>	<u>\$ 55,039</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017
(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	\$ -	\$ 2,018	\$ 11,136
Cash and Cash Equivalents—Segregated Accounts	10,566	-	-
Restricted Cash, Cash Equivalents and Investments:			
Cash, Cash Equivalents and Investments Held by Trustees	2,640	2,576	1,548
MSD Construction Account Held by the City of Cincinnati	7,698	-	-
Accounts Receivable	57,601	200	8
Lease Rent Receivable	-	262	-
Sales Tax Receivable	-	5,548	3,044
Interest Receivable	-	6	-
Prepaid Expenses	6,571	-	-
Total Current Assets	85,076	10,610	15,736
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	94,877	-	-
Amount to Be Transferred to Surplus Account	50,697	-	-
Held by Trustees:			
Cash and Cash Equivalents	90,437	-	-
Investments—Held to Maturity	277,316	-	-
Total Restricted Assets	513,327	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	6,481	67,916	17,685
Construction in Progress	392,004	135	3,042
Total Nondepreciable Capital Assets	398,485	68,051	20,727
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	353,520	394,445	352,313
Sewer Laterals	1,177,893	-	-
Furniture, Fixtures and Equipment	593,496	13,966	3,688
Less Accumulated Depreciation	(946,865)	(246,065)	(188,840)
Total Depreciable Capital Assets, Net	1,178,044	162,346	167,161
Total Capital Assets, Net	1,576,529	230,397	187,888
Prepaid Expense	-	633	459
Other	156	-	-
Total Noncurrent Assets	2,090,012	231,030	188,347
TOTAL ASSETS	2,175,088	241,640	204,083
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	11,329	8,904	7,619
Pension	7,654	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	18,983	8,904	7,619
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 2,194,071	\$ 250,544	\$ 211,702
LIABILITIES			
Current Liabilities:			
Accounts Payable	9,296	1,086	1,517
Construction Accounts Payable	7,698	-	-
Accrued Wages and Benefits Payable	1,936	50	4
Intergovernmental Payable	-	47	-
Unearned Revenue	-	1	-
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	2,640	1,193	670
Retainage Payable	-	7	155
Accrued Compensated Absences	4,240	12	-
Current Portion of State Loans Payable	-	-	-
Current Portion of Long-Term Debt	48,945	15,511	9,413
Capital Lease Payable	670	1,594	-
Estimated Future Claims	-	-	-
Total Current Liabilities	75,425	19,501	11,759
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	6,311	216	-
Unearned Lease Rent Revenue	-	4,226	10,788
Interfund Payable	-	-	-
Capital Lease Payable	9,560	1,650	-
State Loans Payable	-	-	-
Long-Term Debt	897,509	287,826	175,184
Net Pension Liability	99,307	-	-
Net Other Post Employment Benefit Obligation	10,413	-	-
Total Noncurrent Liabilities	1,023,100	293,918	185,972
TOTAL LIABILITIES	1,098,525	313,419	197,731
DEFERRED INFLOWS OF RESOURCES			
Deferred Gain on Refunding	-	2,145	1,387
Pension	4,396	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	4,396	2,145	1,387
NET POSITION			
Net Investment in Capital Assets	694,743	(68,973)	19,683
Restricted for Debt Service	6,973	-	-
Unrestricted	389,434	3,953	(7,099)
TOTAL NET POSITION	\$ 1,091,150	\$ (65,020)	\$ 12,584

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		Governmental Activities
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 48,863	\$ 62,017	\$ 16,897
-	10,566	-
1	6,765	-
-	7,698	-
254	58,063	21
-	262	-
-	8,592	-
6	12	-
64	6,635	-
<u>49,188</u>	<u>160,610</u>	<u>16,918</u>
-	94,877	-
-	50,697	-
-	90,437	-
-	277,316	-
-	<u>513,327</u>	-
5,465	97,547	-
26,744	421,925	-
<u>32,209</u>	<u>519,472</u>	-
225,759	1,326,037	41
-	1,177,893	-
24,507	635,657	765
(117,126)	(1,498,896)	(542)
<u>133,140</u>	<u>1,640,691</u>	<u>264</u>
<u>165,349</u>	<u>2,160,163</u>	<u>264</u>
-	1,092	-
-	156	-
165,349	2,674,738	264
<u>214,537</u>	<u>2,835,348</u>	<u>17,182</u>
345	28,197	-
-	7,654	-
<u>345</u>	<u>35,851</u>	-
<u>\$ 214,882</u>	<u>\$ 2,871,199</u>	<u>\$ 17,182</u>
277	12,176	244
-	7,698	-
221	2,211	60
35	82	8
-	1	-
60	60	-
96	4,599	-
-	162	-
28	4,280	16
2,092	2,092	-
616	74,485	-
-	2,264	-
-	-	5,454
<u>3,425</u>	<u>110,110</u>	<u>5,782</u>
-	-	236
542	7,069	113
-	15,014	-
20,805	20,805	-
-	11,210	-
4,420	4,420	-
17,153	1,377,672	-
-	99,307	-
-	10,413	-
<u>42,920</u>	<u>1,545,910</u>	<u>349</u>
<u>46,345</u>	<u>1,656,020</u>	<u>6,131</u>
-	3,532	-
-	4,396	-
-	<u>7,928</u>	-
141,413	786,866	264
-	6,973	-
27,124	413,412	10,787
<u>\$ 168,537</u>	<u>\$ 1,207,251</u>	<u>\$ 11,051</u>

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 603	\$ 730
Lease Rent Revenue	-	635	540
Sewerage Service Charges	269,243	-	-
Sewerage Surcharges	18,351	-	-
Other	3,806	92	73
TOTAL OPERATING REVENUES	<u>291,400</u>	<u>1,330</u>	<u>1,343</u>
OPERATING EXPENSES			
Personnel Services	52,299	1,681	105
Net Pension Expense	(55,154)	-	-
Utilities, Fuel and Supplies	18,910	2,390	1,272
Purchased Services	32,744	3,330	1,197
Claims	-	-	-
Depreciation and Amortization	59,073	15,424	13,071
Other	15,079	898	424
TOTAL OPERATING EXPENSES	<u>122,951</u>	<u>23,723</u>	<u>16,069</u>
OPERATING INCOME (LOSS)	<u>168,449</u>	<u>(22,393)</u>	<u>(14,726)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	8,873	(15)	(57)
Sales and Use Tax for Debt Service	-	27,247	15,014
Sales and Use Tax	-	15,327	6,856
Payment in Lieu of Taxes	-	(6,262)	(4,643)
Interest Expense	(39,121)	(7,964)	(5,062)
Gain (Loss) on Retirement of Capital Assets	-	(644)	(110)
Fiscal Charges on Long-Term Debt	-	(51)	(82)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(30,248)</u>	<u>27,638</u>	<u>11,916</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>138,201</u>	<u>5,245</u>	<u>(2,810)</u>
Capital Contributions	4,731	-	-
Transfers In	-	8,728	-
Transfers Out	-	(15)	(1,979)
CHANGE IN NET POSITION	<u>142,932</u>	<u>13,958</u>	<u>(4,789)</u>
NET POSITION—BEGINNING	<u>948,218</u>	<u>(78,978)</u>	<u>17,373</u>
TOTAL NET POSITION—ENDING	<u>\$ 1,091,150</u>	<u>\$ (65,020)</u>	<u>\$ 12,584</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
\$ 20,847	\$ 22,180	\$ 48,423
85	1,260	-
-	269,243	-
-	18,351	-
2,020	5,991	2
<u>22,952</u>	<u>317,025</u>	<u>48,425</u>
5,564	59,649	1,934
-	(55,154)	-
1,316	23,888	65
6,966	44,237	3,834
-	-	43,308
10,878	98,446	63
1,614	18,015	57
<u>26,338</u>	<u>189,081</u>	<u>49,261</u>
<u>(3,386)</u>	<u>127,944</u>	<u>(836)</u>
(115)	8,686	143
-	42,261	-
-	22,183	-
-	(10,905)	-
(1,525)	(53,672)	-
(3)	(757)	-
(134)	(267)	-
<u>(1,777)</u>	<u>7,529</u>	<u>143</u>
<u>(5,163)</u>	<u>135,473</u>	<u>(693)</u>
189	4,920	-
9,281	18,009	-
<u>(1,941)</u>	<u>(3,935)</u>	<u>(4)</u>
2,366	154,467	(697)
166,171	1,052,784	11,748
<u>\$ 168,537</u>	<u>\$ 1,207,251</u>	<u>\$ 11,051</u>

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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	\$ 276,749	\$ 1,178	\$ 730
Lease Rent Revenue	-	-	-
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(76,783)	(5,941)	(2,441)
Cash Payments for Claims	-	-	-
Cash Payments for Personnel Costs	(51,351)	(1,725)	(105)
Other Operating Revenues	2,964	107	65
Other Operating Expenses	-	(654)	(423)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	151,579	(7,035)	(2,174)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	15,327	6,856
Payment in Lieu of Taxes	-	(6,262)	(4,643)
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	(15)	(1)
Negative Cash Balance Implicitly Financed from the General Fund	-	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	-	9,050	2,212
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax for Debt Service	-	27,115	14,954
Principal Payments on Long-Term Debt	(62,795)	(26,831)	(8,939)
Interest Payments on Long-Term Debt	(35,746)	(13,774)	(6,396)
Fiscal Charges on Long-Term Debt	-	(26)	(82)
MSD Loan Proceeds	33,792	-	-
Transfer into Construction Account from Trustee Investment Account	50,000	-	-
Transfer from Operating Cash to Trustee Investment Account	(85,680)	-	-
Bonds Proceeds	-	4,096	13,540
Transfer In	-	8,728	-
Transfer Out	-	-	(1,978)
Tap-in Fees	4,045	-	-
Capital Contributions	4,731	-	-
Acquisition and Construction of Property, Plant and Equipment	(80,034)	(430)	(1,513)
Gain on Sale of Property, Plant and Equipment	219	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(171,468)	(1,122)	9,586
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	94,899	-	-
Investment Earnings	568	(21)	(57)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	95,467	(21)	(57)
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	75,578	872	9,567
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	181,337	3,722	3,117
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 256,915	\$ 4,594	\$ 12,684
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 168,449	\$ (22,393)	\$ (14,726)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	59,073	15,424	13,071
Capital Expenses Moved to Operating	98	-	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(7,751)	26	(8)
Other Assets	(123)	-	-
Operating Accounts Payable	(9,855)	11	29
Accrued Payroll and Other Related Withholdings	760	(38)	1
Intergovernmental Payable	-	6	(1)
Claims Payable	-	-	-
Unearned Lease Rent Revenue	-	(67)	(540)
Unearned Revenue	-	(4)	-
Compensated Absences	-	-	-
Estimated Future Claims	-	-	-
Net Pension Liability	(3,437)	-	-
Net Other Post Employment Benefit Obligation	1,050	-	-
Deferred Pension Outflows/Inflows	(54,017)	-	-
Cash Received from Customers	(10)	-	-
Deferred Charges on Refunding Outflows	1,327	-	-
Capital Expenses Moved to Fixed Assets Fund	(3,985)	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 151,579	\$ (7,035)	\$ (2,174)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 2,018	\$ 11,136
Cash and Cash Equivalents—Segregated Accounts	10,566	-	-
Restricted Cash and Cash Equivalents Held by Trustees	93,077	2,576	1,548
Construction Account Held by the City of Cincinnati	102,575	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	50,697	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 256,915	\$ 4,594	\$ 12,684
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 2,726	\$ -	\$ -
Acquisition and Construction of Capital Assets Paid Directly by WPCLF Loan Proceeds	27,660	-	-
Construction Accounts Payable Related to Acquisition of Capital Assets	7,698	-	-
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ 38,084	\$ -	\$ -

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		Governmental Activities	
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 22,476	\$ 301,133	\$ -	-
85	85	-	-
-	-	48,418	-
(8,665)	(93,830)	(3,745)	-
-	-	(43,334)	-
(5,993)	(59,174)	(1,969)	-
2,020	5,156	2	-
(1,508)	(2,585)	(5)	-
<u>8,415</u>	<u>150,785</u>	<u>(633)</u>	
-	22,183	-	-
-	(10,905)	-	-
5,520	5,520	-	-
(448)	(464)	-	-
<u>(2,844)</u>	<u>(2,844)</u>	-	-
<u>2,228</u>	<u>13,490</u>	-	-
-	42,069	-	-
(21,906)	(120,471)	-	-
(3,025)	(58,941)	-	-
(148)	(256)	-	-
-	33,792	-	-
-	50,000	-	-
-	(85,680)	-	-
1,082	18,718	-	-
3,761	12,489	-	-
(1,493)	(3,471)	(4)	-
-	4,045	-	-
251	4,982	-	-
(3,596)	(85,573)	(135)	-
-	219	-	-
<u>(25,074)</u>	<u>(188,078)</u>	<u>(139)</u>	
-	94,899	-	-
(117)	373	143	-
<u>(117)</u>	<u>95,272</u>	<u>143</u>	
(14,548)	71,469	(629)	-
63,412	251,588	17,526	-
<u>\$ 48,864</u>	<u>\$ 323,057</u>	<u>\$ 16,897</u>	
\$ (3,386)	\$ 127,944	\$ (836)	
10,878	98,446	63	
-	98	-	
1,629	(6,104)	(21)	
-	(123)	-	
(272)	(10,087)	(48)	
(442)	281	(7)	
(14)	(9)	1	
-	-	267	
-	(607)	-	
-	(4)	-	
22	22	(30)	
-	-	(22)	
-	(3,437)	-	
-	1,050	-	
-	(54,017)	-	
-	(10)	-	
-	1,327	-	
-	(3,985)	-	
<u>\$ 8,415</u>	<u>\$ 150,785</u>	<u>\$ (633)</u>	
\$ 48,863	\$ 62,017	\$ 16,897	
-	10,566	-	
1	97,202	-	
-	102,575	-	
-	50,697	-	
<u>\$ 48,864</u>	<u>\$ 323,057</u>	<u>\$ 16,897</u>	
\$ -	\$ 2,726	\$ -	
-	27,660	-	
-	7,698	-	
<u>\$ -</u>	<u>\$ 38,084</u>	<u>\$ -</u>	

**COUNTY OF HAMILTON, OHIO
STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2017**

(Amounts in Thousands)

	Agency
ASSETS	
Equity in Pooled Cash and Investments	\$ 99,483
Cash and Cash Equivalents—Segregated Accounts	29,397
Real and Other Taxes Receivable	1,341,462
TOTAL ASSETS	\$ 1,470,342
 LIABILITIES	
Intergovernmental Payable	\$ 84,455
Future Tax Collections to Be Distributed	1,341,462
Other Current Liabilities	44,425
TOTAL LIABILITIES	\$ 1,470,342

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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 11 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 6 members. The City of Cincinnati may appoint 3 members, and the remaining 2 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, 2017
(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 is composed of several community partners who work to streamline and coordinate existing government services for families seeking assistance for their children. The Hamilton County Department of Job and Family Services served as administrative agent for the Council until June 30, 2017, until they were replaced by Hamilton County Developmental Disabilities Services.

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, 2017
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Jointly Governed Organizations. Hamilton County Board of Developmental Disabilities is a member of the Southwestern Ohio Regional Council of Governments (COG) formed by Hamilton, Clermont, Butler and Warren Counties in 2009. Since 2015, two additional county boards have joined the COG: Greene and Montgomery. 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 member 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, Commission on Women and Girls, Community Development Advisory Committee, Local Corrections Planning Board, County Land Reutilization Corporation, Economic Inclusion Advisory Committee, Elderly Services Programs Advisory Council, Hospital Commission, Public Defender Commission, and Public Library Board of Cincinnati and Hamilton County. Hamilton County Commissioners also appoint half of the board members for the Greater Cincinnati Redevelopment 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

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
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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.

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.

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.

COUNTY OF HAMILTON, OHIO
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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.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Dollar Amounts Expressed in Thousands)

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 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.

COUNTY OF HAMILTON, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Dollar Amounts Expressed in Thousands)

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. Deferred inflows of resources include deferred charges on refundings, property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance fiscal year 2018 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 2017 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.

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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 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, which is based on quoted market prices. 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.

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.

In 2017, investments were limited to federal securities, commercial paper notes and STAR Ohio (the State Treasury Asset Reserve of Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office that 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 has adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The County measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value. For the fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

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.

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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 2017 amounted to \$7,519, which includes \$44 assigned from other County funds. In the Statement of Revenues, Expenditures, and Changes in Fund Balances, the Health and Human Services Levies Funds and Nonmajor Governmental Funds show negative totals for Investment Earnings because the fair market value adjustment posted to 2017 was insufficient to offset the reversal of the 2016 fair market value adjustment.

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.

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 fiscal year ended December 31, 2017, 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. In 2016, MSD also paid the final portion of its share of the City of Cincinnati's Early Retirement Incentive Program (ERIP) offered in 2007, which paid the full liability through 2023.

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 to/from 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 F) 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 stadiums, per the bond indenture requirements, restricted assets include sales tax withholdings required to be held by the custodial trustee for semiannual debt service for 2011 and 2016 sales tax-supported bonds. The bond retirement fund's amount with a trustee is required to be held for a crossover refunding. At December 31, 2017, the following balances (at fair value) were maintained in trust accounts:

Held by Trustees:	
Bond Retirement	\$ 21,450
Reserve	63,568
Surplus	<u>299,852</u>
Total	<u>\$ 384,870</u>

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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.

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 acquisition 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 costs incurred for projects not placed in use as of December 31, 2017. Additionally, in the enterprise funds, this amount includes interest capitalized on debt during the period of construction. For 2017, the amount of capitalized interest was \$243 for the County and \$233 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

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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. The current amounts are an average of the annual expenses.

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.

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.

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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 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 (purchases on order), appropriation of fund balance in the subsequent year's budget, 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.

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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 governmental funds. These assets, which are recorded at their acquisition values as of the date received, are not subject to repayment. Capital contributions in 2017 totaled \$4,920.

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.

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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 basis).

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	Health and Human Services Levies
<u>Net Change in Fund Balance</u>		
<i>GAAP Basis</i>	\$ (7,620)	\$ (13,546)
Increase (Decrease):		
Net Adjustment for Revenue Accruals	(1,075)	(690)
Net Adjustment for Expenditure Accruals	(295)	6,641
Net Adjustment for Unrealized Gains	586	655
Net Adjustment for Change in Advances	500	-
Net Adjustment for Change in Segregated Cash	-	1,579
Net Adjustment for Change in Escheat Estimate	(143)	-
Encumbrances	(9,961)	(38,150)
<i>Basis of Budgeting</i>	<u>\$ (18,008)</u>	<u>\$ (43,511)</u>

II. CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE

A. Change in Accounting Principles

In 2017, the County implemented the following Governmental Accounting Standards Board (GASB) Statements:

- No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
- No. 80, *Blending Requirements for Certain Component Units—an Amendment of GASB Statement No. 14*
- No. 81, *Irrevocable Split Interest Agreements*

GASB Statement No. 74 establishes standards for governmental employer recognition, measurement, and presentation of information about postemployment benefits other than pensions that are administered through trusts.

GASB Statement No. 80 clarifies the financial statement presentation requirements for certain component units.

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GASB Statement No. 81 establishes recognition and measurement requirements for irrevocable split-interest agreements.

The implementation of these pronouncements did not result in any changes to the County's financial statements.

B. Restatement of Fund Balance

The Public Assistance fund is no longer a major fund. The restatement had the following effect on fund balance at December 31, 2016, as previously reported:

	Nonmajor Governmental Funds
December 31, 2016	\$ 110,317
Major Fund Reclassification	37,620
December 31, 2016, As Restated	\$ 147,937

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	Health and Human Services Levies	Nonmajor Governmental Funds	Total
Nonspendable				
Materials and Supplies	\$ -	\$ -	\$ 153	\$ 153
Advances to Other Funds	113	-	-	113
Escheat	5,235	-	-	5,235
Total Nonspendable	5,348	-	153	5,501
Restricted for				
Public Assistance	-	-	38,206	38,206
Health and Human Services Levies	-	210,879	-	210,879
Motor Vehicle Gas Tax	-	-	34,973	34,973
Health and Community Services	-	-	62,207	62,207
Debt Service Payments	-	-	13,769	13,769
Other	-	-	3,260	3,260
Total Restricted	-	210,879	152,415	363,294
Committed				
Capital Projects	-	217	89,586	89,803
Other Purposes	218	-	-	218
Total Committed	218	217	89,586	90,021
Assigned				
Purchases on Order	6,894	-	-	6,894
Subsequent Year's Budget:				
Appropriation of Fund Balance	5,027	-	-	5,027
Other Purposes	206	-	-	206
Total Committed	12,127	-	-	12,127
Unassigned (Deficit)	52,970	-	(3,739)	49,231
Total Fund Balance	\$ 70,663	\$ 211,096	\$ 238,415	\$520,174

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At December 31, 2016, the County had a reserve balance account of \$766 within the General Fund. This account was established by resolution 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 percent 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. Changes to the fund may be established by resolution within the guidelines specified by Ohio Revised Code. During 2017, the Commissioners passed a resolution to release the \$766 to the unreserved General Fund balance. The County has also established a General Fund reserve policy. The Board of County Commissioners set a goal of 15 percent 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 percent of the General Fund budgeted expenditures each year until the 15 percent level is attained. The reserve may be used to stabilize revenues, retire outstanding debt or pay judgments.

IV. STEWARDSHIP AND ACCOUNTABILITY

At December 31, 2017, the following nonmajor fund groups had deficit fund balances:

<u>Fund Group</u>	<u>Fund Balance</u>
Health and Community Services Grants	\$ (741)
Judicial Services Grants	(2,796)
Economic Development Grants	(202)

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 (\$65,020) 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, in 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, any other obligation guaranteed as to principal and interest by the United States, or any book-entry, zero-coupon U.S. security that is a direct obligation of 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 and Government National Mortgage Association;
3. time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
4. bonds and other obligations of the State of Ohio or its political subdivisions;

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5. no-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in item 1, 2 or 4 above and repurchase agreements secured by such obligations;
6. the State Treasurer's investment pool (STAR Ohio);
7. securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities described in item 1 or 2 above or cash, equal value for equal value;
8. up to 25 percent of the County's total average portfolio in (a) high-grade commercial paper for a period not to exceed 270 days in an amount not to exceed 10 percent of the aggregate value of the issuing corporation's outstanding commercial paper or (b) bankers' acceptances for a period not to exceed 180 days (additional training for the County's investing authority is required for making investments in these categories);
9. up to 15 percent of the County's average portfolio in notes issued by U.S. corporations or by repository institutions doing business under authority granted by the United States provided the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;
10. up to 1 percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the U.S. government, with all interest and principal denominated and payable in U.S. funds;
11. a current unpaid or delinquent tax line of credit authorized by Revised Code, provided that all of the conditions for entering into such a line of credit under that division are satisfied, or bonds and other obligations of a county land reutilization corporation organized under Revised Code, if the county land reutilization corporation is located wholly or partly within Hamilton County; or
12. 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 percent and be marked to market daily, and that the term of the agreement must not exceed 30 days.

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 dealers and institutions as specified in Ohio Revised Code. 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.

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 \$3,446 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 \$177,297 and the bank balance was \$180,574.

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, \$7,591 was covered by federal depository insurance or by collateral held by the County's agent in the County's name. At December 31, 2017, \$132,074 of the bank balance was exposed to custodial credit risk. Certain timing issues related to fluctuations in depository balances contributed to the uncollateralized balance. These insufficiencies were corrected the next business day. The remaining amount of the bank balance, \$40,909, was also 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.

