

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

**Financial Statements  
and  
Supplementary Information**

**for the years ended June 30, 2008 and 2007**





Mary Taylor, CPA  
Auditor of State

Executive Committee  
Ohio-Kentucky-Indiana Regional Council of Governments  
720 East Pete Rose Way  
Cincinnati, Ohio 45202-3579

We have reviewed the *Independent Auditor's Report* of the Ohio-Kentucky-Indiana Regional Council of Governments, Hamilton County, prepared by Foxx & Company, for the audit period July 1, 2007 through June 30, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

March 2, 2009

**This Page is Intentionally Left Blank.**

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

**TABLE OF CONTENTS**

**June 30, 2008**

---

	<b>PAGE</b>
<b>ACRONYMS/ABBREVIATIONS</b>	
<b>Independent Auditor's Report</b> .....	1
<b>Management's Discussion and Analysis</b> .....	3
<b>General Purpose Financial Statements</b>	
Statement of Net Assets .....	12
Statement of Revenues, Expenses and Changes in Fund Net Assets .....	13
Statement of Cash Flows .....	14
Notes to Financial Statements.....	15
<b>Supplementary Information</b>	
Schedule 1 - Statement of Revenue and Expenses by Activity .....	22
Schedule 2 - Statement of Fringe Benefit Cost Rates.....	23
Schedule 3 - Statement of Indirect Cost Rates .....	24
Statements of Cumulative Revenues and Expenditures - Completed Programs .....	25
Statements of Cumulative Revenues and Expenditures - Programs in Progress .....	34
Schedule of Expenditures of Federal Awards .....	41
<b>COMPLIANCE REPORTS:</b>	
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements performed in Accordance with <i>Government</i> <i>Auditing Standards</i> .....	43
Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.....	45
Schedule of Findings and Questioned Costs.....	47
Schedule of Prior Audit Findings and Questioned Costs .....	48

## ACRONYMS

CMAQ	Congestion Mitigation and Air Quality
FHWA	Federal Highway Administration
KYTC	Kentucky Transportation Cabinet
MIS	Major Investment Study
ODOT	Ohio Department of Transportation
OEPA	Ohio Environmental Protection Agency
OKI	Ohio-Kentucky-Indiana Regional Council of Governments
SNK	Surface Transportation Planning (Northern Kentucky)
STP	Surface Transportation Planning (Ohio)
UPWP	Unified Planning Work Program
TCSP	Transportation Community System Preservation
INDOT	Indiana Department of Transportation
FIAM	Fiscal Impact Analysis Modeling
FTA	Federal Transit Authority
JARC	Job Access Reserve Commute
NF	New Freedom



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

### **INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying balance sheet of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of June 30, 2008 and 2007, and the related statement of revenues, expenditures and changes in net assets, and of cash flows for the years then ended. These financial statements are the responsibility of OKI's management. Our responsibility is to express an opinion on these financial statements based on our audit.

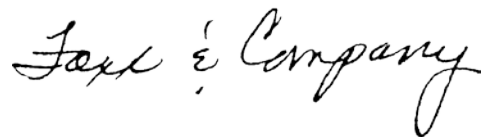
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of OKI as of June 30, 2008 and 2007, and the changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2008 on our consideration of OKI's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedules 1 - 3 and statements of cumulative revenues and expenditures for completed programs and programs in progress are presented for purposes of additional analysis and are not a required part of the financial statements of OKI. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements of OKI. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Management's Discussion and Analysis on pages 3 through 11 is not a required part of the financial statements but is supplemental information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Jaxx & Company". The signature is written in black ink and is positioned centrally on the page.

Cincinnati, Ohio  
December 12, 2008



**Ohio-Kentucky-Indiana  
Regional Council of Governments**

**MANAGEMENT DISCUSSION AND ANALYSIS**

June 30, 2008

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) offers this narrative overview and analysis of OKI's financial performance during the fiscal year ending June 30, 2008. Please read it in conjunction with OKI's financial statements, which follow this section.

---

**OKI OVERVIEW**

---

OKI is a council of local governments, business organizations and community groups committed to developing collaborative strategies to improve the quality of life and