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Investments—County. At December 31, 2017, investment balances were as follows:

<u>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Maturity</u>	<u>Standard & Poor's Rating</u>	<u>Percent of Total Investments</u>
Net Asset Value per Share STAR Ohio	\$ 910	Less than one year	AAA	0.17
Fair Value—Level 1 Inputs				
U.S. Treasury Notes	42,659	Less than five years		7.75
Federal Home Loan Bank (FHLB)	159,203	Less than five years	AA+	28.94
Federal Home Loan Mortgage Corp. (FHLM)	25,090	Less than five years	AA+	4.56
Federal National Mortgage Association (FNMA)	184,299	Less than five years	AA+	33.50
Federal Farm Credit Banks (FFCB)	110,357	Less than five years	AA+	20.06
Credit Suisse New York	9,975	Less than five years	A-1	1.81
JP Morgan Securities LLC	17,647	Less than five years	A-1	3.21
Total County Investments	<u>\$ 550,140</u>			<u>100.00</u>

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2017. All the County's investments measured at fair value are valued using quoted market prices (Level 1 inputs).

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.

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.

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 percent of the County's investments in U.S. Treasury notes and the FHLB, FNMA and FFCB, as noted in the table above.

Interest Rate Risk. Interest rate risk arises because fixed-income securities will increase or decrease in market value as interest rates fluctuate during the life of such securities. Accordingly, Ohio Revised Code requires that 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.

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At December 31, 2017, the carrying amount of MSD's deposits totaled \$163,838. 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 percent 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, 2017, 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>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Percent of Total Investments</u>
Fair Value—Level 1 Inputs		
U.S. Treasury Securities	\$ 121,251	22.70
Fair Value—Level 2 Inputs		
U.S. Agency Securities	242,065	45.31
Fair Value—Level 3 Inputs		
Deposits Held by City of Cincinnati	163,838	30.67
Money Market Funds	7,077	1.32
Total County Investments	<u>\$ 534,231</u>	<u>100.00</u>

MSD categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. U.S. Treasury securities, classified in Level 1, are valued using quoted market prices. U.S. Agency securities, classified in Level 2, are valued using pricing sources as provided by the investment managers. Deposits held by the City of Cincinnati, classified in Level 3, are valued using pricing provided by the City's investment managers. Money market funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

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

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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, 2017.

MSD has no policy that addresses interest rate risk.

Deposits—CFA. At December 31, 2017, the carrying amount of CFA deposits held by the trustee totaled \$9,456 and the bank balance was \$9,456. The moneys are held in custodial accounts at The Bank of New York Mellon and are not collateralized.

Investments—CFA. The trustee for the CFA holds no investments as of December 31, 2017.

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, which 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	\$ 323,776	Equity in Pooled Cash and Investments	\$ 675,103
Carrying Amount of Investments	<u>920,533</u>	Cash and Cash Equivalents—Segregated Accounts	41,416
Total	<u>\$ 1,244,309</u>	Cash and Cash Equivalents—Restricted	250,474
		Investments—Restricted	<u>277,316</u>
		Total	<u>\$ 1,244,309</u>

B. Receivables

Receivables at December 31, 2017, 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. Property tax receivables and MSD's accounts receivable 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 2017 tax collection was based is as follows:

Real Property—2017 Valuation:	
Residential/Agricultural	\$ 12,855,565
Commercial/Industrial/Public Utilities	4,640,713
Public Utility Personal Property	966,586
Total Valuation	\$ 18,462,864

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	1.71	2.72	2017
Police Information Center	0.54	0.17	0.30	Continuing
Developmental Disabilities	4.13	3.95	4.13	2019
Mental Health	2.99	1.65	2.33	2017
Children’s Services	2.77	1.88	2.69	2021
Zoo	0.46	0.35	0.45	2018
Senior Services	1.29	1.00	1.26	2017
Family Treatment Services	0.34	0.34	0.34	2019
Total Voted Millage	16.59	11.05	14.22	

⁽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 29.74 percent of the ½ cent permissive sales tax receipts to reduce residential property taxes in the County. In 2017, this represented a 3.35 percent 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 percent 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 2017.

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 percent 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 inflows 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 2017:

General Fund	\$ 36,961
Health and Human Services Levies Fund	200,093
Nonmajor Special Revenue Funds	<u>2,876</u>
Total Property Tax Revenues	<u>\$ 239,930</u>

Property tax revenues include levies collected from both the current levy and delinquent levies. The cumulative delinquency as of December 31, 2017, was \$13,342 of real and public utility taxes and \$2,932 of tangible personal property taxes, for a total of \$16,274. 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 percent increase (from .5 percent to 1.0 percent) 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 stadiums. On November 4, 2014, voters of Hamilton County approved a five-year .25 percent increase (from 1 percent to 1.25 percent) 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 Ohio Department of Taxation (ODT) certifies to the Ohio Department of Budget and Management (OBM) the amount of the tax to be returned to the County. The ODT certification must be made within 45 days of the end of each month. The OBM 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, 2017, follows:

<u>Governmental Activities</u>	<u>Amount</u>
General Fund:	
State Subsidies	\$ 3,983
Casino Revenue	2,328
Emergency Management Agency—Other	17
Juvenile Court—Other	72
Public Defender—Other	1,352
General Fund Total	<u>7,752</u>
Health and Human Services Levies—Special Revenue Fund:	
State Subsidies	18,691
Job and Family Services—Grants	4,195
Developmental Disabilities Services—Grants	6,766
Health and Human Services Levies Total	<u>29,652</u>
Nonmajor Special Revenue Funds:	
Job and Family Services—Grants	8,803
Planning and Development—Grants	643
Sheriff—Grants	266
Prosecutor—Grants	45
Coroner—Grants	163
Emergency Management Agency—Grants	116
Juvenile Court—Grants	2,484
Municipal Court—Grants	368
Adult Probation—Grants	3,606
Engineer—Grants	167
Environmental Services—Grants	2,807
Mental Health and Recovery Services Board—Grants	6,633
Engineer—Other	4
Mental Health and Recovery Services Board—Other	11
Nonmajor Special Revenue Funds Total	<u>26,116</u>
Governmental Activities Total	<u>\$ 63,520</u>

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 (\$130) are classified as Accounts Receivable on the Balance Sheet—Governmental Funds.

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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 percent below the lowest rate the banks would normally offer. These loans are collateralized by Hamilton County certificates of deposit (CDs). These CDs totaled \$2,040 at December 31, 2017, 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	\$ 102,575
Amount to Be Transferred to Surplus Account	50,697
Held by Trustees	97,202
Total Restricted Cash and Cash Equivalents	250,474
Restricted Investments:	
Held by Trustees—Held to Maturity	277,316
Total Restricted Assets	\$ 527,790

D. Capital Assets

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance 1/1/2017	Additions	Reductions	Balance 12/31/2017
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 93,344	\$ 2,547	\$ -	\$ 95,891
Construction in Progress	20,728	16,970	(14,572)	23,126
Total Capital Assets Not Being Depreciated	114,072	19,517	(14,572)	119,017
Capital Assets Being Depreciated:				
Land Improvements	679	-	-	679
Buildings, Structures and Improvements	377,189	1,511	-	378,700
Infrastructure	700,215	12,908	-	713,123
Furniture, Fixtures and Equipment	88,455	4,138	(2,904)	89,689
Total Capital Assets Being Depreciated	1,166,538	18,557	(2,904)	1,182,191
Less Accumulated Depreciation:				
Land Improvements	(275)	(55)	-	(330)
Buildings, Structures and Improvements	(307,393)	(6,110)	-	(313,503)
Infrastructure	(596,617)	(12,662)	-	(609,279)
Furniture, Fixtures and Equipment	(70,050)	(3,751)	2,786	(71,015)
Total Accumulated Depreciation	(974,335)	(22,578)	2,786	(994,127)
Capital Assets Being Depreciated, Net	192,203	(4,021)	(118)	188,064
Governmental Activities Capital Assets, Net	\$ 306,275	\$ 15,496	\$ (14,690)	\$ 307,081

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	Balance 1/1/2017	Additions	Reductions	Balance 12/31/2017
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 97,547	\$ -	\$ -	\$ 97,547
Construction in Progress	375,380	108,687	(62,142)	421,925
Total Capital Assets Not Being Depreciated	<u>472,927</u>	<u>108,687</u>	<u>(62,142)</u>	<u>519,472</u>
Capital Assets Being Depreciated:				
Buildings, Structures and Improvements	1,326,037	-	-	1,326,037
Sewer Laterals and Studies	1,169,727	18,626	(10,460)	1,177,893
Furniture, Fixtures and Equipment	595,658	49,120	(9,121)	635,657
Total Capital Assets Being Depreciated	<u>3,091,422</u>	<u>67,746</u>	<u>(19,581)</u>	<u>3,139,587</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(640,163)	(43,716)	-	(683,879)
Sewer Laterals and Studies	(442,477)	(27,447)	-	(469,924)
Furniture, Fixtures and Equipment	(336,550)	(16,822)	8,279	(345,093)
Total Accumulated Depreciation	<u>(1,419,190)</u>	<u>(87,985)</u>	<u>8,279</u>	<u>(1,498,896)</u>
Capital Assets Being Depreciated, Net	<u>1,672,232</u>	<u>(20,239)</u>	<u>(11,302)</u>	<u>1,640,691</u>
Business-Type Activities Capital Assets, Net	<u>\$ 2,145,159</u>	<u>\$ 88,448</u>	<u>\$ (73,444)</u>	<u>\$ 2,160,163</u>

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

Depreciation expense was charged to functions/funds as follows:

<u>Governmental Activities</u>	
General Government	\$ 5,939
Judicial	361
Public Safety	1,424
Social Services	458
Health	915
Public Works	13,267
Environmental Control	151
Internal Service Funds—Charged to Functions Based on Usage	63
Total Depreciation Expense	<u>\$ 22,578</u>
 <u>Business-Type Activities</u>	
MSD	\$ 48,612
Paul Brown Stadium	15,424
Baseball Stadium	13,071
Other Enterprise Funds	10,878
Total Depreciation Expense	<u>\$ 87,985</u>

E. Interfund Balances and Transfers

Interfund balances at December 31, 2017, 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 a nonmajor governmental fund (\$1,332).

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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		
	General Fund	Other Governmental Funds	Total
General Fund	\$ -	\$ 14	\$ 14
Health and Human Services Levies	2,005	3,723	5,728
Other Governmental Funds	1,787	396	2,183
Total	\$ 3,792	\$ 4,133	\$ 7,925

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

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 represent manuscript bonds 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	Manuscript Bonds	Advances from Other Funds
General Fund	\$ -	\$ 113	\$ -	\$ -
Health and Human Services Levies	20,805	-	-	-
Other Governmental Funds	-	-	-	113
Other Enterprise Funds	-	-	20,805	-
Totals	\$ 20,805	\$ 113	\$ 20,805	\$ 113

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, 2017, consisted of the following:

	Transfers Out							Total
	General Fund	Health and Human Services Levies	Other Governmental Funds	Paul Brown Stadium	Baseball Stadium	Other Enterprise Funds	Internal Service Funds	
Transfers In								
General Fund	\$ -	\$ -	\$ 1,700	\$ -	\$ -	\$ 400	\$ -	\$ 2,100
Health and Human Services Levies	48	-	-	-	-	-	-	48
Other Governmental Funds	11,430	1,971	1,615	15	1	1,541	4	16,577
Paul Brown Stadium	-	-	8,728	-	-	-	-	8,728
Other Enterprise Funds	5,507	-	1,796	-	1,978	-	-	9,281
Total	\$ 16,985	\$ 1,971	\$ 13,839	\$ 15	\$ 1,979	\$ 1,941	\$ 4	\$ 36,734

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F. Long-Term Debt and Other Obligations

The long-term obligations of the County payable as of December 31, 2017, are as follows:

Governmental Activities	<u>Maturity</u>	<u>Interest Rate %</u>	<u>Balance January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>	<u>Due in One Year</u>
<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	\$ 350	\$ -	\$ (65)	\$ 285	\$ 70
2001 Water West Phase 2—\$1,660	2021	3.00-5.00	550	-	(100)	450	105
2005 Various Purpose Refunding—\$28,715	2017	3.00-5.00	2,335	-	(2,335)	-	-
2006 Emergency Mgmt. and Ops. Ctr.—\$725	2025	4.00-4.50	410	-	(35)	375	40
2007 Various Purpose Refunding—\$18,130	2024	3.75-4.15	1,795	-	(1,355)	440	440
2008 Various Purpose—\$8,795	2018	3.00-4.00	1,985	-	(975)	1,010	1,010
2009 Emergency System Alert—\$1,615	2024	2.00-4.25	935	-	(825)	110	110
2009 Urban Redevelopment—\$12,550	2039	1.875-6.8	10,605	-	(295)	10,310	310
2011 Energy Conservation—\$5,512	2040	2.40-5.25	4,354	-	(331)	4,023	352
2012 Energy Conservation Phase 1—\$9,400	2027	2.0-3.125	7,220	-	(600)	6,620	610
2015 Improvement and Refunding—\$10,830	2030	3.00-5.00	10,240	-	(2,133)	8,107	1,330
2017 Various Purpose Refunding—\$81,997	2039	4.00-5.00	-	81,997	-	81,997	340
Deferred Amounts:							
For Issuance Premiums			1,231	17,363	(1,013)	17,581	-
Total General Obligation Bonds—Unvoted			42,010	99,360	(10,062)	131,308	4,717
<u>Special Assessment Bonds</u>							
1997 Sewer District—\$340	2017	5.125-5.30	25	-	(25)	-	-
1998 Sewer District—\$705	2018	4.65-4.75	105	-	(50)	55	55
1999 Sewer District—\$170	2019	5.5	40	-	(10)	30	15
2000 Sewer District—\$545	2020	5.40-5.55	155	-	(35)	120	40
2001 Sewer District—\$150	2021	4.00-5.10	50	-	(10)	40	10
2002 Sewer District—\$295	2022	3.50-5.05	115	-	(20)	95	15
2003 Sewer District—\$460	2023	1.25-5.75	205	-	(25)	180	25
2004 Water and Sewer—\$625	2024	1.8-4.9	295	-	(35)	260	30
2005 Sewer District—\$110	2025	4.35-4.40	55	-	(5)	50	5
2006 Sewer District—\$76	2026	4.65-4.75	38	-	(4)	34	4
2007 Sewer District—\$750	2027	4.15-4.65	485	-	(35)	450	40
2008 Sewer District—\$262	2028	4.625-5.50	180	-	(15)	165	10
2009 Sewer District—\$710	2029	2.50-4.50	505	-	(30)	475	35
2010 Sewer District—\$387	2030	2.00-4.35	285	-	(15)	270	15
2011 Sewer District—\$275	2031	4.75	220	-	(15)	205	10
Total Special Assessment Bonds			2,758	-	(329)	2,429	309
Total Governmental Long-Term Debt			44,768	99,360	(10,391)	133,737	5,026
<i>Other Long-Term Liabilities</i>							
<u>Compensated Absences</u>							
			44,152	40,234	(41,049)	43,337	3,762
<u>State Loans</u>							
			2,265		(147)	2,118	147
<u>Loan Contracts</u>							
			2,989	-	(175)	2,814	175
<u>Forgivable Mortgage</u>							
			792	-	(68)	724	68
<u>Claims Payable</u>							
			860	1,092	(598)	1,354	1,118
<u>Net Pension Liability</u>							
			277,743	88,979	-	366,722	-
Total Governmental Long-Term Liabilities			\$ 373,569	\$229,665	\$ (52,428)	\$ 550,806	\$10,296

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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 Revenue Bonds—\$52,520	2025	3.00-5.00	\$ 36,380		\$ (11,535)	\$ 24,845	\$ 4,280	
2014 Series A Revenue Bonds—\$162,650	2032	4.00-5.00	160,530	-	(5,170)	155,360	7,675	
2013 Series A & B Revenue Bonds—\$258,695	2038	0.45-5.00	184,105	-	(23,895)	160,210	3,090	
2010 Series A & B Revenue Bonds—\$130,675	2035	2.00-5.37	118,825	-	(1,935)	116,890	7,785	
2009 Series A & B Revenue Bonds—\$149,815	2034	4.00-6.50	143,025	-	-	143,025	6,220	
2007 Series A Revenue Bonds—\$72,385	2032	3.50-5.25	2,330	-	(2,330)	-	-	
Ohio Water and Sewer Rotary Commission	-	-	50	-	-	50	-	
Ohio Public Works Commission (OPWC)	2017	3.54-4.80	1,110	-	(252)	858	185	
<u>Construction Drawdown</u>	2018	0.00-3.00	247,783	61,833	(17,028)	292,588	19,710	
Capital Lease Payable	2029	2.00-5.00	10,880	-	(650)	10,230	670	
Deferred Amounts:								
For Issuance Premiums			56,340	-	(3,712)	52,628	-	
Total MSD Obligations			961,358	61,833	(66,507)	956,684	49,615	
<u>Revenue Bonds</u>								
2001 Parking Facility—\$24,500	2026	Market Value Based	14,365	-	(14,365)	-	-	
<u>Sales Tax Bonds</u>								
2000 Stadium Series B—\$349,992	2032	5.57	41,661	-	-	41,661	-	
2011 Refunding Bonds A—\$72,665	2032	2.00-5.00	68,305	-	(2,015)	66,290	2,365	
2016 Refunding Bonds—\$324,035	2032	3.00-5.00	324,035	-	(20,055)	303,980	21,365	
Deferred Amounts:								
For Issuance Discounts			(943)	-	-	(943)	-	
For Issuance Premiums			61,645	-	(6,674)	54,971	-	
Total Sales Tax Bonds			494,703	-	(28,744)	465,959	23,730	
<u>General Obligation</u>								
2007 Various Purpose Refunding—\$7,335	2024	3.75-4.15	4,590	-	(495)	4,095	520	
2014 Riverfront Infrastructure Improvement—\$19,030	2028	2.00-5.00	17,240	-	(12,820)	4,420	985	
2015 Improvement and Refunding Bonds—\$14,400	2030	3.00-5.00	14,395	-	(3,412)	10,983	45	
2017 Various Purpose Improvement and Refunding Bonds—\$15,378	2039	4.00-5.00	-	15,378	-	15,378	260	
For Issuance Discounts			(6)	-	1	(5)	-	
For Issuance Premiums			3,282	3,340	(1,749)	4,873	-	
Total General Obligation Bonds			39,501	18,718	(18,475)	39,744	1,810	
Total Business-Type Long-Term Debt			1,509,927	80,551	(128,091)	1,462,387	75,155	
<u>Other Long-Term Liabilities</u>								
Compensated Absences			10,862	5,386	(4,899)	11,349	4,280	
Capital Lease Payable			4,783	-	(1,539)	3,244	1,594	
Urban Redevelopment Loan			4,507	-	(765)	3,742	262	
State Infrastructure Bank Loan			4,520	-	(1,750)	2,770	1,830	
MSD Net Pension Liability			102,744	43,748	(47,185)	99,307	-	
MSD Net Other Post-Employment Benefits Obligation			9,363	2,325	(1,275)	10,413	-	
Total Business-Type Long-Term Liabilities			\$ 1,646,706	\$ 132,010	\$(185,504)	\$ 1,593,212	\$ 83,121	
Convention Facilities Authority								
Long-Term Debt		Maturity	Interest Rate %	Balance January 1	Additions	Reductions	Balance December 31	Due in One Year
<u>Year Issued/Purpose/Amount Issued</u>								
<u>CFA Obligations</u>								
2014 First Lien Improvement Bonds—\$69,890	2033	2.00-5.00	\$ 64,725	\$ -	\$ 2,725	\$ 62,000	\$ 2,865	
Deferred Amounts:								
For Issuance Premium			7,273	-	455	6,818	-	
Total CFA Obligations			\$ 71,998	\$ -	\$ 3,180	\$ 68,818	\$ 2,865	

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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
2018	\$ 4,717	\$ 5,647	\$ 309	\$ 114
2019	5,848	5,383	278	99
2020	6,005	5,118	259	86
2021	6,279	4,846	234	74
2022	5,098	4,573	224	62
2023-2027	27,820	19,113	865	171
2028-2032	25,030	12,530	260	23
2033-2037	30,315	5,635	-	-
2038-2042	2,615	235	-	-
Total	<u>\$ 113,727</u>	<u>\$ 63,080</u>	<u>\$ 2,429</u>	<u>\$ 629</u>

Year	Business-Type Activities			
	MSD*		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 49,615	\$ 39,782	\$ 1,810	\$ 1,736
2019	52,707	38,157	2,020	1,548
2020	50,985	36,165	2,135	1,483
2021	54,687	34,940	2,295	1,382
2022	57,719	33,569	2,615	1,273
2023-2027	245,933	113,223	10,821	4,710
2028-2032	272,943	63,766	9,120	2,083
2033-2037	111,190	13,223	4,060	629
2038-2042	8,227	409	-	-
Total	<u>\$904,006</u>	<u>\$373,234</u>	<u>\$ 34,876</u>	<u>\$ 14,844</u>

Year	Sales Tax Bonds	
	Principal	Interest
2018	\$ 23,730	\$ 17,513
2019	25,860	16,376
2020	19,463	23,175
2021	20,567	23,593
2022	21,717	24,005
2023-2027	123,772	122,833
2028-2032	176,822	61,625
Total	<u>\$411,931</u>	<u>\$289,120</u>

*This represents the WPCLF loan balances outstanding at 12/31/2017. The total WPCLF loan availability is \$455,510.

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

Year	CFA	
	Improvement Bonds	
	Principal	Interest
2018	\$ 2,865	\$ 2,983
2019	3,005	2,839
2020	3,155	2,689
2021	3,310	2,531
2022	3,475	2,366
2023-2027	20,180	9,041
2028-2032	21,345	4,100
2033-2037	4,665	233
Total	\$ 62,000	\$ 26,782

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 law. The County is liable for this debt in the event of default by the property owners subject to the assessment. At year-end, delinquent receivables related to special assessment debt was \$31. 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 percent sales tax approved by the County voters on March 19, 1996. The available pledged revenues and principal and interest requirements for 2017 were as follows:

	Net Income Available for Debt Service	Principal and Interest Requirements
Sewer Revenue Bonds	\$ 240,943	\$ 60,735
Sales Tax Bonds	80,474	40,285
Special Assessment Bonds	462	498

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 percent of the first \$100,000 or part of the tax list, plus 1.5 percent of the tax list in excess of \$100,000 and not in excess of \$300,000, plus 2.5 percent 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 percent 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 percent, 1.5 percent and 2.5 percent limitation described above is \$482,084. The total County net debt subject to this limitation is \$155,189, leaving a borrowing capacity of \$326,895 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 percent limitation is \$193,434. The total County debt subject to such limitation is \$155,189, leaving a borrowing capacity of \$38,245 within the 1.0 percent limitation for unvoted non-exempt debt.

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2017 Improvement and Refunding Bonds. In September 2017, the County issued \$88,750 of Various Purpose Limited Tax General Obligation Improvement and Refunding Bonds (2017A) and \$8,625 of Urban Redevelopment Limited Tax General Obligation Refunding Bonds (2017B). A portion of the 2017A bonds are in business-type activities (\$15,378). The remaining 2017A bonds plus the 2017B bonds (\$81,997) are in governmental activities.

The 2017A bonds were used to (1) partially advance refund the 2009 Emergency Alert System Bonds, 2012 Energy Conservation Phase 1A Bonds, 2014 Riverfront Infrastructure Improvement Bonds and 2015 Various Purpose Improvement and Refunding Bonds (2) construct or improve County buildings, finance energy conservation measures at the stadia, and finance a fire alarm replacement system and technology improvements, and (3) pay certain costs of issuance. The bonds carry interest rates of 4–5 percent and have a final maturity date of December 1, 2037. The refunded bonds of \$16,855 (\$1,588 in governmental activities and \$15,267 in business-type activities) are considered defeased and the liability for them removed from the Statement of Net Position. Although the refunding resulted in the recognition of an accounting loss of \$1,224 (\$123 and \$1,101 in governmental and business-type activities, respectively), the County has, in effect, reduced its aggregate debt service payments by \$3,552 and obtained a present value savings of \$861.

The 2017B bonds were used to partially refund the 2009 Urban Redevelopment Bonds and to pay certain issuance costs. The bonds carry interest rates of 4–5 percent and have a final maturity date of December 1, 2039. This was a crossover refunding, and the liability remains in the Statement of Net Position until the crossover date in 2018. The refunding resulted in a reduction of the aggregate debt service payments by \$1,005 and a present value savings of \$1,139.

2017 Refunding of Parking Revenue Bonds. In 2017, the County refunded \$14,365 in Adjustable Rate Parking System Bonds, Series 2001. The County used funds on hand from the Parking Revenue Fund and Parking Stabilization Account. These bonds are considered defeased and the liability for them removed from the Statement of Net Position for business-type activities.

Series A and B Revenue Bonds. In 2015, 2014, 2013 and 2010, MSD issued County of Hamilton, Ohio, Series A Sewer System Refunding Revenue bonds. In 2010 and 2013, MSD also issued Series B Sewer System Refunding Revenue bonds. In 2009 and 2007, MSD issued Series A Sewer System Improvement Revenue Bonds. In 2009 and 2010, MSD also 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 and 2007 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 percent 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 percent.

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.

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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 and MSD have defeased various general obligation serial bonds and revenue serial bonds through refinancing and operations. Separate irrevocable trust funds are established and funded to fully service 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, 2017, \$16,855 general obligation bonds were considered defeased. For MSD, the amount of defeased debt outstanding was \$180,205.

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 percent. The revenues pledged to the trustee to support the debt include the County 3.5 percent, City 2002 1.5 percent and City 1.0 percent 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 furniture, fixtures and equipment, and the MSD asset is reported with other buildings in the capital asset activity in note V D.

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

Year Ending December 31	MSD	Paul Brown Stadium
2018	\$ 1,113	\$ 1,684
2019	1,113	1,684
2020	1,115	-
2021	1,114	-
2022	1,116	-
2023-2027	5,569	-
2028-2029	2,227	-
Total Minimum Lease Payments	13,367	3,368
Less Amount Representing Interest	(3,137)	(124)
Present Value of Minimum Lease Payments	\$ 10,230	\$ 3,244

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. A portion of unpaid sick time is payable upon retirement. 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.

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	Nonmajor Enterprise Funds
Interest Incurred	\$ 39,121	\$ 1,675
Less Interest Capitalization	(233)	(243)
Interest Expense	\$ 38,888	\$ 1,432

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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) a forgivable mortgage for renovation work on a building, (5) loan contracts for the purchase of and improvement to various properties in the County, (6) claims payable estimate for workers' compensation, (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. The Hamilton County Engineer's Office has four interest-free loans with the Ohio Public Works Commission. These were fully issued in 2006, 2015 (two) and 2016, in the amounts of \$1,553, \$555, \$540 and \$301, respectively. Repayment has commenced on all of the loans. The final maturity dates range from 2028 to 2036. 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.

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 percent.

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 began in 2015 and will conclude in 2024. The interest rate for the first five years is 0 percent. Thereafter, the interest rate is 3 percent.

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

Year	Engineer	Riverfront Development	
	Principal	Principal	Interest
2018	\$ 147	\$ 2,093	\$ 151
2019	147	1,477	117
2020	148	554	81
2021	148	570	64
2022	148	588	46
2023-2027	737	1,230	39
2028-2032	427	-	-
2033-2036	216	-	-
Total	\$ 2,118	\$ 6,512	\$ 498

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—MHRSB) 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 MHRSB discontinue alcohol and other drug services at this facility, the 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
2018	\$ 68
2019	68
2020	68
2021	68
2022	68
2023-2027	339
2028-2031	45
Total	\$ 724

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Loan Contracts. The County's loan contracts are made between the Hamilton County Mental Health and Recovery Services Board (MHRSB) 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 MHRSB being obligated to provide mental health services for a period of 40 years from the inception of the contract. Should MHRSB 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, 2017, amounted to \$2,814. There is no interest charged on these obligations.

Year Ending December 31	Loan Contracts Forgiveness
2018	\$ 175
2019	175
2020	175
2021	175
2022	176
2023-2027	876
2028-2032	761
2033-2037	225
2038-2042	67
2043-2046	9
Total	<u>\$ 2,814</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 \$366,722 and \$99,307, respectively. MSD's net other post-employment benefits obligation is \$10,413. (See also notes VI F-H.) 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 payments 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, 2017, the aggregate principal amount outstanding for these bonds was as follows:

Hospital Facilities	\$ 1,371,345
Economic Development	92,501
Health-Care Systems and Facilities	66,985
Multifamily Housing	12,845
Student Housing	44,895
Total	<u>\$ 1,558,571</u>

G. Leases

Operating Leases—Lessee. At December 31, 2017, 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 11 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

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payments are made from nonmajor special revenue and enterprise funds. Operating lease payments, excluding subleases, for 2017 amounted to \$1,491. Sublease payments totaled \$34. Future rental obligations are as follows:

Year Ending December 31	Operating Lease Payments		Sublease Payments	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
2018	\$ 1,433	\$ 6	\$ 51	
2019	1,445	6	26	
2020	1,253	6	-	
2021	971	6	-	
2022	992	6	-	
2023-2027	4,177	30	-	
2028-2031	30	5	-	
Total	\$ 10,301	\$ 65	\$ 77	

Operating Leases—Lessor. The County has contractual agreements for the rental of properties, including stadiums, office space, retail space, adult educational and residential facilities, 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 2017 was \$321 in governmental funds and \$648 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 spent 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
2018	\$ 620	\$ 563
2019	603	287
2020	31	75
2021	8	5
Total	\$ 1,262	\$ 930

Assets and accumulated depreciation related to the operating leases, as of December 31, 2017, are included in the financial statements as follows:

	Business-Type Activities	Governmental Activities
Land	\$ 85,630	\$ 204
Buildings	747,435	10,424
Less Accumulated Depreciation	(429,010)	(8,012)
Total Net Book Value	\$ 404,055	\$ 2,616

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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 insurance coverage or limits from coverage provided in 2016. 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, 2017, this amounted to \$206.

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, 2017, 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. For most of 2017, the County used a prospectively billed program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims. Prior to year end, the County switched to a prospectively billed program.

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
2016	\$ 1,161	\$ 1,023	\$ (1,324)	\$ 860
2017	860	1,092	(598)	1,354

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. Anthem reviews all claims for Anthem plans, which are then paid by the County. Separately, the County purchases stop-loss coverage from SunLife of \$500 per employee and an aggregate limit of 120 percent 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 2017, the County collected the majority of the monthly employer cost of the plans in May. The premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

Medical Insurance	Coverage Level	Monthly Plan Value	Monthly Employer Cost	Monthly Employee Contribution	Biweekly Employee Contribution	Semi-Monthly Employee Contribution
Blue \$2,500	Single	\$ 478.80	\$ 437.40	\$ 41.40	\$ 19.11	\$ 20.70
	Double	957.23	890.46	66.77	30.82	33.39
	Family	1,503.64	1,407.91	95.73	44.18	47.87
Green \$1,000	Single	513.10	451.93	61.17	28.23	30.59
	Double	1,025.80	912.96	112.84	52.08	56.42
	Family	1,611.36	1,439.50	171.86	79.32	85.93
Orange \$500	Single	592.26	426.24	166.02	76.62	83.01
	Double	1,184.05	827.37	356.68	164.62	178.34
	Family	1,859.93	1,285.31	574.62	265.21	287.31

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A portion of the claims liability (\$3,388) reported in the Medical Self-Insurance Fund at December 31, 2017, 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 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:

<u>Year</u>	<u>Beginning Balance</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2016	\$ 5,120	\$ 42,147	\$ (42,682)	\$ 4,585
2017	4,585	42,217	(42,466)	4,336

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 2017 were \$5,880. 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 2017 were \$2,335. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for MSD. Fees for these services were \$1,443 for 2017.

C. Jointly Governed Organizations

The County's Board of Developmental Disabilities is a participant in the Southwestern Ohio Council of Governments (COG). The Council consists of members representing each of the 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 Council is a jointly governed organization whose role is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the member counties. In 2017, Hamilton County contributed \$158 to the council, and the council is currently holding \$886 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 Southwestern Ohio Council of Governments may be obtained at 412 South East Street, Lebanon, OH 45036. (See note I A.)

Hamilton County Mental Health and Recovery Services Board (HCMHRSB) 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

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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 2017, Hamilton County contributed \$540 toward the operation of the COG. On December 31, 2017, the account balance of the COG was \$406, of which \$135 is allocated to HCMHRSB. 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	\$ 225,579	\$ 1,473

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	\$ 9,961
Health and Human Services Levies Fund	38,150
Other Governmental Funds	<u>81,813</u>
Total	<u>\$ 129,924</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 \$82,700 as of December 31, 2017.

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 17, 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

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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.

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) Voya Financial Services, Inc.; or (3) The County Commissioners Association of Ohio. Under these plans, employees could defer up to 25 percent of their annual salary not to exceed \$18,000 (amount not in thousands) in 2017. 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 shares 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.

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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.

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, including requirements for reduced and unreduced benefits):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	Members not in other groups and members hired on or after January 7, 2013
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

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

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

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

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2017 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %
 2017 Actual Contribution Rates			
Employer:			
Pension	13.0 %	17.1 %	17.1 %
Post-Employment Health Care Benefits	1.0	1.0	1.0
 Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contributions to OPERS were \$27,963 for 2017. Of this amount, \$1,299 is reported as an intergovernmental payable. MSD's totaled \$332.

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, 2016, 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:

	<u>County</u>	<u>MSD</u>
Proportion of the Net Pension Liability:		
Current Measurement Date	1.61492487%	0.017317990%
Prior Measurement Date	1.60348178%	0.014757990%
Change in Proportionate Share	<u>0.01144309%</u>	<u>0.002560000%</u>
 Proportionate Share of the Net Pension Liability	\$ 366,722	\$ 3,923
Pension Expense	\$ 76,171	\$ 767

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At December 31, 2017, 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		
Differences between expected and actual experience	\$ 497	\$ 5
Changes of assumptions	58,167	623
Net difference between projected and actual earnings on pension plan investments	54,613	623
Changes in proportion and differences between contributions & proportionate share of contributions	972	243
Contributions subsequent to the measurement date	27,963	309
Total Deferred Outflows of Resources	\$ 142,212	\$ 1,803
Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 2,183	\$ (26)
Changes in proportion and differences between contributions and proportionate share of contributions	2,487	(199)
Total Deferred Inflows of Resources	\$ 4,670	\$ (225)

The \$27,963 and \$309 reported as deferred outflows of resources related to pension resulting from County and MSD contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. 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
2018	\$ 44,160	\$ 577
2019	47,566	495
2020	19,454	215
2021	(1,601)	(18)
Total	\$ 109,579	\$ 1,269

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 was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the OPERS actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the

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defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2016, compared with December 31, 2015, are presented below:

	December 31, 2016	December 31, 2015
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, Including Inflation	3.25 to 10.05 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7 2013, Retiree	3 percent, simple	3 percent, simple
Post-January 7, 2013, Retiree	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

For 2016, mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

For 2015, mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent 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 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2015. The prior 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.

During 2016, OPERS managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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 annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3 percent for 2016.

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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 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	100.00 %	5.66 %

Discount Rate. The discount rate used to measure the total pension liability for 2016 was 7.5 percent. The discount rate for 2015 was 8 percent. 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 contractually required rates, as actuarially determined. 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 Shares 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 7.5 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability			
County	\$ 560,250	\$ 366,722	\$ 205,451
MSD	6,009	3,923	2,185

H. City of Cincinnati Retirement System (CRS)

Plan Description. 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 single-employer defined benefit public employee retirement system. CRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

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, 2017.

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-a-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 (CSA) was executed on May 7, 2015, and approved by the U.S. District Court on October 5, 2015. The CSA impacts employees who were retired on or before July 1, 2011 and employees who were in service on July 1, 2011, and who were vested (had 5 years 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 CSA implemented a number of changes to the CRS, including but not limited to the following:

- normal retirement eligibility
- early retirement eligibility
- retiree healthcare eligibility
- retirement benefit calculations
- cost-of-living adjustments payable to retirees
- establishment of a Deferred Retirement Option Program (DROP)
- creation of a 115 Trust for retiree healthcare benefits
- changes to the composition of the Board of Trustees
- payoff of the 2007 Early Retirement Incentive Program (ERIP) liability

Groups C & D	Group E	Group F	Group G
Eligible to retire on or before July 1, 2011; or December 31, 2013	Eligible to retire on or before December 31, 2013	Hired before January 1, 2010, and not eligible for other groups	Hired on or after January 1, 2010
Normal Retirement: Age 60 with 5 years of service, or any age with 30 years of service	Normal Retirement: Age 60 with 5 years of service, or any age with 30 years of service.	Normal Retirement: Age 50 with 5 years of service, or any age with 30 years of service.	Normal Retirement: Age 67 with 5 years of service, or age 62 with 30 years of service.
Early Retirement: Age 55 with 25 years of service	Early Retirement: Age 55 with 25 years of service	Early Retirement: Age 55 with 25 years of service	Early Retirement: Age 57 with 15 years of service
Benefit Formula: 2.5% of FAS times years of service	Benefit Formula: 2.5% of FAS times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	Benefit Formula: 2.5% of FAS times years of service up to greater of 20 years or years of service as of July 1, 2011, and 2.2% thereafter	Benefit Formula: 2.2% of FAS times years of service

Final average salary (FAS) represents the average of the highest three consecutive years of earnings for Groups C and D. Group E will have a FAS with two separate components based upon the average of the highest three consecutive years of earnings for service through December 31, 2013, and the highest five consecutive years of earnings for service after January 1, 2014. Group F will have a FAS with two components based upon the average

COUNTY OF HAMILTON, OHIO
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of the highest three consecutive years of earnings for service through June 30, 2011, and the highest five consecutive years of earnings for service after July 1, 2011. Group G is based on the average of the highest five consecutive years of earnings.

Upon retirement, members will not receive a cost-of-living-adjustment (COLA) for the first three retirement anniversary dates. Thereafter, a 3 percent simple COLA benefit will be provided. A COLA poverty exception is available for members who meet certain financial requirements.

Funding Policy. Each member contributed at a rate of 9 percent of his salary for fiscal year 2017. 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 2017, the contribution rate was 16.25 percent on covered payroll. MSD's contributions to the City of Cincinnati Retirement System's Pension Fund for the fiscal year ending December 31, 2017, were \$5,941.

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, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. MSD reported a net pension liability of \$95,384 and negative pension expense of \$58,245.

Actuarial Assumptions. Total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3 percent
Future Salary Increases, Including Inflation	4.0 to 7.5 percent
Long-Term Investment Rate of Return, including inflation	7.5 percent, net of pension plan investment expense
Municipal Bond Index Rate:	
Prior Measurement Date	3.01 percent
Measurement Date	3.56 percent
Year Fiduciary Net Position Is Projected to Be Depleted	N/A
Single Equivalent Interest Rate, Including Inflation:	
Prior Measurement Date	7.50 percent, net of pension plan investment expense
Measurement Date	7.50 percent, net of pension plan investment expense

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, 2016, 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

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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
Core Bond	14.00 %	2.80 %
High Yield Bonds	3.00	4.90
Large-Cap Value Equity	7.00	7.20
Large-Cap Growth Equity	5.00	7.10
Mid-Cap Value Equity	4.00	7.50
Mid-Cap Core Equity	4.00	7.50
Small-Cap Value Equity	7.50	8.00
Non-U.S. Developed Large Cap	10.00	7.40
Non-U.S. Small Cap	5.00	8.10
Emerging Markets All-Cap	5.00	8.50
Emerging Markets Small-Cap	3.00	8.50
Real Estate Corp Equity	10.00	7.40
Infrastructure	7.50	7.80
Risk Parity	5.00	4.10
Private Equity	10.00	11.10
Total	<u>100.00 %</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made as set out in the Collaborative Settlement Agreement. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 MSD's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following chart represents MSD's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 percent, as well as the sensitivity to a 1 percent increase and 1 percent decrease in the current discount rate):

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
MSD's Net Pension Liability	\$ 137,030	\$ 95,384	\$ 59,799

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Change in the Net Pension Liability. Changes in MSD's net pension liability for the year ended June 30, 2017, were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2017	\$ 393,362	\$ 293,159	\$ 100,203
Changes for the Year:			
Service Cost	3,764	-	3,764
Interest	29,256	-	29,256
Benefit Changes	5,344		5,344
Difference between Expected and Actual Experience	649	-	649
Contributions—Employer	-	5,647	(5,647)
Contributions—Employee	-	3,246	(3,246)
Net Investment Income	-	38,292	(38,292)
Benefit Payments, Including Refunds of Employee Contributions	(30,612)	(30,612)	-
Administrative Expense	-	(288)	288
Other Changes	-	(3,065)	3,065
Net Changes	8,401	13,220	(4,819)
Balances of June 30, 2016	\$ 401,763	\$ 306,379	\$ 95,384

The date of the actuarial valuation upon which the total pension liability (TPL) is based is December 31, 2016. An expected TPL is determined as of June 30, 2017, using standard roll forward techniques. The roll forward calculation adds the normal cost for the first half of 2017 (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) for the period. This procedure was used to determine the TPL as of June 30, 2017, as shown in the following table. In addition, an expected TPL as of June 30, 2017, is determined by rolling forward the June 30, 2016, TPL using similar techniques. The difference between this expected TPL and the actual TPL as of June 30, 2017, is the experience gain or loss for the period. The impact of the plan provision changes due to Ordinance 336-2016 are.

	(1)	Benefit Changes (2)
(a) Interest Rate (SEIR)	7.50%	7.50%
(b) TPL as of December 31, 2016	\$ 407,093	\$ 412,171
(c) Entry Age Normal Cost for the Period January 1, 2017 - June 30, 2017	1,951	2,031
(d) Actual Benefit Payments and Refunds for January 1, 2017 - June 30, 2017	15,306	15,306
(e) TPL as of June 30, 2017 = [(c) x (1 + (a)) ^{1/2}] + (d) - [(e) x (1 + (a)) ^{1/4}]	408,449	413,793
(f) June 30, 2016 TPL Rolled Forward to June 30, 2017	407,801	
(g) Experience (Gain)/Loss: (1e) - (1f)	\$ 648	
(h) Assumption (Gain)/Loss: (2e) - (1e) shown as benefit change gain.		\$ 5,344

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At June 30, 2017, 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	\$ 3,001	\$ -	\$ 3,001
Differences between Expected and Actual Experience	356	-	356
Net Difference between Projected and Actual Investment earnings	233	-	233
Change in Proportion	2,261	(605)	1,656
Change in Assumptions	-	(3,566)	(3,566)
	<u>\$ 5,851</u>	<u>\$ (4,171)</u>	<u>\$ 1,680</u>

The \$3,001 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,:	Net Deferred Outflows/ (Inflows) of Resources
2018	\$ (3,524)
2019	4,008
2020	1,488
2021	(3,293)
	<u>\$ (1,321)</u>

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 a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans, including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional and combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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.

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The Ohio Revised Code permits, but does not mandate, 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 2017, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution 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 1.0 percent during calendar year 2017. As recommended by OPERS's actuary, the portion of employer contributions allocated to health care beginning January 1, 2018, will decrease to 0 percent for both plans. The OPERS 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 into the RMA for participants in the Member-Directed Plan for 2017 was 4.0 percent.

Substantially all of the County's contribution allocated to fund post-employment health care benefits relates to the cost-sharing, multiple employer trust. The corresponding contribution for the years ended December 31, 2017, 2016, and 2015 was \$2,072, \$4,025 and \$3,838, respectively. The full amount has been contributed for all three years. MSD's contributions for those three years were \$24, \$51 and \$47, respectively.

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

Plan Description. The CRS provides health care coverage to eligible retirees, their spouses and their dependent children. Active members in Group C who have earned 15 years of membership service at the time of termination are eligible upon retirement. All other active members are eligible for retiree health care upon their retirement after reaching age 60 with 20 years of membership service, or any age with 30 years of service, of which 20 years must be earned with CRS. The health care coverage provided by the CRS is considered an other post-employment benefit (OPEB) as described in GASB Statement No. 45. The CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as an OPEB 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/>.

Funding Policy. The post-employment health care coverage provided by CRS is advance funded on an actuarially determined basis as a portion of the employer contribution requirement to the CRS. The Cincinnati Municipal Code provides authority for employer contributions. The CRS health care coverage was established under, and is administered in accordance with, Internal Revenue Code 115.

The actuarial assumptions used for the December 31, 2016, valuation included an assumption for hospital and surgical benefits recognizing adjusted premiums based on experience for recent years. The actuarial valuations for OPEB plans are estimates of the value of reported amounts and assumptions about the probability of events far

COUNTY OF HAMILTON, OHIO
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into the future. Amounts determined are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Additional actuarial assumptions are as follows:

Actuarial Cost Method	Entry Age
Amortization Period	Level Dollar Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Five-Year Smoothed Market Value
Actuarial Assumptions:	
Investment Rate of Return (Including Inflation)	7.50%
Projected Salary Increase (Including Inflation)*	4.00%-7.50%
Health Care Trend Rate (Including Inflation)	7.75%/5.75% Initially (Varies by Age); 5.00% Ultimate
Inflation	3.00%

The valuation reflects the plan and funding changes included in the CSA. The valuation represents the understanding of the CSA as of the valuation. Some of the changes outlined in the CSA were not finalized or may be subject to interpretation as of the valuation date.

The cost of OPEB is recognized as an expense as claims are paid. No employer contribution was used to fund post-employment benefits for the fiscal years ended June 30, 2017, 2016 and 2015. As of the December 31, 2016, City-wide valuation, the health care plan's unfunded actuarial accrued liability was negative \$35,819. The actuarial value of assets was \$485,845. The actuarial accrued liability was \$450,026. The unfunded actuarial accrued liability as a percentage of covered payrolls of \$168,785 was negative 21.2 percent. 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 the plan assets and whether 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:

	<u>2017</u>
Annual Required Contributions	\$ 1,153
Interest on Net Obligation	1,172
Adjustment to Annual Required Contribution	<u>(1,275)</u>
Annual OPEB Costs	1,050
Annual Contribution	<u>-</u>
Increase in Net OPEB Obligation	1,050
Net OPEB Obligation Beginning of Year	<u>9,363</u>
Net OPEB Obligation End of Year	<u>\$ 10,413</u>
Annual OPEB Costs	\$ 1,050
Percentage of Annual OPEB Cost Contributions	0.00%

K. Tax Abatements

The County receives reduced property tax revenues as a result of agreements granted by cities and townships within the County for Enterprise Zone (EZA) programs and Community Reinvestment Area (CRA) programs. These program agreements are for the purpose of establishing, expanding, renovating or occupying facilities and hiring new employees and preserving jobs within said zones or areas in exchange for specified local tax incentives. Under the EZA program, businesses may apply for tax reductions on real property investments. The amount of the tax exemption is negotiated on an individual project basis and varies according to the size of the

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investment and the number of jobs created or retained. Under the CRA program, real property investment incentives are available for projects involving the renovation of existing or the construction of new buildings for residential, commercial or industrial projects.

For fiscal year 2017, the County’s property tax revenues were reduced by \$158 under EZA programs and \$2,773 under CRA programs. The names of the governments that entered into the agreements are as follows:

Cities				Townships
Amberley	Cincinnati	Blue Ash	Cheviot	Colerain
Deer Park	Evendale	Fairfax	Forest Park	Columbia
Greenhills	Harrison	Lockland	Loveland	Symmes
Madeira	Mariemont	Newtown	North College Hill	Whitewater
Norwood	Reading	St. Bernard	Sharonville	
Silverton				

The County does not have any abatement agreements.

L. Subsequent Events

- 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.
- Effective January 2018, the customer billing period for MSD services for wastewater treatment fees will change from a quarterly to a monthly billing period.
- The County and the City of Cincinnati have entered into an agreement via commitment letter that shall be binding upon the parties and memorializes in an MSD Operation Transition and Cooperation Agreement. The 1968 Operating Agreement shall be terminated and replaced by the agreement that shall transfer all the operations of the Ohio Revised Code Chapter 6117 County Sewer District known as the Metropolitan Sewer District of Great Cincinnati or MSD from the City to the Board of County Commissioners. Since April 30, 2018, the City and the county have agreed to a short-term extension of the 1968 agreement through September 30, 2018.

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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 FOUR YEARS ⁽¹⁾
(Dollar Amounts in Thousands)

	FISCAL YEAR			
	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	1.61492487%	1.60348178%	1.66151589%	1.66151589%
County's Proportionate Share of the Net Pension Liability	\$ 366,722	\$ 277,743	\$ 200,397	\$ 195,871
County's Covered Payroll	\$ 201,253	\$ 191,890	\$ 197,745	\$ 182,463
County's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	182.22%	144.74%	101.34%	107.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%

⁽¹⁾Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented as of the County's measurement date, which is the prior year end.

**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 FOUR YEARS ⁽¹⁾⁽²⁾

(Dollar Amounts in Thousands)

	FISCAL YEAR			
	2017	2016	2015	2014
MSD's Proportion of the Net Pension Liability	0.01731799%	0.014757990%	0.015177505%	0.014994790%
MSD's Proportionate Share of the Net Pension Liability	\$ 3,929	\$ 2,541	\$ 1,825	\$ 1,766
MSD's Covered-Employee Payroll	\$ 2,200	\$ 2,336	\$ 2,479	\$ 2,443
MSD's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	178.59%	108.78%	73.62%	72.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%

⁽¹⁾Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

⁽²⁾Information presented based on measurement periods ended December 31.

Amounts presented as of the County's measurement date, which is the prior year end.

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

	FISCAL YEAR				
	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 27,963	\$ 25,116	\$ 23,910	\$ 24,557	\$ 24,485
Contributions in Relation to the Contractually Required Contribution	(27,963)	(25,116)	(23,910)	(24,557)	(24,485)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County Covered Payroll	\$ 207,211	\$ 201,253	\$ 191,890	\$ 197,745	\$ 182,463
Contributions as a Percentage of Covered Payroll	13.49%	12.48%	12.46%	12.42%	13.42%

⁽¹⁾Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available. An additional column will be added each year.

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									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Contractually Required Contribution	\$ 309	\$ 264	\$ 280	\$ 297	\$ 318	\$ 275	\$ 237	\$ 196	\$ 156	\$ 134
Contributions in Relation to the Contractually Required Contribution	(309)	(264)	(280)	(297)	(318)	(275)	(237)	(196)	(156)	(134)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MSD Covered-Employee Payroll	\$ 2,377	\$ 2,200	\$ 2,336	\$ 2,479	\$ 2,443	\$ 2,750	\$ 2,371	\$ 2,200	\$ 1,893	\$ 1,914
Contributions as a Percentage of Covered-Employee Payroll	13.00%	12.00%	12.00%	12.00%	13.00%	10.00%	10.00%	8.91%	8.24%	7.00%

**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 FOUR YEARS⁽¹⁾⁽²⁾

(Dollar Amounts in Thousands)

	FISCAL YEAR			
	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ 3,764	\$ 5,639	\$ 5,346	\$ 4,919
Interest	29,256	25,454	28,680	28,146
Benefit Changes	5,344	(13,545)	-	-
Difference between Expected and Actual Experience	649	734	(2,698)	-
Changes of Assumptions	-	(111,431)	30,007	(3,381)
Benefit Payments	(30,368)	(28,777)	(30,628)	(29,614)
Refunds of Contributions	(244)	(325)	(429)	(339)
Other	-	(35,654)	-	-
Net Change in Total Pension Liability	<u>8,401</u>	<u>(157,905)</u>	<u>30,278</u>	<u>(269)</u>
Total Pension Liability--Beginning	<u>393,362</u>	<u>551,267</u>	<u>520,989</u>	<u>521,258</u>
Total Pension Liability--Ending (a)	<u>401,763</u>	<u>393,362</u>	<u>551,267</u>	<u>520,989</u>
Plan Net Position				
Contributions--Employer	5,647	4,639	5,596	7,252
Contributions--Member	3,246	1,599	3,115	2,761
Contributions--ERIP Payoff	-	8,723	-	-
Net Investment Income	38,292	(2,065)	9,455	49,003
Benefit Payments	(30,368)	(28,777)	(30,628)	(29,614)
Administrative Expense	(288)	(962)	(302)	(262)
Refunds of Contributions	(244)	(325)	(429)	(339)
Other	(3,065)	24,110	-	-
Net Change in Plan Net Position	<u>13,220</u>	<u>6,942</u>	<u>(13,193)</u>	<u>28,801</u>
Plan Net Position--Beginning	<u>293,159</u>	<u>286,217</u>	<u>299,410</u>	<u>270,609</u>
Plan Net Position--Ending (b)	<u>306,379</u>	<u>293,159</u>	<u>286,217</u>	<u>299,410</u>
Net Pension Liability--Ending (a) - (b)	<u>\$ 95,384</u>	<u>\$ 100,203</u>	<u>\$ 265,050</u>	<u>\$ 221,579</u>
Ratio of Plan Net Position to Total Pension Liability	76.26%	74.53%	51.92%	57.47%
Covered-Employee Payroll	\$ 34,942	\$ 31,809	\$ 31,232	\$ 30,550
Net Pension Liability as a Percentage of Covered-Employee Payroll	272.98%	315.01%	848.65%	725.30%

⁽¹⁾Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

⁽²⁾Measurement year is from July 1 through June 30.

**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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially Determined Employer Contributions	\$ 8,541	\$ 12,356	\$ 13,756	\$ 16,087	\$ 13,051	\$ 9,923	\$ 10,792	\$ 15,289	\$ 7,765	\$ 6,527
Actual Employer Contributions	(5,941)	(5,169)	(4,328)	(5,303)	(6,179)	(6,676)	(6,128)	(5,676)	(4,805)	(4,201)
Contribution Deficiency (Excess)	<u>\$ 2,600</u>	<u>\$ 7,187</u>	<u>\$ 9,428</u>	<u>\$ 10,784</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>
MSD Covered-Employee Payroll	\$ 34,942	\$ 31,809	\$ 31,232	\$ 30,550	\$ 31,369	\$ 33,671	\$ 31,651	\$ 30,976	\$ 29,549	\$ 26,694
Actual Contributions as a Percentage of Covered-Employee Payroll	17.00%	16.25%	13.86%	17.36%	19.70%	19.83%	19.36%	18.32%	16.26%	15.74%

**COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
THE METROPOLITAN SEWER DISTRICT
SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFITS
CINCINNATI RETIREMENT SYSTEM⁽¹⁾
HEALTH CARE PLAN
(Dollar Amounts in Thousands)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
12/31/2007	\$ 835,486	\$ 921,985	\$ 86,499	90.62%	\$ 182,396	47.42%
12/31/2008	688,870	998,491	309,621	68.99%	164,640	188.06%
12/31/2009	746,029	877,399	131,370	85.03%	170,416	77.09%
12/31/2010	726,412	657,045	(69,367)	110.56%	167,589	-41.39%
12/31/2011	668,392	653,404	(14,988)	102.29%	165,029	-9.08%
12/31/2012	634,173	641,876	7,703	98.80%	167,148	4.61%
12/31/2013	674,709	618,508	(56,201)	109.09%	163,477	-34.38%
12/31/2014	706,959	590,902	(116,057)	119.64%	164,575	-70.52%
12/31/2015	474,746	484,833	10,087	97.92%	174,963	5.77%
12/31/2016	485,845	450,026	(35,819)	107.96%	168,785	-21.22%

⁽¹⁾Information presented for the entire system.

**COUNTY OF HAMILTON, OHIO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Changes in Assumptions - OPERS

Amounts reported for 2017 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2016 and prior are presented below:

	December 31, 2017	December 31, 2016 and Prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.05 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Amounts reported for 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent 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 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

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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

Public Assistance	To account for revenues from federal, State and County governments and expenditures used to provide services to eligible County residents.
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.
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, 2017**

(Amounts in Thousands)

	Special Revenue				
	Annually Budgeted				
	Public Assistance	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Transportation Improvement District
ASSETS					
Equity in Pooled Cash and Investments	\$ 29,734	\$ 47,370	\$ 63,832	\$ 33	\$ 729
Cash and Cash Equivalents—Segregated Accounts	-	432	-	-	-
Restricted Cash and Cash Equivalents					
Held by Trustee	-	-	-	-	-
Accounts Receivable	90	150	1,195	-	-
Sales Taxes Receivable	-	-	3,658	-	-
Intergovernmental Receivable	8,583	171	179	52	-
Real and Other Taxes Receivable	-	10,571	-	-	-
Due from Other Funds	4,116	17	-	-	-
Inventories	-	153	-	-	-
Special Assessments Receivable	-	-	-	-	-
TOTAL ASSETS	\$ 42,523	\$ 58,864	\$ 68,864	\$ 85	\$ 729
LIABILITIES					
Accounts Payable	\$ 2,401	\$ 1,185	\$ 3,373	\$ 579	\$ 9
Accrued Wages and Benefits Payable	1,529	335	652	-	-
Matured Compensated Absences Payable	3	20	-	-	-
Intergovernmental Payable	239	1,272	182	-	-
Retainage Payable	-	432	-	-	-
Due to Component Unit	-	-	1,993	-	-
Due to Other Funds	145	8	439	247	-
Advances from Other Funds	-	-	-	-	-
Unearned Revenue	-	8,805	-	-	-
TOTAL LIABILITIES	4,317	12,057	6,639	826	9
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	40	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	40	-	-	-
FUND BALANCES (DEFICITS)					
Nonspendable	-	153	-	-	-
Restricted	38,206	34,973	62,207	-	-
Committed	-	11,641	18	-	720
Unassigned (Deficit)	-	-	-	(741)	-
TOTAL FUND BALANCES (DEFICITS)	38,206	46,767	62,225	(741)	720
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 42,523	\$ 58,864	\$ 68,864	\$ 85	\$ 729

	Special Revenue						Total Nonmajor Special Revenue Funds
	Multiyear Budgeted						
	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants		
ASSETS							
Equity in Pooled Cash and Investments	\$ -	\$ 716	\$ 3,350	\$ 3,216	\$ 108		\$ 149,088
Cash and Cash Equivalents—Segregated Accounts	-	-	-	-	-		432
Restricted Cash and Cash Equivalents							
Held by Trustee	-	-	-	-	-		-
Accounts Receivable	2	-	-	30	133		1,600
Sales Taxes Receivable	-	-	-	-	-		3,658
Intergovernmental Receivable	6,458	590	6,633	2,807	643		26,116
Real and Other Taxes Receivable	-	-	-	-	-		10,571
Due from Other Funds	-	-	-	-	-		4,133
Inventories	-	-	-	-	-		153
Special Assessments Receivable	-	-	-	-	-		-
TOTAL ASSETS	\$ 6,460	\$ 1,306	\$ 9,983	\$ 6,053	\$ 884		\$ 195,751
LIABILITIES							
Accounts Payable	\$ 798	\$ 8	\$ 1,024	\$ 8	\$ 292		\$ 9,677
Accrued Wages and Benefits Payable	176	23	23	86	14		2,838
Matured Compensated Absences Payable	29	-	-	1	-		53
Intergovernmental Payable	68	3	4	13	18		1,799
Retainage Payable	-	-	-	-	-		432
Due to Component Unit	-	-	-	-	-		1,993
Due to Other Funds	1,344	-	-	-	-		2,183
Advances from Other Funds	-	-	-	-	-		-
Unearned Revenue	5,323	460	8,081	3,259	-		25,928
TOTAL LIABILITIES	7,738	494	9,132	3,367	324		44,903
DEFERRED INFLOWS OF REOURCES							
Unavailable Revenue	1,518	327	753	9	762		3,409
TOTAL DEFERRED INFLOWS OF RESOURCES	1,518	327	753	9	762		3,409
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-		153
Restricted	-	485	98	2,677	-		138,646
Committed	-	-	-	-	-		12,379
Unassigned (Deficit)	(2,796)	-	-	-	(202)		(3,739)
TOTAL FUND BALANCES (DEFICITS)	(2,796)	485	98	2,677	(202)		147,439
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 6,460	\$ 1,306	\$ 9,983	\$ 6,053	\$ 884		\$ 195,751

(continued)

	Debt Service			Capital Projects	
	General Obligation Nonvoted	Special Assessments	Total Nonmajor Debt Service Funds	Project Accounting	Total Nonmajor Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 3,195	\$ 222	\$ 3,417	\$ 77,588	\$ 230,093
Cash and Cash Equivalents—Segregated Accounts	-	-	-	-	432
Restricted Cash and Cash Equivalents					
Held by Trustee	10,352	-	10,352	-	10,352
Accounts Receivable	-	-	-	-	1,600
Sales Taxes Receivable	-	-	-	-	3,658
Intergovernmental Receivable	-	-	-	-	26,116
Real and Other Taxes Receivable	-	-	-	-	10,571
Due from Other Funds	-	-	-	-	4,133
Inventories	-	-	-	-	153
Special Assessments Receivable	-	5,361	5,361	-	5,361
TOTAL ASSETS	\$ 13,547	\$ 5,583	\$ 19,130	\$ 77,588	\$ 292,469
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ 210	\$ 9,887
Accrued Wages and Benefits Payable	-	-	-	-	2,838
Matured Compensated Absences Payable	-	-	-	-	53
Intergovernmental Payable	-	-	-	-	1,799
Retainage Payable	-	-	-	58	490
Due to Component Unit	-	-	-	-	1,993
Due to Other Funds	-	-	-	-	2,183
Advances from Other Funds	-	-	-	113	113
Unearned Revenue	-	-	-	-	25,928
TOTAL LIABILITIES	-	-	-	381	45,284
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	5,361	5,361	-	8,770
TOTAL DEFERRED INFLOWS OF RESOURCES	-	5,361	5,361	-	8,770
FUND BALANCES (DEFICITS)					
Nonspendable	-	-	-	-	153
Restricted	13,547	222	13,769	-	152,415
Committed	-	-	-	77,207	89,586
Unassigned (Deficit)	-	-	-	-	(3,739)
TOTAL FUND BALANCES (DEFICITS)	13,547	222	13,769	77,207	238,415
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 13,547	\$ 5,583	\$ 19,130	\$ 77,588	\$ 292,469

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**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**
(Amounts in Thousands)

	Special Revenue				
	Annually Budgeted				
	Public Assistance	Motor Vehicle Gas Tax	Health and Community Services Nongrants	Health and Community Services Grants	Transportation Improvement District
REVENUES					
Property Taxes and Special Assessments	\$ -	\$ 7	\$ 2,369	\$ -	\$ -
Sales and Use Tax	-	-	17,558	-	-
State Shared Taxes	-	23,000	-	-	-
Charges for Services	-	3,427	25,282	-	-
Licenses and Permits	-	-	5,122	-	-
Fines and Forfeitures	-	192	3,960	-	-
Intergovernmental	50,885	8,467	9,034	5,300	18
Investment Earnings	(99)	323	(178)	-	-
Other	1,329	235	5,262	-	-
TOTAL REVENUES	52,115	35,651	68,409	5,300	18
EXPENDITURES					
Current:					
General Government	-	1,138	12,749	-	-
Judicial	-	-	7,687	-	-
Public Safety	-	-	4,238	-	-
Social Services	52,214	-	12,497	5,311	-
Health	-	-	6,247	-	-
Public Works	-	32,140	-	-	170
Environmental Control	-	-	2,485	108	-
Economic and Community Development	-	-	17,064	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	147	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL EXPENDITURES	52,214	33,425	62,967	5,419	170
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(99)	2,226	5,442	(119)	(152)
OTHER FINANCING SOURCES (USES)					
Transfers In	685	842	2,932	78	60
Transfers Out	-	(309)	(2,961)	-	-
Issuance of Refunding Debt	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-
Issuance of Debt	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	685	533	(29)	78	60
NET CHANGE IN FUND BALANCES	586	2,759	5,413	(41)	(92)
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	37,620	44,008	56,812	(700)	812
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 38,206	\$ 46,767	\$ 62,225	\$ (741)	\$ 720

	Special Revenue					Total Nonmajor Special Revenue Funds
	Multiyear Budgeted					
	Judicial Services Grants	Public Safety Grants	Health Grants	Environmental Control Grants	Economic Development Grants	
REVENUES						
Property Taxes and Special Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,376
Sales and Use Tax	-	-	-	-	-	17,558
State Shared Taxes	-	-	-	-	-	23,000
Charges for Services	-	-	-	334	-	29,043
Licenses and Permits	-	-	-	-	-	5,122
Fines and Forfeitures	-	-	-	-	-	4,152
Intergovernmental	8,613	1,068	13,479	2,543	4,715	104,122
Investment Earnings	1	(3)	(14)	(11)	(1)	18
Other	51	230	-	320	143	7,570
TOTAL REVENUES	8,665	1,295	13,465	3,186	4,857	192,961
EXPENDITURES						
Current:						
General Government	138	-	-	-	4,615	18,640
Judicial	10,980	-	-	-	-	18,667
Public Safety	-	1,454	-	-	-	5,692
Social Services	-	-	-	-	-	70,022
Health	-	-	14,474	-	-	20,721
Public Works	-	-	-	-	-	32,310
Environmental Control	-	-	-	3,428	-	6,021
Economic and Community Development	-	-	-	-	252	17,316
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	147
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	11,118	1,454	14,474	3,428	4,867	189,536
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,453)	(159)	(1,009)	(242)	(10)	3,425
OTHER FINANCING SOURCES (USES)						
Transfers In	-	262	-	-	-	4,859
Transfers Out	(42)	-	(7)	-	-	(3,319)
Issuance of Refunding Debt	-	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	(42)	262	(7)	-	-	1,540
NET CHANGE IN FUND BALANCES	(2,495)	103	(1,016)	(242)	(10)	4,965
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	(301)	382	1,114	2,919	(192)	142,474
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ (2,796)	\$ 485	\$ 98	\$ 2,677	\$ (202)	\$ 147,439

(continued)

	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	\$ -	\$ 462	\$ 462	\$ -	\$ 2,838
Sales and Use Tax	747	-	747	-	18,305
State Shared Taxes	-	-	-	-	23,000
Charges for Services	-	-	-	-	29,043
Licenses and Permits	-	-	-	-	5,122
Fines and Forfeitures	-	-	-	-	4,152
Intergovernmental	284	-	284	-	104,406
Investment Earnings	-	-	-	(422)	(404)
Other	277	-	277	6	7,853
TOTAL REVENUES	1,308	462	1,770	(416)	194,315
EXPENDITURES					
Current:					
General Government	-	-	-	-	18,640
Judicial	-	-	-	-	18,667
Public Safety	-	-	-	-	5,692
Social Services	-	-	-	-	70,022
Health	-	-	-	-	20,721
Public Works	-	-	-	-	32,310
Environmental Control	-	-	-	-	6,021
Economic and Community Development	-	-	-	-	17,316
Capital Outlay	-	-	-	4,189	4,189
Debt Service:					
Principal Retirement	7,461	329	7,790	-	7,937
Interest and Fiscal Charges	2,432	169	2,601	-	2,601
TOTAL EXPENDITURES	9,893	498	10,391	4,189	204,116
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,585)	(36)	(8,621)	(4,605)	(9,801)
OTHER FINANCING SOURCES (USES)					
Transfers In	8,049	56	8,105	3,613	16,577
Transfers Out	(10,511)	-	(10,511)	(9)	(13,839)
Issuance of Refunding Debt	8,832	-	8,832	-	8,832
Premium on Debt Issued	17,363	-	17,363	-	17,363
Payment to Refunded Bonds Escrow Agent	(1,819)	-	(1,819)	-	(1,819)
Issuance of Debt	-	-	-	73,165	73,165
TOTAL OTHER FINANCING SOURCES (USES), NET	21,914	56	21,970	76,769	100,279
NET CHANGE IN FUND BALANCES	13,329	20	13,349	72,164	90,478
FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	218	202	420	5,043	147,937
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 13,547	\$ 222	\$ 13,769	\$ 77,207	\$ 238,415

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COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

(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	\$ 36,263	\$ 36,263	\$ 36,961	\$ 698
Sales and Use Tax	83,095	83,095	80,475	(2,620)
State Shared Taxes	12,748	12,748	12,309	(439)
Charges for Services	51,416	51,416	51,564	148
Licenses and Permits	2,672	2,672	2,694	22
Fines and Forfeitures	7,926	7,926	7,060	(866)
Intergovernmental	19,160	19,160	20,802	1,642
Investment Earnings	7,052	7,052	7,519	467
Other	9,280	9,335	9,106	(229)
TOTAL REVENUES	<u>229,612</u>	<u>229,667</u>	<u>228,490</u>	<u>(1,177)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
County Commissioners/County Administration				
Personnel Services	3,546	3,521	3,485	36
Other Expenditures	1,089	731	693	38
Capital Outlay	8	5	-	5
Total County Commissioners/County Administration	<u>4,643</u>	<u>4,257</u>	<u>4,178</u>	<u>79</u>
County Facilities				
Personnel Services	4,950	5,070	5,064	6
Other Expenditures	12,309	12,427	12,369	58
Capital Outlay	92	47	47	-
Total County Facilities	<u>17,351</u>	<u>17,544</u>	<u>17,480</u>	<u>64</u>
Non-Departmentals				
Personnel Services	1,185	1,485	1,474	11
Other Expenditures	3,350	3,149	2,966	183
Total Non-Departmentals	<u>4,535</u>	<u>4,634</u>	<u>4,440</u>	<u>194</u>
Contracts and Subsidies				
Other Expenditures	457	444	442	2
Total Contracts and Subsidies	<u>457</u>	<u>444</u>	<u>442</u>	<u>2</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, 2017

(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	\$ 1,509	\$ 1,509	\$ 1,506	\$ 3
Other Expenditures	755	703	703	-
Total Auditor	<u>2,264</u>	<u>2,212</u>	<u>2,209</u>	<u>3</u>
Treasurer				
Personnel Services	279	279	277	2
Other Expenditures	679	651	651	-
Total Treasurer	<u>958</u>	<u>930</u>	<u>928</u>	<u>2</u>
Recorder				
Personnel Services	1,101	1,109	1,108	1
Other Expenditures	39	64	40	24
Total Recorder	<u>1,140</u>	<u>1,173</u>	<u>1,148</u>	<u>25</u>
Board of Elections				
Personnel Services	4,367	4,366	4,322	44
Other Expenditures	3,334	3,470	3,451	19
Capital Outlay	35	35	15	20
Total Board of Elections	<u>7,736</u>	<u>7,871</u>	<u>7,788</u>	<u>83</u>
Planning and Development				
Personnel Services	3,263	3,208	3,125	83
Other Expenditures	949	969	931	38
Capital Outlay	253	249	227	22
Total Planning and Development	<u>4,465</u>	<u>4,426</u>	<u>4,283</u>	<u>143</u>
TOTAL GENERAL GOVERNMENT	<u>43,549</u>	<u>43,491</u>	<u>42,896</u>	<u>595</u>
JUDICIAL				
Juvenile Court				
Personnel Services	14,741	15,198	15,185	13
Other Expenditures	1,035	1,293	1,293	-
Capital Outlay	425	371	371	-
Total Juvenile Court	<u>16,201</u>	<u>16,862</u>	<u>16,849</u>	<u>13</u>
Court of Appeals				
Other Expenditures	100	89	87	2
Capital Outlay	9	9	9	-
Total Court of Appeals	<u>109</u>	<u>98</u>	<u>96</u>	<u>2</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, 2017**

(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	\$ 3,016	\$ 3,214	\$ 3,214	\$ -
Other Expenditures	6,866	6,699	6,699	-
Capital Outlay	6	-	-	-
Total Court of Common Pleas	<u>9,888</u>	<u>9,913</u>	<u>9,913</u>	<u>-</u>
Municipal Court				
Personnel Services	5,423	5,725	5,718	7
Other Expenditures	36	32	31	1
Total Municipal Court	<u>5,459</u>	<u>5,757</u>	<u>5,749</u>	<u>8</u>
Domestic Relations				
Personnel Services	3,389	3,408	3,399	9
Other Expenditures	109	122	120	2
Total Domestic Relations	<u>3,498</u>	<u>3,530</u>	<u>3,519</u>	<u>11</u>
Probate Court				
Personnel Services	2,611	2,661	2,636	25
Other Expenditures	592	501	492	9
Total Probate Court	<u>3,203</u>	<u>3,162</u>	<u>3,128</u>	<u>34</u>
Clerk of Courts				
Personnel Services	9,964	9,814	9,685	129
Other Expenditures	2,661	2,636	2,317	319
Capital Outlay	99	74	41	33
Total Clerk of Courts	<u>12,724</u>	<u>12,524</u>	<u>12,043</u>	<u>481</u>
Public Defender				
Personnel Services	10,774	10,879	10,874	5
Other Expenditures	6,731	7,894	7,885	9
Capital Outlay	12	12	11	1
Total Public Defender	<u>17,517</u>	<u>18,785</u>	<u>18,770</u>	<u>15</u>
Court Reporters				
Personnel Services	2,431	2,633	2,628	5
Other Expenditures	156	152	152	-
Total Court Reporters	<u>2,587</u>	<u>2,785</u>	<u>2,780</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, 2017**

(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	\$ 6,284	\$ 6,358	\$ 6,339	\$ 19
Other Expenditures	374	362	329	33
Total Adult Probation	<u>6,658</u>	<u>6,720</u>	<u>6,668</u>	<u>52</u>
TOTAL JUDICIAL	<u>77,844</u>	<u>80,136</u>	<u>79,515</u>	<u>621</u>
PUBLIC SAFETY				
Communications Center				
Personnel Services	692	667	640	27
Other Expenditures	879	844	790	54
Capital Outlay	12	12	12	-
Total Communications Center	<u>1,583</u>	<u>1,523</u>	<u>1,442</u>	<u>81</u>
Sheriff				
Personnel Services	68,024	70,594	70,097	497
Other Expenditures	7,190	7,624	7,610	14
Capital Outlay	1,092	1,070	1,070	-
Total Sheriff	<u>76,306</u>	<u>79,288</u>	<u>78,777</u>	<u>511</u>
Prosecutor				
Personnel Services	14,433	14,948	14,946	2
Other Expenditures	493	478	450	28
Capital Outlay	14	13	13	-
Total Prosecutor	<u>14,940</u>	<u>15,439</u>	<u>15,409</u>	<u>30</u>
Coroner				
Personnel Services	4,573	4,493	4,468	25
Other Expenditures	361	403	383	20
Capital Outlay	-	52	52	-
Total Coroner	<u>4,934</u>	<u>4,948</u>	<u>4,903</u>	<u>45</u>
Emergency Management				
Personnel Services	168	167	125	42
Other Expenditures	710	762	761	1
Total Emergency Management	<u>878</u>	<u>929</u>	<u>886</u>	<u>43</u>
TOTAL PUBLIC SAFETY	<u>98,641</u>	<u>102,127</u>	<u>101,417</u>	<u>710</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, 2017**

(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	\$ 724	\$ 674	\$ 613	\$ 61
Other Expenditures	796	748	518	230
Total Veterans Service Commission	<u>1,520</u>	<u>1,422</u>	<u>1,131</u>	<u>291</u>
TOTAL SOCIAL SERVICES	<u>1,520</u>	<u>1,422</u>	<u>1,131</u>	<u>291</u>
PUBLIC WORKS				
Metropolitan Sewer District				
Personnel Services	398	398	330	68
Other Expenditures	4,425	4,487	4,467	20
Total Engineer	<u>4,823</u>	<u>4,885</u>	<u>4,797</u>	<u>88</u>
TOTAL PUBLIC WORKS	<u>4,823</u>	<u>4,885</u>	<u>4,797</u>	<u>88</u>
ECONOMIC DEVELOPMENT				
Economic Development				
Other Expenditures	1,950	2,400	2,329	71
Total Economic Development	<u>1,950</u>	<u>2,400</u>	<u>2,329</u>	<u>71</u>
TOTAL ECONOMIC DEVELOPMENT	<u>1,950</u>	<u>2,400</u>	<u>2,329</u>	<u>71</u>
DEBT SERVICE				
Debt Service				
Interest and Fiscal Charges	33	28	28	-
Total Debt Service	<u>33</u>	<u>28</u>	<u>28</u>	<u>-</u>
TOTAL DEBT SERVICE	<u>33</u>	<u>28</u>	<u>28</u>	<u>-</u>
TOTAL EXPENDITURES	<u>228,360</u>	<u>234,489</u>	<u>232,113</u>	<u>2,376</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,252</u>	<u>(4,822)</u>	<u>(3,623)</u>	<u>1,199</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, 2017**

(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	\$ 2,608	\$ 2,608	\$ 3,030	\$ 422
Advances In	-	-	2,397	2,397
Transfers Out	(15,578)	(19,185)	(17,915)	1,270
Advances Out	(50)	(50)	(1,897)	(1,847)
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(13,020)</u>	<u>(16,627)</u>	<u>(14,385)</u>	<u>2,242</u>
NET CHANGE IN FUND BALANCE	(11,768)	(21,449)	(18,008)	3,441
FUND BALANCE AT BEGINNING OF YEAR	58,939	58,939	58,939	-
Prior-Year Encumbrances Appropriated	<u>11,609</u>	<u>11,609</u>	<u>11,609</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 58,780</u></u>	<u><u>\$ 49,099</u></u>	<u><u>\$ 52,540</u></u>	<u><u>\$ 3,441</u></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, 2017

(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	\$ 200,001	\$ 200,001	\$ 200,093	\$ 92
Sales Taxes	40,165	40,165	40,022	(143)
Charges for Services	4,920	4,920	861	(4,059)
Intergovernmental	72,179	92,260	83,803	(8,457)
Other	1,622	1,622	1,044	(578)
TOTAL REVENUES	<u>318,887</u>	<u>338,968</u>	<u>325,823</u>	<u>(13,145)</u>
EXPENDITURES				
Current:				
JUDICIAL				
Juvenile Court				
Other Expenditures	1,576	1,576	1,563	13
Total Juvenile Court	<u>1,576</u>	<u>1,576</u>	<u>1,563</u>	<u>13</u>
Municipal Court				
Personnel Services	294	292	260	32
Other Expenditures	2,769	2,878	2,781	97
Total Municipal Court	<u>3,063</u>	<u>3,170</u>	<u>3,041</u>	<u>129</u>
Probation				
Other Expenditures	1,429	1,429	1,429	-
Total Probation	<u>1,429</u>	<u>1,429</u>	<u>1,429</u>	<u>-</u>
TOTAL JUDICIAL	<u>6,068</u>	<u>6,175</u>	<u>6,033</u>	<u>142</u>
PUBLIC SAFETY				
Sheriff				
Personnel Services	\$ 6,647	\$ 6,596	\$ 6,462	\$ 134
Other Expenditures	7,222	7,219	7,069	150
Capital Outlay	28	28	-	28
Total Sheriff	<u>13,897</u>	<u>13,843</u>	<u>13,531</u>	<u>312</u>
CLEAR				
Other Expenditures	5,703	4,875	4,857	
Capital Outlay	2,500	5,000	4,579	421
Total CLEAR	<u>8,203</u>	<u>9,875</u>	<u>9,436</u>	<u>439</u>
TOTAL PUBLIC SAFETY	<u>22,100</u>	<u>23,718</u>	<u>22,967</u>	<u>751</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, 2017

(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				
Job and Family Services				
Other Expenditures	\$ 122,110	\$ 151,903	\$ 91,773	\$ 60,130
Total Job and Family Services	<u>122,110</u>	<u>151,903</u>	<u>91,773</u>	<u>60,130</u>
Senior Services				
Personnel Services	11	13	12	1
Other Expenditures	23,745	22,136	22,038	98
Total Senior Services	<u>23,756</u>	<u>22,149</u>	<u>22,050</u>	<u>99</u>
TOTAL SOCIAL SERVICES	<u>145,866</u>	<u>174,052</u>	<u>113,823</u>	<u>60,229</u>
HEALTH				
Health and Hospitalization Tax				
Personnel Services	257	279	256	23
Other Expenditures	25,074	25,072	24,806	266
Total Health and Hospitalization Tax	<u>25,331</u>	<u>25,351</u>	<u>25,062</u>	<u>289</u>
Developmental Disabilities Services				
Personnel Services	34,489	34,198	29,486	4,712
Other Expenditures	62,400	58,601	57,571	1,030
Capital Outlay	2,274	2,274	2,148	126
Total Developmental Disabilities Services	<u>99,163</u>	<u>95,073</u>	<u>89,205</u>	<u>5,868</u>
Mental Health and Recovery Services				
Personnel Services	1,930	1,896	1,831	65
Other Expenditures	48,498	45,530	44,916	614
Capital Outlay	700	918	918	-
Total Mental Health and Recovery Services	<u>51,128</u>	<u>48,344</u>	<u>47,665</u>	<u>679</u>
TOTAL HEALTH	<u>175,622</u>	<u>168,768</u>	<u>161,932</u>	<u>6,836</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, 2017

(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	\$ 5	\$ 4	\$ 1
Other Expenditures	6,667	6,752	6,731	21
Total Zoological Gardens	<u>6,671</u>	<u>6,757</u>	<u>6,735</u>	<u>22</u>
Cincinnati Museum Center				
Personnel Services	-	40	40	-
Other Expenditures	41,786	55,891	55,882	9
Total Cincinnati Museum Center	<u>41,786</u>	<u>55,931</u>	<u>55,922</u>	<u>9</u>
TOTAL RECREATIONAL ACTIVITIES	<u>48,457</u>	<u>62,688</u>	<u>62,657</u>	<u>31</u>
TOTAL EXPENDITURES	<u>398,113</u>	<u>435,401</u>	<u>367,412</u>	<u>67,989</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(79,226)</u>	<u>(96,433)</u>	<u>(41,589)</u>	<u>54,844</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	49	49
Advances In			7,000	
Transfers Out	(1,752)	(2,117)	(1,971)	146
Advances Out	-	-	(7,000)	(7,000)
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(1,752)</u>	<u>(2,117)</u>	<u>(1,922)</u>	<u>195</u>
NET CHANGE IN FUND BALANCE	(80,978)	(98,550)	(43,511)	55,039
FUND BALANCE AT BEGINNING OF YEAR	199,351	199,351	199,351	-
Prior-Year Encumbrances Appropriated	<u>34,336</u>	<u>34,336</u>	<u>34,336</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 152,709</u>	<u>\$ 135,137</u>	<u>\$ 190,176</u>	<u>\$ 55,039</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, 2017**

(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	\$ 2	\$ 2	\$ 7	\$ 5
State Shared Taxes	23,142	23,142	22,914	(228)
Charges for Services	3,404	3,404	3,445	41
Fines and Forfeitures	226	226	199	(27)
Intergovernmental	3	20,520	8,341	(12,179)
Investment Earnings	80	80	487	407
Other	192	192	238	46
TOTAL REVENUES	<u>27,049</u>	<u>47,566</u>	<u>35,631</u>	<u>(11,935)</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Planning and Development				
Personnel Services	1,135	1,126	974	152
Other Expenditures	218	214	116	98
Capital Outlay	107	107	69	38
Total Planning and Development	<u>1,460</u>	<u>1,447</u>	<u>1,159</u>	<u>288</u>
TOTAL GENERAL GOVERNMENT	<u>1,460</u>	<u>1,447</u>	<u>1,159</u>	<u>288</u>
PUBLIC WORKS				
County Engineer				
Personnel Services	12,272	12,171	9,259	2,912
Other Expenditures	10,895	10,508	8,124	2,384
Capital Outlay	32,170	70,759	60,664	10,095
Total County Engineer	<u>55,337</u>	<u>93,438</u>	<u>78,047</u>	<u>15,391</u>
TOTAL PUBLIC WORKS	<u>55,337</u>	<u>93,438</u>	<u>78,047</u>	<u>15,391</u>
DEBT SERVICE				
Debt Service				
Principal Retirement	150	150	150	-
Total Debt Service	<u>150</u>	<u>150</u>	<u>150</u>	<u>-</u>
TOTAL DEBT SERVICE	<u>150</u>	<u>150</u>	<u>150</u>	<u>-</u>
TOTAL EXPENDITURES	<u>56,947</u>	<u>95,035</u>	<u>79,356</u>	<u>15,679</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(29,898)</u>	<u>(47,469)</u>	<u>(43,725)</u>	<u>3,744</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	8,256	18,233	11,906	(6,327)
Transfers Out	(7,800)	(11,407)	(11,373)	34
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>456</u>	<u>6,826</u>	<u>533</u>	<u>(6,293)</u>
NET CHANGE IN FUND BALANCE	<u>(29,442)</u>	<u>(40,643)</u>	<u>(43,192)</u>	<u>(2,549)</u>
FUND BALANCE AT BEGINNING OF YEAR	12,141	12,141	12,141	-
Prior-Year Encumbrances Appropriated	30,912	30,912	30,912	-
FUND BALANCE AT END OF YEAR	<u>\$ 13,611</u>	<u>\$ 2,410</u>	<u>\$ (139)</u>	<u>\$ (2,549)</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, 2017
(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	\$ -	\$ -	\$ 2,369	\$ 2,369
Sales and Use Tax	16,500	16,500	17,398	898
Charges for Services	28,364	28,364	25,261	(3,103)
Licenses and Permits	5,109	5,109	5,166	57
Fines and Forfeitures	3,286	3,286	3,994	708
Intergovernmental	9,364	9,659	9,201	(458)
Investment Earnings	10	10	44	34
Other	5,071	6,636	9,423	2,787
TOTAL REVENUES	<u>67,704</u>	<u>69,564</u>	<u>72,856</u>	<u>3,292</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Non-Departmentals				
Personal Services	-	25	14	11
Other Expenditures	15	228	185	43
Total Non-Departmentals	<u>15</u>	<u>253</u>	<u>199</u>	<u>54</u>
Auditor				
Personnel Services	4,657	4,617	3,349	1,268
Other Expenditures	6,856	6,744	5,749	995
Capital Outlay	-	100	-	100
Total Auditor	<u>11,513</u>	<u>11,461</u>	<u>9,098</u>	<u>2,363</u>
Treasurer				
Personnel Services	1,196	1,189	1,177	12
Other Expenditures	2,572	2,517	2,457	60
Capital Outlay	20	20	15	5
Total Treasurer	<u>3,788</u>	<u>3,726</u>	<u>3,649</u>	<u>77</u>
Recorder				
Personnel Services	183	187	184	3
Other Expenditures	191	186	145	41
Capital Outlay	54	54	22	32
Total Recorder	<u>428</u>	<u>427</u>	<u>351</u>	<u>76</u>
Law Library				
Personnel Services	480	476	439	37
Other Expenditures	689	649	591	58
Total Law Library	<u>1,169</u>	<u>1,125</u>	<u>1,030</u>	<u>95</u>
TOTAL GENERAL GOVERNMENT	<u>16,913</u>	<u>16,992</u>	<u>14,327</u>	<u>2,611</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, 2017**

(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>		
JUDICIAL				
Juvenile Court				
Personnel Services	\$ 107	\$ 107	\$ 105	\$ 2
Other Expenditures	141	156	138	18
Capital Outlay	35	-	-	-
Total Juvenile Court	<u>283</u>	<u>263</u>	<u>243</u>	<u>20</u>
Court of Common Pleas				
Personnel Services	1,797	1,788	1,512	276
Other Expenditures	3,586	3,565	2,603	962
Capital Outlay	2,423	1,923	1,220	703
Total Court of Common Pleas	<u>7,806</u>	<u>7,276</u>	<u>5,335</u>	<u>1,941</u>
Municipal Court				
Personnel Services	635	628	419	209
Other Expenditures	562	562	492	70
Total Municipal Court	<u>1,197</u>	<u>1,190</u>	<u>911</u>	<u>279</u>
Court of Domestic Relations				
Personnel Services	236	202	96	106
Other Expenditures	-	31	30	1
Total Court of Domestic Relations	<u>236</u>	<u>233</u>	<u>126</u>	<u>107</u>
Probate Court				
Other Expenditures	877	875	374	501
Total Probate Court	<u>877</u>	<u>875</u>	<u>374</u>	<u>501</u>
Clerk of Courts				
Personnel Services	2,264	2,244	2,117	127
Other Expenditures	430	417	360	57
Capital Outlay	4	4	-	4
Total Clerk of Courts	<u>2,698</u>	<u>2,665</u>	<u>2,477</u>	<u>188</u>
Probation				
Personnel Services	1,582	1,567	1,262	305
Other Expenditures	887	980	575	405
Capital Outlay	114	114	112	2
Total Probation	<u>2,583</u>	<u>2,661</u>	<u>1,949</u>	<u>712</u>
TOTAL JUDICIAL	<u>15,680</u>	<u>15,163</u>	<u>11,415</u>	<u>3,748</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, 2017**

(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				
Dog Warden				
Other Expenditures	\$ 1,758	\$ 1,749	\$ 1,730	\$ 19
Total Dog Warden	<u>1,758</u>	<u>1,749</u>	<u>1,730</u>	<u>19</u>
Sheriff				
Personnel Services	243	293	225	68
Other Expenditures	375	555	496	59
Total Sheriff	<u>618</u>	<u>848</u>	<u>721</u>	<u>127</u>
Prosecutor				
Personnel Services	643	637	603	34
Other Expenditures	545	613	405	208
Capital Outlay	10	9	4	5
Total Prosecutor	<u>1,198</u>	<u>1,259</u>	<u>1,012</u>	<u>247</u>
Coroner				
Other Expenditures	200	198	182	16
Capital Outlay	70	265	251	14
Total Coroner	<u>270</u>	<u>463</u>	<u>433</u>	<u>30</u>
Emergency Management				
Other Expenditures	-	7	7	-
Total - Emergency Management	<u>-</u>	<u>7</u>	<u>7</u>	<u>-</u>
Communications Center				
Personnel Services	441	438	437	1
Other Expenditures	514	512	483	29
Capital Outlay	185	185	185	-
Total Communications Center	<u>1,140</u>	<u>1,135</u>	<u>1,105</u>	<u>30</u>
TOTAL PUBLIC SAFETY	<u>4,984</u>	<u>5,461</u>	<u>5,008</u>	<u>453</u>
SOCIAL SERVICES				
Job and Family Services				
Personnel Services	7,374	7,674	7,512	162
Other Expenditures	6,644	6,171	5,583	588
Total Job and Family Services	<u>14,018</u>	<u>13,845</u>	<u>13,095</u>	<u>750</u>
TOTAL SOCIAL SERVICES	<u>14,018</u>	<u>13,845</u>	<u>13,095</u>	<u>750</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, 2017**

(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>		
HEALTH				
Mental Health and Recovery Services				
Personnel Services	\$ 143	\$ 140	\$ 140	\$ -
Other Expenditures	11,185	11,720	10,276	1,444
Capital Outlay	100	670	570	100
Total Mental Health and Recovery Services	<u>11,428</u>	<u>12,530</u>	<u>10,986</u>	<u>1,544</u>
TOTAL HEALTH	<u>11,428</u>	<u>12,530</u>	<u>10,986</u>	<u>1,544</u>
ENVIRONMENTAL CONTROL				
Environmental Services				
Personnel Services	529	549	511	38
Other Expenditures	2,153	2,071	2,045	26
Total Environmental Services	<u>2,682</u>	<u>2,620</u>	<u>2,556</u>	<u>64</u>
TOTAL ENVIRONMENTAL CONTROL	<u>2,682</u>	<u>2,620</u>	<u>2,556</u>	<u>64</u>
ECONOMIC DEVELOPMENT				
Economic Development				
Personnel Services	42	42	29	13
Other Expenditures	16,646	17,440	17,144	296
Total Economic Development	<u>16,688</u>	<u>17,482</u>	<u>17,173</u>	<u>309</u>
TOTAL ECONOMIC DEVELOPMENT	<u>16,688</u>	<u>17,482</u>	<u>17,173</u>	<u>309</u>
TOTAL EXPENDITURES	<u>82,393</u>	<u>84,093</u>	<u>74,560</u>	<u>9,533</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(14,689)</u>	<u>(14,529)</u>	<u>(1,704)</u>	<u>12,825</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,951	3,077	2,932	(145)
Transfers Out	(1,700)	(2,962)	(2,962)	-
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>1,251</u>	<u>115</u>	<u>(30)</u>	<u>(145)</u>
NET CHANGE IN FUND BALANCE	<u>(13,438)</u>	<u>(14,414)</u>	<u>(1,734)</u>	<u>12,680</u>
FUND BALANCE AT BEGINNING OF YEAR	49,866	49,866	49,866	-
Prior-Year Encumbrances Appropriated	<u>7,526</u>	<u>7,526</u>	<u>7,526</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 43,954</u>	<u>\$ 42,978</u>	<u>\$ 55,658</u>	<u>\$ 12,680</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, 2017

(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	\$ 6,784	\$ 6,784	\$ 5,314	\$ (1,470)
TOTAL REVENUES	<u>6,784</u>	<u>6,784</u>	<u>5,314</u>	<u>(1,470)</u>
EXPENDITURES				
Current:				
SOCIAL SERVICES				
Job and Family Services				
Other Expenditures	6,784	6,784	5,283	1,501
Total Job and Family Services	<u>6,784</u>	<u>6,784</u>	<u>5,283</u>	<u>1,501</u>
TOTAL SOCIAL SERVICES	<u>6,784</u>	<u>6,784</u>	<u>5,283</u>	<u>1,501</u>
ENVIRONMENTAL CONTROL				
Environmental Services				
Other Expenditures	-	108	108	-
Total Environmental Services	<u>-</u>	<u>108</u>	<u>108</u>	<u>-</u>
TOTAL ENVIRONMENTAL CONTROL	<u>-</u>	<u>108</u>	<u>108</u>	<u>-</u>
TOTAL EXPENDITURES	<u>6,784</u>	<u>6,892</u>	<u>5,391</u>	<u>1,501</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(108)</u>	<u>(77)</u>	<u>31</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	78	78
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>78</u>	<u>78</u>
NET CHANGE IN FUND BALANCE	-	(108)	1	109
FUND BALANCE AT BEGINNING OF YEAR	<u>33</u>	<u>33</u>	<u>33</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 33</u>	<u>\$ (75)</u>	<u>\$ 34</u>	<u>\$ 109</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, 2017**

	<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	\$ 18	\$ (582)
Investment Earnings	-	2	2	-
TOTAL REVENUES	<u>-</u>	<u>602</u>	<u>20</u>	<u>(582)</u>
EXPENDITURES				
Current:				
PUBLIC WORKS				
Transportation Improvement District				
Other Expenditures	261	1,753	335	1,418
Total Transportation Improvement District	<u>261</u>	<u>1,753</u>	<u>335</u>	<u>1,418</u>
TOTAL PUBLIC WORKS	<u>261</u>	<u>1,753</u>	<u>335</u>	<u>1,418</u>
TOTAL EXPENDITURES	<u>261</u>	<u>1,753</u>	<u>335</u>	<u>1,418</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(261)</u>	<u>(1,151)</u>	<u>(315)</u>	<u>836</u>
OTHER FINANCING SOURCES				
Transfers In	-	800	60	(740)
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>800</u>	<u>60</u>	<u>(740)</u>
NET CHANGE IN FUND BALANCE	(261)	(351)	(255)	96
FUND BALANCE AT BEGINNING OF YEAR	559	559	559	-
Prior-Year Encumbrances Appropriated	261	261	261	-
FUND BALANCE AT END OF YEAR	<u>\$ 559</u>	<u>\$ 469</u>	<u>\$ 565</u>	<u>\$ 96</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, 2017
(Amounts in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales and Use Tax	\$ 750	\$ 750	\$ 748	\$ (2)
Intergovernmental	290	290	284	(6)
Other	277	277	277	-
TOTAL REVENUES	1,317	1,317	1,309	(8)
EXPENDITURES				
Debt Service:				
Principal Retirement	7,465	7,465	7,461	4
Interest and Fiscal Charges	1,889	2,481	2,443	38
TOTAL EXPENDITURES	9,354	9,946	9,904	42
DEFICIENCY OF REVENUES OVER EXPENDITURES	(8,037)	(8,629)	(8,595)	34
OTHER FINANCING SOURCES (USES)				
Transfers In	8,044	18,448	9,612	(8,836)
Refunding Bonds Issued	-	-	8,832	8,832
Premium on Bonds Issued	-	17,362	17,362	-
Transfers Out	-	(12,074)	(12,074)	-
Payment to Refunded Bonds Escrow Agent	-	(12,171)	(1,819)	10,352
TOTAL OTHER FINANCING SOURCES (USES), NET	8,044	11,565	21,913	10,348
NET CHANGE IN FUND BALANCE	7	2,936	13,318	10,382
FUND BALANCE AT BEGINNING OF YEAR	218	218	218	-
FUND BALANCE AT END OF YEAR	\$ 225	\$ 3,154	\$ 13,536	\$ 10,382

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, 2017

(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	\$ 481	\$ 481	\$ 500	\$ 19
TOTAL REVENUES	<u>481</u>	<u>481</u>	<u>500</u>	<u>19</u>
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
Other Expenditures	1,980	1,980	732	1,248
TOTAL GENERAL GOVERNMENT	<u>1,980</u>	<u>1,980</u>	<u>732</u>	<u>1,248</u>
DEBT SERVICE				
Debt Service				
Principal Retirement	367	367	367	-
Interest and Fiscal Charges	190	190	172	18
TOTAL DEBT SERVICE	<u>557</u>	<u>557</u>	<u>539</u>	<u>18</u>
TOTAL EXPENDITURES	<u>2,537</u>	<u>2,537</u>	<u>1,271</u>	<u>1,266</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(2,056)</u>	<u>(2,056)</u>	<u>(771)</u>	<u>1,285</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	76	76	58	(18)
Bonds Issued	2,000	2,000	734	(1,266)
Transfers Out	(20)	(20)	(2)	18
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>2,056</u>	<u>2,056</u>	<u>790</u>	<u>(1,266)</u>
NET CHANGE IN FUND BALANCE	-	-	19	19
FUND BALANCE AT BEGINNING OF YEAR	<u>203</u>	<u>203</u>	<u>203</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 203</u>	<u>\$ 203</u>	<u>\$ 222</u>	<u>\$ 19</u>

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**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, 2017
(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	\$ 17,046	\$ 762	\$ 29,898
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	1	-	-
Accounts Receivable	225	29	-
Prepaid Expenses	64	-	-
Interest Receivable	-	-	6
Total Current Assets	<u>17,336</u>	<u>791</u>	<u>29,904</u>
Noncurrent Assets:			
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	3,638	1,827	-
Construction in Progress	26,744	-	-
Total Nondepreciable Capital Assets	<u>30,382</u>	<u>1,827</u>	<u>-</u>
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	194,824	9,273	-
Furniture, Fixtures and Equipment	373	-	-
Less Accumulated Depreciation	(92,605)	(5,582)	-
Total Depreciable Capital Assets, Net	<u>102,592</u>	<u>3,691</u>	<u>-</u>
Total Capital Assets, Net	<u>132,974</u>	<u>5,518</u>	<u>-</u>
Total Noncurrent Assets	<u>132,974</u>	<u>5,518</u>	<u>-</u>
TOTAL ASSETS	<u>150,310</u>	<u>6,309</u>	<u>29,904</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	31	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>31</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 150,341</u>	<u>\$ 6,309</u>	<u>\$ 29,904</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	216	15	-
Accrued Wages and Benefits Payable	22	2	-
Intergovernmental Payable	7	1	-
Accrued Interest Payable	-	14	-
Accrued Interest Payable from Restricted Assets	96	-	-
Accrued Compensated Absences	-	-	-
Current Portion of State Loans Payable	2,092	-	-
Current Portion of Long-Term Debt	51	520	-
Total Current Liabilities	<u>2,484</u>	<u>552</u>	<u>-</u>
Noncurrent Liabilities:			
Accrued Compensated Absences	-	-	-
State Loans Payable	4,420	-	-
Long-Term Debt	384	3,570	-
Interfund Payable	20,805	-	-
Total Noncurrent Liabilities	<u>25,609</u>	<u>3,570</u>	<u>-</u>
TOTAL LIABILITIES	<u>28,093</u>	<u>4,122</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	126,058	1,428	-
Unrestricted	(3,810)	759	29,904
TOTAL NET POSITION	<u>\$ 122,248</u>	<u>\$ 2,187</u>	<u>\$ 29,904</u>

Business-Type Activities		
Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ -	\$ 1,157	\$ 48,863
-	-	1
-	-	254
-	-	64
-	-	6
<u>-</u>	<u>1,157</u>	<u>49,188</u>
-	-	5,465
<u>-</u>	<u>-</u>	<u>26,744</u>
<u>-</u>	<u>-</u>	<u>32,209</u>
-	21,662	225,759
-	24,134	24,507
<u>-</u>	<u>(18,939)</u>	<u>(117,126)</u>
<u>-</u>	<u>26,857</u>	<u>133,140</u>
<u>-</u>	<u>26,857</u>	<u>165,349</u>
<u>-</u>	<u>26,857</u>	<u>165,349</u>
<u>-</u>	<u>28,014</u>	<u>214,537</u>
-	314	345
<u>-</u>	<u>314</u>	<u>345</u>
<u>\$ -</u>	<u>\$ 28,328</u>	<u>\$ 214,882</u>
-	46	277
-	197	221
-	27	35
-	46	60
-	-	96
-	28	28
-	-	2,092
<u>-</u>	<u>45</u>	<u>616</u>
<u>-</u>	<u>389</u>	<u>3,425</u>
-	542	542
-	-	4,420
-	13,199	17,153
<u>-</u>	<u>-</u>	<u>20,805</u>
<u>-</u>	<u>13,741</u>	<u>42,920</u>
<u>-</u>	<u>14,130</u>	<u>46,345</u>
-	13,927	141,413
<u>-</u>	<u>271</u>	<u>27,124</u>
<u>\$ -</u>	<u>\$ 14,198</u>	<u>\$ 168,537</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, 2017
(Amounts in Thousands)

	Business-Type Activities		
	Riverfront Development	Main Street Parking Garage	Sales Tax Stabilization
OPERATING REVENUES			
Charges for Services	\$ 14,300	\$ 1,153	\$ -
Lease Rent Revenue	-	34	-
Other	2,020	-	-
TOTAL OPERATING REVENUES	16,320	1,187	-
OPERATING EXPENSES			
Personnel Services	267	44	-
Utilities, Fuel and Supplies	328	15	-
Purchased Services	5,366	135	-
Depreciation and Amortization	7,950	309	-
Other	1,215	57	-
TOTAL OPERATING EXPENSES	15,126	560	-
OPERATING INCOME (LOSS)	1,194	627	-
NONOPERATING REVENUES (EXPENSES)			
Interest Expense	(1,074)	(185)	-
Fiscal Charges on Long-Term Debt	(130)	-	-
Investment Earnings	(29)	(3)	(87)
TOTAL NONOPERATING REVENUES (EXPENSES)	(1,233)	(188)	(87)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(39)	439	(87)
Capital Contributions	-	-	-
Transfers In	493	-	-
Transfers Out	(7)	-	-
CHANGE IN NET POSITION	447	439	(87)
TOTAL NET POSITION—BEGINNING	121,801	1,748	29,991
TOTAL NET POSITION—ENDING	\$ 122,248	\$ 2,187	\$ 29,904

Business-Type Activities

Rotary Funds	Communications Center	Nonmajor Enterprise Funds
\$ 734	\$ 4,660	\$ 20,847
-	51	85
-	-	2,020
<u>734</u>	<u>4,711</u>	<u>22,952</u>
146	5,107	5,564
5	968	1,316
3	1,462	6,966
-	2,619	10,878
-	342	1,614
<u>154</u>	<u>10,498</u>	<u>26,338</u>
<u>580</u>	<u>(5,787)</u>	<u>(3,386)</u>
-	(266)	(1,525)
-	(4)	(134)
-	4	(115)
<u>(3)</u>	<u>(266)</u>	<u>(1,777)</u>
<u>577</u>	<u>(6,053)</u>	<u>(5,163)</u>
-	189	189
1,558	7,230	9,281
<u>(400)</u>	<u>(1,534)</u>	<u>(1,941)</u>
1,735	(168)	2,366
<u>(1,735)</u>	<u>14,366</u>	<u>166,171</u>
<u>\$ -</u>	<u>\$ 14,198</u>	<u>\$ 168,537</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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	\$ 14,357	\$ 1,156	\$ -
Lease Rent Revenue	-	34	-
Cash Payments to Suppliers for Goods and Services	(5,965)	(166)	-
Cash Payments for Personnel Costs	(273)	(43)	-
Other Operating Revenue	2,020	-	-
Other Operating Expenses	(1,210)	(55)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	8,929	926	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(7)	-	-
Negative Cash Balance Implicitly Financed from the General Fund	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(7)	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal Payments on Long-Term Debt	(17,999)	(495)	-
Interest Payments on Long-Term Debt	(1,464)	(186)	-
Fiscal Charges on Long-Term Debt	(144)	-	-
Bond Proceeds	195	-	-
Transfer In	493	-	-
Transfer Out	-	-	-
Capital Contributions	62	-	-
Acquisition and Construction of Property, Plant and Equipment	(1,482)	-	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(20,339)	(681)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments and Pooled Cash and Investments	1	-	5
Investment Earnings	(28)	(3)	(96)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(27)	(3)	(91)
Net Increase in Cash and Equity in Pooled Cash and Investments	(11,444)	242	(91)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	28,491	520	29,989
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 17,047	\$ 762	\$ 29,898
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 1,194	\$ 627	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	7,950	309	-
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	57	3	-
Operating Accounts Payable	(261)	(14)	-
Accrued Payroll and Other Related Withholdings	(5)	1	-
Intergovernmental Payable	(6)	-	-
Compensated Absences	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 8,929	\$ 926	\$ -
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ 17,046	\$ 762	\$ 29,898
Restricted Cash and Cash Equivalents Held by Trustees	1	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 17,047	\$ 762	\$ 29,898

Business-Type Activities		
Rotary Funds	Communications Center	Total Nonmajor Enterprise Funds
\$ 2,292	\$ 4,671	\$ 22,476
-	51	85
(8)	(2,526)	(8,665)
(598)	(5,079)	(5,993)
-	-	2,020
-	(243)	(1,508)
<u>1,686</u>	<u>(3,126)</u>	<u>8,415</u>
1,558	3,962	5,520
(400)	(41)	(448)
(2,844)	-	(2,844)
<u>(1,686)</u>	<u>3,921</u>	<u>2,228</u>
-	(3,412)	(21,906)
-	(1,375)	(3,025)
-	(4)	(148)
-	887	1,082
-	3,268	3,761
-	(1,493)	(1,493)
-	189	251
-	(2,114)	(3,596)
<u>-</u>	<u>(4,054)</u>	<u>(25,074)</u>
-	-	6
-	4	(123)
<u>-</u>	<u>4</u>	<u>(117)</u>
-	(3,255)	(14,548)
-	4,412	63,412
<u>\$ -</u>	<u>\$ 1,157</u>	<u>\$ 48,864</u>
\$ 580	\$ (5,787)	\$ (3,386)
-	2,619	10,878
1,558	11	1,629
-	3	(272)
(440)	2	(442)
(12)	4	(14)
-	22	22
<u>\$ 1,686</u>	<u>\$ (3,126)</u>	<u>\$ 8,415</u>
\$ -	\$ 1,157	\$ 48,863
-	-	1
<u>\$ -</u>	<u>\$ 1,157</u>	<u>\$ 48,864</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, 2017
(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	\$ 7,815	\$ 1,163	\$ 7,919	\$ 16,897
Accounts Receivable	16	-	5	21
Total Current Assets	7,831	1,163	7,924	16,918
Depreciable Capital Assets, Net:				
Buildings, Structures and Improvements	-	41	-	41
Furniture, Fixtures and Equipment	-	765	-	765
Less Accumulated Depreciation	-	(542)	-	(542)
Total Depreciable Capital Assets, Net	-	264	-	264
Total Capital Assets, Net	-	264	-	264
Total Noncurrent Assets	-	264	-	264
TOTAL ASSETS	7,831	1,427	7,924	17,182
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	11	233	244
Accrued Wages and Benefits Payable	5	47	8	60
Intergovernmental Payable	1	6	1	8
Claims Payable	1,118	-	4,336	5,454
Compensated Absences	-	16	-	16
Total Current Liabilities	1,124	80	4,578	5,782
Noncurrent Liabilities:				
Claims Payable—Net of Current Portion	236	-	-	236
Accrued Compensated Absences	-	113	-	113
Total Noncurrent Liabilities	236	113	-	349
TOTAL LIABILITIES	1,360	193	4,578	6,131
NET POSITION				
Net Investment in Capital Assets	-	264	-	264
Unrestricted	6,471	970	3,346	10,787
TOTAL NET POSITION	\$ 6,471	\$ 1,234	\$ 3,346	\$ 11,051

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

	Governmental Activities			
	Workers' Compensation Reserve	Auditor's Computer Center	Medical Self- Insurance	Total Governmental Activities
OPERATING REVENUES				
Charges for Services	\$ 41	\$ 1,776	\$ 46,606	\$ 48,423
Other	-	2	-	2
TOTAL OPERATING REVENUES	<u>41</u>	<u>1,778</u>	<u>46,606</u>	<u>48,425</u>
OPERATING EXPENSES				
Personnel Services	151	1,268	515	1,934
Purchased Services	568	223	3,043	3,834
Utilities, Fuel and Supplies	-	64	1	65
Claims	1,091	-	42,217	43,308
Depreciation	-	63	-	63
Other	-	53	4	57
TOTAL OPERATING EXPENSES	<u>1,810</u>	<u>1,671</u>	<u>45,780</u>	<u>49,261</u>
OPERATING INCOME (LOSS)	(1,769)	107	826	(836)
NONOPERATING REVENUES				
Investment Earnings	(22)	(4)	169	143
TOTAL NONOPERATING REVENUES	<u>(22)</u>	<u>(4)</u>	<u>169</u>	<u>143</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(1,791)</u>	<u>103</u>	<u>995</u>	<u>(693)</u>
Transfers Out	(1)	-	(3)	(4)
CHANGE IN NET POSITION	(1,792)	103	992	(697)
NET POSITION—BEGINNING	<u>8,263</u>	<u>1,131</u>	<u>2,354</u>	<u>11,748</u>
NET POSITION—ENDING	<u>\$ 6,471</u>	<u>\$ 1,234</u>	<u>\$ 3,346</u>	<u>\$ 11,051</u>

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(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	\$ 41	\$ 1,776	\$ 46,601	\$ 48,418
Other Operating Revenue	-	2	-	2
Cash Payments to Suppliers for Goods and Services	(313)	(348)	(3,084)	(3,745)
Cash Payments for Claims	(868)	-	(42,466)	(43,334)
Cash Payments for Personnel Costs	(145)	(1,296)	(528)	(1,969)
Other Operating Expenses	-	-	(5)	(5)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,285)</u>	<u>134</u>	<u>518</u>	<u>(633)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Transfer Out	(1)	-	(3)	(4)
Acquisition and Construction of Property, Plant and Equipment	-	(135)	-	(135)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1)</u>	<u>(135)</u>	<u>(3)</u>	<u>(139)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Earnings	(22)	(4)	169	143
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>(22)</u>	<u>(4)</u>	<u>169</u>	<u>143</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,308)	(5)	684	(629)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,123	1,168	7,235	17,526
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 7,815</u>	<u>\$ 1,163</u>	<u>\$ 7,919</u>	<u>\$ 16,897</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (1,769)	\$ 107	\$ 826	\$ (836)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	63	-	63
Net Changes in Operating Assets and Liabilities:				
Accounts Receivable	(16)	-	(5)	(21)
Accounts Payable	-	(8)	(40)	(48)
Intergovernmental Payable	1	-	-	1
Claims Payable	516	-	(249)	267
Accrued Payroll and Other Related Withholdings	5	2	(14)	(7)
Compensated Absences	-	(30)	-	(30)
Estimated Future Claims	(22)	-	-	(22)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (1,285)</u>	<u>\$ 134</u>	<u>\$ 518</u>	<u>\$ (633)</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, 2017**

(Amounts in Thousands)

	Undivided Taxes	Other Agency	Total
ASSETS			
Equity in Pooled Cash and Investments	\$ 72,783	\$ 26,700	\$ 99,483
Cash and Cash Equivalents—Segregated Accounts	-	29,397	29,397
Real and Other Taxes Receivable	1,341,462	-	1,341,462
TOTAL ASSETS	\$ 1,414,245	\$ 56,097	\$ 1,470,342
 LIABILITIES			
Intergovernmental Payable	\$ 72,783	\$ 11,672	\$ 84,455
Future Tax Collections to Be Distributed	1,341,462	-	1,341,462
Other Current Liabilities	-	44,425	44,425
TOTAL LIABILITIES	\$ 1,414,245	\$ 56,097	\$ 1,470,342

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

(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	\$ 38,053	\$ 2,819,324	\$ 2,784,594	\$ 72,783
Real and Other Taxes Receivable	1,344,072	1,341,462	1,344,072	1,341,462
TOTAL ASSETS	<u>\$ 1,382,125</u>	<u>\$ 4,160,786</u>	<u>\$ 4,128,666</u>	<u>\$ 1,414,245</u>
LIABILITIES				
Intergovernmental Payable	\$ 38,053	\$ 2,819,324	\$ 2,784,594	\$ 72,783
Future Tax Collections to Be Distributed	1,344,072	1,341,462	1,344,072	1,341,462
TOTAL LIABILITIES	<u>\$ 1,382,125</u>	<u>\$ 4,160,786</u>	<u>\$ 4,128,666</u>	<u>\$ 1,414,245</u>
OTHER AGENCY FUNDS				
ASSETS				
Equity in Pooled Cash and Investments	\$ 32,864	\$ 47,631	\$ 53,795	\$ 26,700
Cash and Cash Equivalents—Segregated Accounts	27,066	196,305	193,974	29,397
TOTAL ASSETS	<u>\$ 59,930</u>	<u>\$ 243,936</u>	<u>\$ 247,769</u>	<u>\$ 56,097</u>
LIABILITIES				
Intergovernmental Payable	\$ 11,602	\$ 110,992	\$ 110,922	\$ 11,672
Other Current Liabilities	48,328	132,944	136,847	44,425
TOTAL LIABILITIES	<u>\$ 59,930</u>	<u>\$ 243,936</u>	<u>\$ 247,769</u>	<u>\$ 56,097</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

Financial Trends	159
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	164
These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.	
Debt Capacity	170
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	179
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	181
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									
	2008	2009	2010 ⁽¹⁾	2011 ⁽¹⁾	2012	2013 ⁽¹⁾	2014 ⁽¹⁾	2015	2016	2017
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 417,001	\$ 379,653	\$ 350,462	\$ 314,319	\$ 287,912	\$ 279,328	\$ 273,507	\$ 267,343	\$ 268,488	\$ 264,167
Restricted	230,362	283,432	277,409	309,491	319,813	310,768	354,056	374,383	409,235	476,201
Unrestricted	(5,980)	(4,755)	17,777	25,282	37,346	39,327	(130,415)	(123,873)	(140,941)	(267,097)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	\$ 641,383	\$ 658,330	\$ 645,648	\$ 649,092	\$ 645,071	\$ 629,423	\$ 497,148	\$ 517,853	\$ 536,782	\$ 473,271
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 518,371	\$ 506,395	\$ 476,830	\$ 553,915	\$ 557,819	\$ 501,198	\$ 561,056	\$ 650,739	\$ 709,308	\$ 786,866
Restricted	5,234	6,460	8,408	8,008	7,994	8,423	8,454	8,238	8,313	6,973
Unrestricted	267,350	317,285	344,945	294,252	335,165	410,079	237,565	201,922	335,163	413,412
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	\$ 790,955	\$ 830,140	\$ 830,183	\$ 856,175	\$ 900,978	\$ 919,700	\$ 807,075	\$ 860,899	\$ 1,052,784	\$ 1,207,251
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	\$ 935,372	\$ 886,048	\$ 827,292	\$ 868,234	\$ 845,731	\$ 780,526	\$ 834,563	\$ 918,082	\$ 977,796	\$ 1,051,033
Restricted	235,596	289,892	285,817	317,499	327,807	319,191	362,510	382,621	417,548	483,174
Unrestricted	261,370	312,530	362,722	319,534	372,511	449,406	107,150	78,049	194,222	146,315
TOTAL PRIMARY GOVERNMENT NET POSITION	\$ 1,432,338	\$ 1,488,470	\$ 1,475,831	\$ 1,505,267	\$ 1,546,049	\$ 1,549,123	\$ 1,304,223	\$ 1,378,752	\$ 1,589,566	\$ 1,680,522

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾As restated.

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

	FISCAL YEAR									
	2008	2009	2010 ⁽¹⁾	2011 ⁽¹⁾	2012	2013 ⁽¹⁾	2014	2015	2016	2017
EXPENSES										
Governmental Activities										
General Government	\$ 93,440	\$ 83,610	\$ 100,171	\$ 97,855	\$ 139,552	\$ 82,046	\$ 68,133	\$ 62,983	\$ 66,004	\$ 66,040
Judicial	118,827	101,347	91,320	88,641	89,903	89,524	94,281	92,282	100,607	108,570
Public Safety	117,497	101,128	101,631	98,943	106,958	101,155	104,530	98,236	112,227	139,361
Social Services	297,627	271,457	167,874	140,044	143,950	146,298	143,149	154,406	165,182	191,541
Health	247,755	252,592	250,968	255,933	226,480	189,604	185,594	171,507	169,802	170,544
Public Works	49,839	43,870	50,330	48,673	37,656	40,973	42,979	36,411	31,648	31,627
Environmental Control	7,479	7,077	6,720	6,508	6,337	5,943	6,889	6,470	6,221	6,849
Economic and Community Development	7,505	6,799	7,527	7,848	8,248	8,867	9,014	11,785	24,006	19,299
Recreational Activities	7,628	8,446	8,481	7,679	7,834	8,179	7,159	19,765	35,122	58,446
Interest and Fiscal Charges	4,649	4,880	4,689	4,330	4,769	3,667	3,118	2,987	2,202	2,066
Total Governmental Activities Program Expenses	952,246	881,206	789,711	756,454	771,687	676,256	664,846	656,832	713,021	794,343
Indirect Expenses Allocation ⁽³⁾	11,173	6,849	5,212	4,569	3,016	3,194	3,400	3,620	3,080	3,371
Indirect Expenses Reimbursement ⁽³⁾	(11,173)	(6,849)	(5,212)	(4,569)	(3,016)	(3,194)	(3,400)	(3,620)	(3,080)	(3,371)
Total Governmental Activities Expenses	952,246	881,206	789,711	756,454	771,687	676,256	664,846	656,832	713,021	794,343
Business-Type Activities										
Metropolitan Sewer District	159,071	167,871	194,947	202,666	190,006	245,379	219,566	208,063	109,163	162,072
Paul Brown Stadium ⁽²⁾	41,980	39,836	45,582	46,063	44,364	44,642	44,276	43,924	41,670	38,642
Baseball Stadium ⁽²⁾	28,071	25,932	29,671	31,056	29,873	29,731	30,276	29,674	26,553	25,966
Riverfront Development	11,649	9,771	41,780	27,025	14,356	14,984	14,876	16,772	16,995	16,330
Main Street Parking Garage	900	904	866	1,010	861	798	883	771	790	745
Rotary Funds	7,715	6,212	7,868	8,327	8,224	8,866	9,829	12,782	12,146	157
Communications Center ⁽²⁾	7,183	8,034	7,004	7,107	7,448	6,645	7,367	7,992	7,499	10,770
Workers' Compensation Reserve for Stadiums ⁽²⁾	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Expenses	256,569	258,560	327,718	323,254	295,132	351,045	327,073	319,978	214,816	254,682
Total Primary Government Expenses	\$ 1,208,815	\$ 1,139,766	\$ 1,117,429	\$ 1,079,708	\$ 1,066,819	\$ 1,027,301	\$ 991,919	\$ 976,810	\$ 927,837	\$ 1,049,025
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General Government	\$ 51,564	\$ 42,938	\$ 41,937	\$ 43,542	\$ 51,993	\$ 49,759	\$ 44,309	\$ 45,546	\$ 44,499	\$ 44,917
Judicial	37,118	24,723	28,518	28,240	28,335	27,438	26,321	25,964	24,626	25,871
Public Safety	16,944	16,245	16,139	15,365	15,407	16,685	17,123	10,613	10,311	19,173
Social Services	6,554	5,924	5,091	7,422	5,850	6,054	5,438	5,198	6,321	5,323
Health	9,738	6,579	8,188	12,164	11,091	8,328	9,534	2,437	2,576	3,675
Public Works	7,201	4,205	3,858	3,300	3,388	2,839	4,156	8,372	7,497	9,288
Environmental Control	3,722	3,536	3,502	3,278	3,198	2,764	2,743	2,772	3,304	3,524
Economic and Community Development	1,706	(1,332)	43	39	42	64	32	161	1,084	990
Recreational Activities	-	-	-	-	112	-	-	-	-	-
Interest and Fiscal Charges	-	-	3,180	2,174	-	-	-	-	-	-
Operating Grants and Contributions	358,919	388,627	266,818	262,874	273,318	195,344	231,749	199,893	206,429	202,880
Capital Grants and Contributions	2,000	1,796	3,443	1,098	563	627	595	5,050	5,723	5,411
Total Governmental Activities Program Revenues	495,466	493,241	380,717	379,496	393,297	309,902	342,000	306,006	312,370	321,052

	FISCAL YEAR									
	2008	2009	2010 ⁽¹⁾	2011 ⁽¹⁾	2012	2013 ⁽¹⁾	2014	2015	2016	2017
Business-Type Activities										
Charges for Services										
Metropolitan Sewer District	\$ 189,069	\$ 201,273	\$ 217,915	\$ 234,905	\$ 245,614	\$ 250,382	\$ 257,465	\$ 272,507	\$ 276,623	\$ 287,594
Paul Brown Stadium	672	774	809	832	831	831	997	1,325	1,305	1,238
Baseball Stadium	1,163	980	1,071	1,240	1,211	1,278	1,458	1,419	1,271	1,270
Riverfront Development	6,664	5,731	6,493	6,291	8,895	12,181	11,322	12,664	13,069	14,300
Main Street Parking Garage	913	758	722	785	913	840	951	983	1,005	1,187
Rotary Funds	7,843	6,238	9,376	8,214	7,961	7,952	10,212	12,221	10,529	734
Communications Center	5,518	4,962	5,250	5,555	5,675	5,620	5,311	5,954	5,441	4,711
Workers' Compensation Reserve for Stadiums ⁽²⁾	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	25,075	12,385	23,684	29,751	7,175	14,921	9,679	9,673	8,553	4,920
Total Business-Type Activities Program Revenues	<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>	<u>317,796</u>	<u>315,954</u>
Total Primary Government Program Revenues	<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>	<u>\$ 630,166</u>	<u>\$ 637,006</u>
NET EXPENSE										
Governmental Activities	\$ (456,780)	\$ (387,965)	\$ (408,994)	\$ (376,958)	\$ (378,390)	\$ (366,354)	\$ (322,846)	\$ (350,826)	\$ (400,651)	\$ (473,291)
Business-Type Activities	(19,652)	(25,459)	(62,398)	(35,681)	(16,857)	(57,040)	(29,678)	(3,232)	102,980	61,272
Total Primary Government Net Expense	<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>	<u>\$ (297,671)</u>	<u>\$ (412,019)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes										
Property Taxes	\$ 248,073	\$ 241,924	\$ 238,961	\$ 236,518	\$ 226,392	\$ 228,717	\$ 235,070	\$ 231,836	\$ 234,973	\$ 240,921
Sales and Use Taxes	64,923	67,072	72,029	75,345	72,929	77,921	81,242	114,860	141,013	137,837
Other Taxes	42,259	44,206	43,606	39,480	36,919	33,306	35,356	34,945	35,105	35,406
Grants and Entitlements not Restricted to Specific Programs	51,348	59,590	34,474	23,784	15,787	11,264	11,263	9,055	5,082	2,623
Gifts and Donations	-	-	82	314	86	82	186	92	196	169
Unrestricted Investment Earnings	16,733	8,124	7,277	5,899	7,443	3,648	3,742	6,023	6,978	6,621
Gain on Sale of Capital Assets	-	-	1,546	98	12,551	24	37	58	37	19
Other Revenue	-	-	-	299	2,280	1,619	497	448	220	258
Extraordinary Item	-	-	-	-	-	-	-	(22,500)	-	-
Transfers	(1,850)	(16,006)	(1,663)	(1,329)	(18)	(5,875)	(5,508)	(3,286)	(4,024)	(14,074)
Total Governmental Activities	<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>	<u>419,580</u>	<u>409,780</u>
Business-Type Activities										
Sales and Use Taxes	36,609	49,026	50,222	50,518	49,981	56,063	59,764	65,973	68,845	64,444
Unrestricted Investment Earnings	11,046	(391)	6,436	4,736	7,698	4,208	42,505	(19,508)	9,307	8,686
Gain on Sale of Capital Assets	-	-	126	217	181	546	-	-	465	-
Other Revenue	12	-	3,994	4,867	3,782	9,070	8,162	7,305	6,264	5,991
Transfers	1,850	16,006	1,663	1,329	18	5,875	5,508	3,286	4,024	14,074
Total Business-Type Activities	<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>	<u>88,905</u>	<u>93,195</u>
Total Primary Government	<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>	<u>\$ 508,485</u>	<u>\$ 502,975</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ (35,294)	\$ 16,945	\$ (12,682)	\$ 3,450	\$ (4,021)	\$ (15,648)	\$ 39,039	\$ 20,705	\$ 18,929	\$ (63,511)
Business-Type Activities	29,865	39,182	43	25,986	44,803	18,722	86,261	53,824	191,885	154,467
Total Primary Government	<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>	<u>\$ 210,814</u>	<u>\$ 90,956</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾As restated.

⁽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.

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

	FISCAL YEAR									
	2008	2009	2010 ⁽¹⁾	2011	2012	2013 ⁽¹⁾	2014	2015	2016	2017
GENERAL FUND										
Nonspendable	\$ 6,358	\$ 6,010	\$ 6,208	\$ 7,646	\$ 9,244	\$ 7,962	\$ 8,804	\$ 4,542	\$ 5,992	\$ 5,348
Committed	-	-	-	284	203	217	302	275	286	218
Assigned	7,142	9,266	10,248	11,235	13,110	13,524	16,514	19,821	12,909	12,127
Unassigned	32,649	33,207	48,172	56,368	49,763	54,699	52,403	57,993	59,096	52,970
TOTAL GENERAL FUND	<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>	<u>\$ 78,283</u>	<u>\$ 70,663</u>
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	\$ 3,026	\$ 3,671	\$ 2,948	\$ 3,575	\$ 4,889	\$ 4,961	\$ 293	\$ 115	\$ 120	\$ 153
Restricted	192,421	203,565	235,680	268,118	266,517	266,882	303,190	328,157	358,916	363,294
Committed	5,946	5,770	6,042	14,086	19,996	15,375	8,309	9,579	14,736	89,803
Unassigned	(10,391)	(9,810)	(7,553)	(12,193)	(1,821)	(4,257)	(5,470)	(1,652)	(1,193)	(3,739)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<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>	<u>\$ 372,579</u>	<u>\$ 449,511</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾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									
	2008	2009	2010 ⁽¹⁾	2011	2012	2013	2014	2015	2016	2017
REVENUES										
Property Taxes and Assessments	\$ 248,088	\$ 240,272	\$ 235,018	\$ 239,045	\$ 229,347	\$ 232,710	\$ 235,796	\$ 235,254	\$ 236,461	\$ 239,892
Sales and Use Tax	64,923	67,072	72,029	75,345	72,929	77,921	81,242	114,860	141,013	137,837
State Shared Taxes	42,350	44,547	43,606	39,480	36,919	33,306	35,356	34,945	35,105	35,406
Charges for Services	84,229	67,139	64,735	68,331	68,330	71,503	68,557	65,988	65,303	76,336
Licenses and Permits	4,995	4,949	6,407	7,037	6,973	7,561	7,257	7,559	7,916	7,812
Fines and Forfeitures	13,658	12,748	14,506	13,402	13,361	12,803	12,618	12,852	12,180	11,137
Intergovernmental	422,222	409,901	348,584	301,778	282,812	206,533	222,841	216,069	215,744	209,423
Investment Earnings	19,701	6,906	7,245	5,883	7,388	3,719	3,757	5,965	6,894	6,478
Other	27,966	21,243	27,205	32,906	32,405	25,274	21,863	15,378	15,309	16,843
TOTAL REVENUES	928,132	874,777	819,335	783,207	750,464	671,330	689,287	708,870	735,925	741,164
EXPENDITURES										
Current:										
General Government	69,956	63,451	74,294	76,461	115,470	64,317	54,301	53,532	55,183	52,088
Judicial	118,073	100,058	93,168	90,909	91,480	89,933	94,216	92,188	96,854	99,121
Public Safety	114,554	97,363	100,538	100,813	106,009	100,370	104,198	98,953	106,182	120,870
Social Services	307,296	279,070	175,546	150,843	142,046	149,918	145,870	151,481	159,307	179,482
Health	247,499	251,313	252,088	255,974	227,912	190,558	185,251	170,966	168,458	168,773
Public Works	29,118	26,313	32,903	24,984	26,046	26,295	32,998	34,301	36,053	35,976
Environmental Control	7,715	7,246	7,114	7,109	6,620	6,824	6,597	6,189	5,738	6,021
Economic and Community Development	7,527	6,963	7,534	7,945	8,234	8,878	9,042	11,785	24,005	19,293
Recreational Activities	7,638	8,455	8,470	7,925	7,845	7,670	7,687	20,273	35,641	58,945
Capital Outlay	326	699	378	1,480	8,431	9,431	5,363	2,129	1,782	4,189
Debt Service:										
Principal Retirement	12,419	13,485	11,419	11,651	11,439	11,790	11,369	8,827	8,516	7,937
Interest and Fiscal Charges	4,489	4,951	4,541	4,197	3,968	3,421	2,966	2,817	2,451	2,628
TOTAL EXPENDITURES	926,610	859,367	767,993	740,291	755,500	669,405	659,858	653,441	700,170	755,323
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,522	15,410	51,342	42,916	(5,036)	1,925	29,429	55,429	35,755	(14,159)
OTHER FINANCING SOURCES (USES)										
Transfers In	28,906	21,429	24,449	15,185	5,787	13,761	16,043	21,298	15,278	18,725
Transfers Out	(30,756)	(37,435)	(26,112)	(16,514)	(5,805)	(18,406)	(21,353)	(24,584)	(19,302)	(32,795)
Issuance of Refunding Debt	-	-	-	-	-	-	-	5,485	-	8,832
Premium on Debt Issued	112	249	-	-	175	-	-	1,734	-	17,363
Payment to Refunded Bonds Escrow Agent	-	-	-	-	(7,112)	-	-	(8,280)	-	(1,819)
Proceeds from Issuance of Bonds	9,057	14,875	387	5,787	9,773	182	326	5,345	-	73,165
Issuance of Loans	-	-	-	-	-	-	537	558	301	-
Proceeds from Sale of Capital Assets	-	-	-	-	15,000	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES), NET	7,319	(882)	(1,276)	4,458	17,818	(4,463)	(4,447)	1,556	(3,723)	83,471
EXTRAORDINARY ITEM	-	-	-	-	-	-	-	(22,500)	-	-
NET CHANGE IN FUND BALANCES	\$ 8,841	\$ 14,528	\$ 50,066	\$ 47,374	\$ 12,782	\$ (2,538)	\$ 24,982	\$ 34,485	\$ 32,032	\$ 69,312
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	1.8%	2.2%	2.1%	2.2%	2.1%	2.3%	2.2%	1.8%	1.6%	1.4%

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾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⁾	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 ⁽²⁾	Public Utility Property	Tax Exempt Property	Taxable Assessed Value ⁽¹⁾			
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%
2015/2016	12,773,715	3,694,211	887,127	56,447	9,608	-	927,266	5,595,125	18,348,374	18.85	51,629,126	35.54%
2016/2017	12,796,935	3,753,498	875,044	58,630	12,171	-	966,586	5,813,194	18,462,864	18.85	51,922,538	35.56%

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⁾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									
	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
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)	0.13	0.14	-	-	-	-	-	-	-	-
Drake Hospital	0.84	0.84	-	-	-	-	-	-	-	-
For University of Cincinnati Hospital	4.49	4.49	4.49	4.49	4.07	4.07	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	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13
For Community Mental Health	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99	2.99
For Support of Children Services	2.77	2.77	2.77	2.77	2.77	2.77	2.77	2.77	2.77	2.77
For Recreation/Zoological Purposes	0.40	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46
For Senior Services	1.29	1.29	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	0.34	0.34
For Museum Center	0.20	0.20	0.18	0.18	0.18	0.18	0.18	-	-	-
Total Direct Rate	19.53	19.60	19.45	19.45	19.03	19.03	19.03	18.85	18.85	18.85
TOWNSHIP RATES⁽¹⁾:										
Anderson	11.87	14.57	14.57	14.57	14.57	14.57	14.57	14.57	14.57	18.12
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	17.33	17.33	17.33	18.26	18.26	18.26	18.26	20.21	20.21	20.21
Columbia	14.76	14.76	14.76	14.76	17.01	17.01	17.01	17.01	18.61	18.61
Crosby	10.24	10.24	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	28.09	30.58	30.58	31.12
Green	9.81	11.71	11.71	11.71	11.71	11.71	11.71	14.66	14.66	14.66
Harrison	3.74	3.74	3.74	5.24	5.24	5.24	5.24	5.24	5.24	5.24
Miami	9.91	9.91	9.91	9.91	9.91	10.91	11.91	13.41	13.41	13.41
Springfield	20.30	20.30	22.80	22.80	22.80	23.80	23.80	23.80	23.80	23.80
Sycamore	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
Symmes	13.70	13.70	13.50	14.50	14.50	14.50	14.50	14.50	15.00	15.00
Whitewater	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44	11.44	16.81
SCHOOL DISTRICT RATES⁽¹⁾:										
Cincinnati	59.67	67.95	67.87	68.54	70.76	71.34	71.49	70.65	70.15	77.91
Deer Park	78.63	78.63	78.63	78.63	78.63	78.63	86.53	86.53	86.53	91.94
Finneytown	86.67	86.92	86.96	94.90	94.90	96.88	96.88	96.88	96.93	97.58
Forest Hills	61.46	61.65	61.65	61.65	61.65	65.55	65.55	70.50	70.50	68.81
Indian Hill	45.42	46.32	45.82	45.72	45.87	45.99	46.06	44.81	46.06	46.16
Lockland	51.59	51.59	50.79	48.59	48.59	48.59	47.19	47.09	47.09	47.09
Loveland	74.24	74.24	74.24	74.24	77.64	77.98	78.08	83.68	82.09	82.09
Madeira	94.77	95.39	94.02	94.02	101.27	101.94	101.82	101.82	101.55	107.77
Mariemont	97.87	97.87	97.72	106.47	106.97	107.77	107.77	113.92	113.92	113.92
Milford	69.10	74.60	74.60	74.60	75.05	75.05	79.65	79.65	80	80
Mt. Healthy	74.24	75.03	74.95	74.93	75.74	76.47	76.87	74.81	75.26	75.47
North College Hill	65.36	66.05	65.97	66.00	66.07	66.77	66.77	66.77	66.77	67.03
Northwest	53.39	53.56	53.57	53.60	54.22	59.57	59.57	59.57	58.87	58.87
Norwood	49.40	48.17	49.23	49.11	59.09	58.97	59.02	59.66	59.98	67.29
Oak Hills	46.35	45.90	45.83	45.80	46.02	46.05	50.97	51.15	51.15	51.15
Princeton	49.03	48.99	48.99	50.48	50.83	61.28	61.28	62.58	62.58	62.58
Reading	64.08	64.08	69.79	69.90	70.67	70.67	70.67	70.67	78.15	78.15
St. Bernard	49.17	53.20	52.87	53.01	58.68	58.28	57.34	58.46	58.56	64.07
Southwest	45.30	45.14	44.98	44.68	44.18	44.18	44.18	44.18	44.18	44.18
Sycamore	65.79	65.77	65.77	66.38	66.45	66.45	66.45	66.45	66.37	72.87
Three Rivers	44.90	44.90	44.90	49.87	49.87	49.87	49.87	49.87	49.22	49.22
Winton Woods	78.03	78.03	85.93	86.03	87.32	87.41	87.41	87.41	87.81	94.76
Wyoming	87.87	87.87	87.84	87.84	88.58	93.37	93.37	93.37	93.28	93.28
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	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										
	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Addyston	7.59	7.59	7.59	7.59	7.59	7.59	7.59	7.59	8.09	8.09	8.09
Amberley	7.00	7.00	7.00	7.00	7.00	7.00	7.00	17.00	17.00	17.00	17.00
Arlington Heights	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52	20.52	20.52
Blue Ash	3.08	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	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13	20.13
Cincinnati	9.89	9.89	9.82	10.07	10.50	10.50	10.85	12.20	12.10	12.10	12.04
Cleves	12.99	12.99	12.99	6.99	10.09	10.09	10.09	13.99	13.99	13.99	13.99
Deer Park	10.45	10.45	10.45	10.45	10.45	10.45	10.45	10.45	10.45	10.45	12.45
Elmwood Place	17.78	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	0.00
Fairfax	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	2.76	1.80	2.76
Fairfield	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	5.94	8.44
Forest Park	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	18.51	18.51
Glendale	21.03	20.08	20.08	20.08	20.08	20.08	21.58	21.58	21.58	21.58	21.58
Golf Manor	38.52	38.52	38.52	38.52	38.52	38.52	38.52	38.52	38.52	43.52	43.52
Greenhills	28.23	27.88	27.83	32.73	33.58	33.58	33.58	33.58	33.58	30.86	30.15
Harrison	13.00	11.19	14.50	14.50	14.50	14.50	14.50	14.50	14.50	16.90	15.09
Indian Hill	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
Lincoln Heights	35.33	35.33	35.33	39.33	40.73	40.73	48.73	48.73	48.73	48.73	42.83
Lockland	7.52	7.52	7.52	7.52	7.52	7.52	7.52	7.52	7.52	7.52	11.52
Loveland	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35	12.10	12.10	12.10
Madeira	7.50	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	14.37
Milford	11.80	11.80	11.80	11.80	11.80	11.80	11.80	11.80	13.80	13.80	13.80
Montgomery	10.05	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	11.11
Newtown	2.37	2.37	2.37	2.37	2.37	2.37	2.37	2.37	2.37	2.37	12.64
North Bend	10.09	10.09	10.09	10.09	10.09	10.09	10.09	11.38	11.38	9.44	9.44
North College Hill	7.98	7.98	7.98	7.98	7.98	7.98	7.98	12.88	12.88	11.58	11.58
Norwood	11.40	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	3.52
St. Bernard	11.28	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	0.00
Silverton	8.15	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	3.08
Terrace Park	11.67	12.09	8.59	11.34	11.34	11.34	11.34	13.84	13.84	13.84	13.84
Woodlawn	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	10.08	10.08	10.08
Wyoming	10.00	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	6.40	6.40	6.40	6.40	6.40	6.40	6.4	7.90	7.90	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	0.00
Little Miami Joint Fire District	9.75	9.75	12.05	12.05	12.05	12.05	12.05	12.05	12.05	12.05	12.05
Western Joint Ambulance District	2.25	2.25	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	1.03
Public Library of Cincinnati & Hamilton County	-	-	1.00	1.00	1.00	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 2017.

⁽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
CURRENT YEAR AND NINE YEARS AGO**

(Amounts in Thousands)

Name of Taxpayer	COLLECTION YEAR 2017			COLLECTION YEAR 2008		
	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.)	\$1,007,711	1	5.46%	\$597,931	1	2.97%
City of Cincinnati	100,623	2	0.55%	87,232	3	0.43%
Procter & Gamble Company	77,817	3	0.42%	97,103	2	0.48%
Hines Global REIT II, Inc. (HGREIT)	66,500	4	0.36%	–	–	–
The Christ Hospital	42,947	5	0.23%	–	–	–
Fifth Third Bank	34,872	6	0.19%	–	–	–
Emery Realty Inc.	23,766	7	0.13%	29,159	8	0.14%
Cardinal Funding Company LLC	23,483	8	0.13%	–	–	–
Kroger Company	21,683	9	0.12%	–	–	–
OTR	19,926	10	0.11%	26,250	9	0.13%
Cincinnati Bell Telephone	–		–	64,459	4	0.32%
Duke Realty Ohio	–		–	61,475	5	0.30%
Tri County Mall LLC	–		–	50,400	6	0.25%
Northgate Partners LLC	–		–	32,466	7	0.16%
Columbia Development Corp.	–		–	24,240	10	0.12%
Total	\$1,419,328		7.69%	\$1,070,715		5.31%

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
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%
2015/2016	262,581,917	13,256,291	275,838,208	255,949,464	97.47%	6,948,426	262,897,890	100.12%
2016/2017	264,597,590	12,666,450	277,264,040	257,379,587	97.27%	6,542,891	263,922,478	99.74%
Totals	\$ 2,650,614,859	\$ 198,717,139	\$ 2,849,331,998	\$ 2,542,503,633		\$ 95,575,916	\$ 2,638,079,549	

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									
	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	Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾	
2008	\$ 2,740	\$ 96,992	\$ 4,200	\$ 4,791	\$ 3,543	\$ 637,829	\$ 21,140	\$ 573,311	\$ 7,792	\$ 46,170	\$ -	\$ 1,398,508	3.73%	\$ 1,639	
2009	-	101,052	4,600	4,661	3,144	757,617	20,455	561,850	7,488	44,718	17,160	1,522,745	4.20%	1,781	
2010	-	90,056	4,623	4,468	2,607	804,809	19,730	559,062	7,174	99,772	17,160	1,609,461	4.38%	2,006	
2011	-	84,293	4,567	3,954	2,237	775,684	18,960	561,633	6,786	145,446	17,160	1,620,720	4.32%	2,025	
2012	-	76,997	4,193	3,778	1,896	742,131	18,145	581,698	6,383	217,365	16,415	1,669,001	4.21%	2,081	
2013	-	65,390	3,804	3,603	1,547	832,965	17,280	565,969	5,960	231,406	14,885	1,742,809	4.30% ⁽²⁾	2,166	
2014	-	54,479	3,456	3,340	1,613	799,475	16,365	548,099	25,876	235,134	13,310	1,701,147	4.02%	2,109	
2015	-	50,484	3,107	3,165	2,090	748,749	15,395	526,293	41,383	234,885	11,203	1,636,754	3.78%	2,027	
2016	-	42,010	2,758	2,989	2,265	701,535	14,365	494,703	39,501	259,823	9,027	1,568,976	3.51% ⁽³⁾	1,939	
2017	-	131,308	2,429	2,814	2,118	652,958	-	465,959	39,744	303,726	6,512	1,607,568	3.53%	1,975	

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 179 for personal income and population data.

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

⁽³⁾2016: Estimated figure using state figure CAFR-year. County 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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limitation of Assessed Valuation	\$ 502,556	\$ 504,379	\$ 503,958	\$ 497,680	\$ 454,723	\$ 452,282	\$ 455,189	\$ 457,209	\$ 460,072	\$ 482,084
Total Net Debt Applicable to Debt Limitation	84,827	88,756	80,541	71,537	69,648	66,892	76,894	107,098	97,299	155,189
Legal Debt Margin Remaining	\$ 417,729	\$ 415,623	\$ 423,417	\$ 426,143	\$ 385,075	\$ 385,390	\$ 378,295	\$ 350,111	\$ 362,773	\$ 326,895
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	16.88%	17.60%	15.98%	14.37%	15.32%	14.79%	16.89%	23.42%	21.15%	32.19%

Legal Debt Margin Calculation for Fiscal Year 2017—Total Debt Limit

Assessed Valuation	\$ 19,343,364
Debt Limitation of Assessed Valuation⁽¹⁾	482,084
Debt Applicable to Limit:	
Outstanding Debt	1,482,982
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	600,330
Metropolitan Sewer District Loans	293,496
Special Assessments	4,075
Waterline West Phase II	450
Sales Tax Supported Bonds	411,931
Urban Redevelopment	3,742
Total Debt Exempt from Calculation	1,314,024
Less: Available Funds in Debt Service Funds as of December 31, 2017	(13,769)
Total Net Debt Applicable to Debt Limitation	155,189
Legal Debt Margin Remaining	<u>\$ 326,895</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%)	(7,500)
of such valuation in excess of \$300,000,000	<u>(1,500)</u>

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

(Amounts in Thousands)

	FISCAL YEAR									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limitation of Assessed Valuation	\$ 201,622	\$ 202,351	\$ 202,183	\$ 199,672	\$ 182,489	\$ 181,513	\$ 182,675	\$ 183,484	\$ 184,629	\$ 193,434
Total Net Debt Applicable to Debt Limitation	82,087	88,756	80,541	71,537	69,648	66,892	76,894	107,098	97,299	155,189
Legal Debt Margin Remaining	<u>\$ 119,535</u>	<u>\$ 113,595</u>	<u>\$ 121,642</u>	<u>\$ 128,135</u>	<u>\$ 112,841</u>	<u>\$ 114,621</u>	<u>\$ 105,781</u>	<u>\$ 76,386</u>	<u>\$ 87,330</u>	<u>\$ 38,245</u>
Total Net Debt Applicable to Debt Limitation as a Percentage of Debt Limitation	40.71%	43.86%	39.84%	35.83%	38.17%	36.85%	42.09%	58.37%	52.70%	80.23%

Legal Debt Margin Calculation for Fiscal Year 2017—Total Debt Limit

Assessed Valuation	\$ 19,343,364
Debt Limitation of Assessed Valuation⁽¹⁾	193,434
Debt Applicable to Limit: Outstanding Debt	1,482,982
Less: Debt Exempt from Calculation	
Metropolitan Sewer District Bonds	600,330
Metropolitan Sewer District Loans	293,496
Special Assessments	4,075
Waterline West Phase II	450
Sales Tax Supported Bonds	411,931
Urban Redevelopment	3,742
Total Debt Exempt from Calculation	<u>1,314,024</u>
Less: Available Funds in Debt Service Funds as of December 31, 2017	<u>(13,769)</u>
Total Net Debt Applicable to Debt Limitation	<u>155,189</u>
Legal Debt Margin Remaining	<u>\$ 38,245</u>

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is one percent of the total assessed valuation.

COUNTY OF HAMILTON, OHIO
PLEGGED 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	
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
2016	292,553	11,347	85,680	281,206	43,125	35,375	3.58
2017	304,821	63,878	50,697	240,943	29,050	31,685	3.97

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	
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
2016	13,069	6,701	6,368	1,030	77	5.75
2017	14,300	7,176	7,124	14,365 ⁽⁷⁾	107	0.49

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	
\$ 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
400	349	189	0.74	80,441	16,458	11,608	5,662	5,441	2.05
462	329	169	0.93	80,474	13,490	11,872	8,580	6,343	2.00

⁽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.

⁽⁷⁾Total outstanding bonds of \$14,365 were refunded in 2017.

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⁾
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
2016	77,004	218	76,786	0.15%	94.90
2017	153,472	13,537	139,935	0.27%	171.95

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 164 for property value data.

⁽²⁾Population data can be found in the Schedule of Demographic and Economic Statistics on page 179.

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

Fiscal Year	Population⁽¹⁾	Personal Income⁽²⁾⁽⁵⁾⁽⁶⁾ <small>(Amounts in Thousands)</small>	Per Capita Personal Income	Annual Average Unemployment Rate⁽³⁾	Median Age⁽⁴⁾
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
2016	809,099	44,667,579	55,207	4.00%	37.0
2017	813,822	45,576,164	56,003	4.40%	37.0

Data Sources:

⁽¹⁾U.S. Department of Commerce, Bureau of the Census, 2008–2017 Census and Midyear Population Estimates.

⁽²⁾U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System (2008-2017).

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

⁽⁴⁾U.S. Department of Commerce, Bureau of the Census, 2008–2017 American FactFinder Fact Sheets;
used prior year data, county data for CAFR year not available.

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

⁽⁶⁾2016: Estimated figure using state figure CAFR-year. County data not available.

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

Name of Employer⁽¹⁾⁽³⁾	2017			2008		
	Number of Employees⁽¹⁾	Rank	Percentage of Total County Employment	Number of Employees⁽³⁾	Rank	Percentage of Total County Employment
Kroger Company	21,263	1	5.41%	15,600	1	3.76%
Cincinnati Children's Hospital Medical Center	15,429	2	3.92%	10,347	4	2.50%
TriHealth Incorporated	12,000	3	3.05%	9,850	5	2.38%
UC Health (fna: Health Alliance of Greater Cincinnati Inc.)	11,241	4	2.86%	9,475	6	2.28%
University of Cincinnati	10,551	5	2.68%	15,539	2	3.75%
General Electric	10,500	6	2.67%	7,400	9	1.78%
Mercy Health	10,442	7	2.65%	7,261	10	1.75%
Procter & Gamble Company	10,000	8	2.54%	12,900	3	3.11%
Fifth Third Bank	7,496	9	1.91%	7,633	7	1.84%
City of Cincinnati	6,732	10	1.71%			
Archdiocese of Cincinnati				7,500	8	1.81%
Total Principal Employers	115,654		29.40%	103,505		24.96%
Total County Employed⁽²⁾	393,300			414,700		

Data Sources:

⁽¹⁾Cincinnati Business Courier 2017/2018 Book of Lists

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

⁽³⁾Cincinnati Business Courier 2008 Book of Lists

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

Function/Program	FISCAL YEAR									
	2008	2009 ⁽¹¹⁾	2010 ⁽¹³⁾	2011 ⁽¹³⁾	2012	2013	2014	2015	2016	2017
General Government ⁽²⁾⁽⁷⁾⁽¹²⁾⁽¹⁴⁾	522.21	499.69	427.13	413.50	417.02	359.78	359.53	358.84	348.40	350.60
Judicial ⁽²⁾⁽⁷⁾⁽¹⁰⁾⁽¹³⁾	1,672.62	1,450.13	1,298.06	1,115.30	1,109.65	1,023.12	1,050.80	1,051.04	1,071.11	1,076.48
Public Safety ⁽¹⁾⁽²⁾⁽⁷⁾	1,170.15	950.33	963.21	1,007.99	1,045.23	1,065.80	1,083.74	1,088.53	1,157.51	1,166.51
Social Services ⁽¹⁾⁽²⁾⁽⁷⁾⁽¹³⁾	1,637.65	1,445.80	949.69	817.69	801.56	823.56	874.25	854.27	894.27	974.30
Health ⁽²⁾	654.67	659.76	678.45	630.18	630.84	621.31	628.28	607.96	588.94	527.63
Public Works ⁽¹⁾⁽¹²⁾	220.65	191.60	208.20	209.05	210.20	206.84	209.90	210.55	230.04	205.41
Environmental Control ⁽²⁾	59.59	59.90	55.35	10.27	9.06	8.52	7.69	7.80	7.83	7.94
Economic and Community Development ⁽²⁾⁽¹²⁾	6.25	14.19	0.29	-	-	-	0.75	0.65	0.65	0.65
Recreational Activities	-	1.00	0.10	4.19	5.20	4.51	4.01	6.42	5.97	5.89
Metropolitan Sewer District ⁽³⁾	-	-	-	-	-	-	-	-	-	-
Paul Brown Stadium ⁽⁴⁾	28.01	27.81	26.22	26.21	26.60	25.61	25.34	26.98	27.34	27.33
Cinergy Field ⁽⁵⁾	-	-	-	-	-	-	-	-	-	-
Baseball Stadium ⁽⁵⁾	1.00	1.00	1.07	0.47	-	-	-	-	-	-
Riverfront Development ⁽⁶⁾	-	-	2.47	0.60	0.87	1.02	0.87	1.25	1.45	1.45
Main Street Parking Garage ⁽⁶⁾	-	-	-	-	-	-	0.52	0.55	0.55	0.55
Rotary Funds ⁽⁸⁾	108.00	106.00	103.00	35.00	-	-	-	-	-	-
Communications Center	94.00	93.00	91.00	84.00	76.42	79.42	75.42	74.42	74.42	82.42
Workers' Compensation Reserve for Stadiums ⁽⁹⁾⁽¹⁴⁾⁽¹⁵⁾	2.00	2.00	2.00	2.00	-	-	-	-	-	-
Total	6,176.80	5,502.21	4,806.24	4,356.45	4,332.65	4,219.49	4,321.10	4,289.26	4,408.48	4,427.16

Sources: Hamilton County, Ohio 2008-2017 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⁾Additional parking facilities personnel services are provided via management contract.

⁽⁷⁾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.

⁽⁸⁾The County is fully reimbursed for Sheriff's Township Patrol services.

⁽⁹⁾Employees who service the Workers' Compensation Reserve for Stadiums internal service fund are employed by the Board of County Commissioners.

⁽¹⁰⁾Court of Appeals staff are employees of the State of Ohio.

⁽¹¹⁾The 674.59 positions reduced in 2009 resulted primarily from budget reductions shared across most departments.

⁽¹²⁾In 2009, Community Development, Building Inspections, Public Works, Regional Planning and Regional Zoning combined to form the Planning and Development Department (General Government).

⁽¹³⁾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.

⁽¹⁴⁾For 2012-2015, employees who service the Workers' Compensation Reserve for Stadiums internal service funds are reported with the General Government function.

⁽¹⁵⁾For 2016, the Workers' Compensation funds specific to the stadiums were closed.

**COUNTY OF HAMILTON, OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

FUNCTION/PROGRAM	FISCAL YEAR									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
General Government										
Auditor										
Non-Exempt Property Conveyances	16,772	15,060	14,649	14,349	14,333	17,554	16,331	17,538	18,500	18,504
Exempt Property Conveyances	11,038	10,217	9,403	10,066	10,688	11,603	11,466	11,656	11,349	11,718
Parcels Assessed or Reappraised at Market Value	347,481 ⁽¹⁾	347,587	348,148	348,360 ⁽²⁾	348,362	347,492	348,535 ⁽¹⁾	348,885	351,286	351,286
Dog and Kennel Licenses Issued	58,942	61,833	59,316	60,298	59,045	58,051	55,414	50,638	47,204	45,965
Weights and Measures Inspections and Tests Performed	31,837	38,983	14,365	- ⁽¹¹⁾	-	-	-	-	-	-
Board of Elections										
Voter Registrations and Changes Processed	177,515 ⁽⁴⁾	50,294	43,490	82,037	146,758 ⁽⁴⁾	94,519	84,081	88,788	206,077	116,434 ⁽⁴⁾
Building Inspections										
Building Inspections Performed	21,098	18,893	13,566	12,708	12,699	13,340	13,255	13,219	14,539	14,628
Building Permits Issued	3,952 ⁽³⁾	4,112 ⁽³⁾	4,441 ⁽³⁾	4,193 ⁽³⁾	4,033 ⁽³⁾	4,589 ⁽³⁾	4,651 ⁽³⁾	4,935 ⁽³⁾	5,238 ⁽³⁾	5,034
Recorder										
Deeds Filed	27,952	25,206	23,758	22,788	24,053	28,413	26,637	27,646	28,376	28,879
Mortgages Filed	36,771	43,031	39,184	35,862	42,425	40,612	28,453	31,191	33,503	35,556
Treasurer										
Tax Bills Processed	285,000	289,000	286,500	291,600	294,700	294,000	293,700	292,350	295,775	296,270
Judicial										
Court of Appeals										
Overall New Cases ⁽⁵⁾	1,326	947	872	899	915	877	809	817	940	718
Criminal New Cases ⁽⁵⁾	971	587	521	480	506	457	440	412	381	366
Civil New Cases ⁽⁵⁾	221	229	234	276	266	420	346	381	534	315
Court of Common Pleas										
Overall New Cases ⁽⁵⁾	25,229	24,845	24,455	23,041	22,447	19,457	18,064	15,866	16,504	15,775
Criminal New Cases ⁽⁵⁾	10,287	9,224	9,078	9,072	8,920	8,182	7,981	6,684	6,797	6,639
Civil New Cases ⁽⁵⁾	14,942	15,621	15,377	13,969	13,527	11,275	10,083	9,182	9,707	9,136
Court of Domestic Relations										
Overall New Cases ⁽⁵⁾	7,837	7,560	6,699	6,479	6,061	6,239	6,035	5,989	5,729	6,447
Juvenile Court										
Overall New Cases ⁽⁵⁾	37,681	33,199	30,681	28,355	28,109	30,379	24,816	16,468	14,919	26,272
Hearings Conducted	143,653	128,764	120,169	120,028	118,853	118,800	118,669	128,981	135,649	113,899
Municipal Court										
Overall New Cases ⁽⁵⁾	354,811	332,902	319,097	316,812	206,611	233,940	214,466	289,727	279,103	270,448
Probate Court										
Overall New Cases ⁽⁵⁾	6,697	6,564	6,458	6,606	6,632	6,552	6,029	6,037	10,808	10,932
Public Safety										
Coroner										
Autopsies Performed	1,000	898	860	922	909	936	796	930	1,181	1,265
Prosecutor										
Criminal Misdemeanor and Felony Arraignments	43,300	44,184	40,719	41,426	39,384	34,410	34,917	32,962	30,730	29,639
Formal Opinions and Letters of Advice to County Agencies	105	49	37	42	26	48	24	36	20	27
Property Foreclosures	3,750	4,767	7,843	5,848	5,833	4,262	3,350	2,990	3,028	2,644
Sheriff										
Inmates Housed	46,000	42,000	40,000	38,626	36,653	32,425	31,872	30,985	30,977	30,198
Prisoners Transported	4,482	3,615	3,333	3,059	3,077	2,820	4,954	3,229	5,697	3,651
Courtroom Security Provided (Hours)	51,928	46,126	43,960	55,472	55,038	49,628	49,202	51,322	93,854	51,893
Major Crime Cases Investigated	4,130	7,245	6,835	6,713	6,260	5,066	4,974	4,442	4,861	4,996
Social Services										
Job and Family Services—JFS										
Cash Assistance Recipients (Monthly Average)	17,644	26,496	25,301	20,326	17,570	15,670	14,062	13,295	12,040	24,353
Food Stamp Assistance Recipients (Monthly Average)	76,057	119,189	137,148	129,281	135,280	135,898	126,984	125,808	120,449	110,074
Medicaid Participants (Monthly Average)	128,259	142,116	156,494	154,768	171,131	180,295	206,464	225,000	225,206	233,243
Subsidized Child Care Recipients (Monthly Average 2007-2009)	14,121	14,034	15,451	19,292	16,201 ⁽³⁾	16,563	16,376	16,799	12,928	12,736
Children's Services Recipients	16,469	15,422	15,831	16,964	16,912	16,824	16,101	15,780	17,357	20,204
Child Support Collections (Millions)	\$154.60	\$143.00	\$126.00	\$129.60	\$129.60	\$130.00	\$127.80	\$129.50	\$128.00	\$127.00
Workforce Development Admissions (Includes Reapplications)	3,278	5,129	13,810	14,500	28,738	20,212	25,820	29,268	29,094	16,805
Health										
Developmental Disability Services										
Eligible Individuals Served ⁽⁶⁾	7,931	16,051	15,443	16,585	16,689	15,893	13,982	17,219	21,099	19,684

	FISCAL YEAR									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Works										
County Engineer										
Bridges Constructed/Repaired	11	2	6	2	2	2	5	8	9	3
Landslides Stabilized	2	-	-	5	8	3	2	2	3	2
Roads Resurfaced (Number)	- ⁽⁷⁾	21	24	4	11	23	9	14	8	17
Roads Resurfaced (Miles)	- ⁽⁷⁾	12	18	3	8	26	8	11	6	9
Public Works										
Permits Processed for Storm Review and FEMA Regulations	2,000	1,461	1,783	1,610	1,732	2,190	1,763	1,853	2,078	1,971
Environmental Control										
Environmental Services										
Material Recycled (Tons)	34,500	36,615	39,885	45,498	43,590	40,935	40,350	38,562	39,777	41,754
FUNCTION/PROGRAM										
Business-Type Activities										
Metropolitan Sewer District										
Sewer Connections	229,943	228,133	229,452	231,100	229,808	227,160	211,631	211,689	226,000	242,000
Wastewater Collected and Treated (Millions of Gallons) ⁽⁸⁾	67,264	60,800	58,746	73,008	54,785	70,147	65,551	71,135	58,384	64,000
Paul Brown Stadium										
Game Attendance (Total)	526,320	516,663	575,718	482,917	489,504	593,800	525,372	599,456	456,407	427,442
Game Attendance (Average)	65,790	64,583	63,969	60,365	61,188	53,982	52,537	54,496	50,712	42,744
Baseball Stadium										
Game Attendance (Total)	2,058,632	1,747,919	2,060,550	2,213,498	2,347,251	2,492,059	2,476,664	2,550,410	1,894,085	1,836,917
Game Attendance (Average)	25,415	21,579	25,439	27,327	28,978	31,151	30,576	30,362	23,384	22,678
Riverfront Development										
Parking Spaces Managed	6,317	6,317	7,077	7,641	7,768	7,401	7,085	7,085	7,294	7,292
Main Street Parking Garage										
Parking Spaces Managed	700	700	700	694	694	692	693	693	693	690
Rotary Funds										
Sheriff's Road Patrol Division										
Jurisdictions Served (townships served)	7	7	6	7	7	8	8	14	13	14
Central Warrants/Identification Division										
Expungements Processed	2,565	1,846	1,862	2,847	3,566	3,212	4,352	5,103	3,140	4,173
Warrants/Capias Processed	147,637	184,546	185,012	155,464	143,354	118,518	114,314	169,442	127,849	100,001
Offender Fingerprints Processed	49,945	46,561	45,442	53,796	49,785	40,846	34,962	34,303	38,092	35,913
Public Fingerprint Services Provided	27,079	26,240	20,537	19,215	26,240	23,773	20,537	19,256	19,405	18,143
Communications Center										
Emergency 911 Telephone Calls Processed	902,000	766,452	589,542	745,139	688,817	681,755	658,761	551,960	532,136	251,122
Police, Fire and Rescue Unit Calls Processed	587,000	598,359	580,428	570,475	547,852	555,778	583,312	590,405	523,976	258,125
Workers' Compensation Reserve for Stadiums										
Claims Managed	8 ⁽¹⁰⁾	6 ⁽¹⁰⁾	5 ⁽¹⁰⁾	4 ⁽⁹⁾	4 ⁽⁹⁾	-	1 ⁽¹²⁾	1 ⁽¹²⁾	1 ⁽¹²⁾	- ⁽¹²⁾

Sources:
Hamilton County, Ohio, 2007-2008 Budgets
Hamilton County Auditor
Various Hamilton County Departments
Supreme Court of Ohio
<http://www.hcjfs.hamilton-co.org>, 2007-2010
<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⁾For fiscal years 2007-2008, 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 2009-2016, the number of eligible individuals served includes some individuals who received more than one service per year.

⁽⁷⁾No resurfacing occurred due to budget constraints.

⁽⁸⁾Yearly rainfall levels result in variances in amounts of wastewater collected and treated.

⁽⁹⁾The number represents management of workers' compensation claims for Paul Brown Stadium and Great American Ball Park.

⁽¹⁰⁾The number represents management of workers' compensation claims for Great American Ball Park.

⁽¹¹⁾Compilation of Activity Report ended in 2011.

⁽¹²⁾The number represents management of workers' compensation claims for Paul Brown Stadium.

**COUNTY OF HAMILTON, OHIO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

<u>FUNCTION/PROGRAM</u>	<u>FISCAL YEAR</u>									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Governmental Activities</u>										
General Government										
Properties ⁽¹⁾⁽⁵⁾	8	8	8	8	5	5	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	1	1	1	1	1	1	1	1	1	1
Emergency Warning Sirens	195	195	195	199	199	200	199	194	194	194
Sheriff										
District Patrol Headquarters ⁽²⁾	5	5	5	5	5	5	5	5	5	5
Detention Facilities ⁽³⁾	4	3	3	3	3	3	3	3	3	3
Social Services										
Job and Family Services										
Properties ⁽¹⁾	4	4	4	3	3	3	3	3	3	3
Health										
Developmental Disabilities Services										
Properties ⁽¹⁾	13	13	12	12	12	12	12	12	12	12
Mental Health and Recovery Services Board										
Properties ⁽¹⁾	62	64	64	63	63	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	29	30	31	31	30	30	24	27	28
County Engineer										
County Roads Maintained (Miles)	544	544	532	532	504	504	504	504	504	516
Maintenance Facilities	6	6	6	6	6	6	7	7	7	7

FUNCTION/PROGRAM	FISCAL YEAR										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<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	2,994	2,994	2,994	2,990	2,991	2,994	2,994	3,000	3,000	
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 ⁽⁶⁾	3	3	3	4	4	4	2	2	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 ⁽⁴⁾	15	15	15	15	15	15	15	15	15	15	
Emergency Alert System	-	-	-	1	1	1	1	1	1	1	

Sources: Hamilton County, Ohio, 2008-2017 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⁾Three District Patrol Headquarters are owned by townships. The Sheriff provides contracted police services.
⁽³⁾The Queensgate Correctional Facility, formerly a leased property, closed in December 2008. The lease terminated 12/31/08.
⁽⁴⁾Ten of the Communications Center towers are County-owned; the other five towers are leased.
⁽⁵⁾Hamilton County sold Drake Hospital and the former Kahn's Meat Packing Facilities in 2012.
⁽⁶⁾Three small garages were combined to become one large one in 2014.

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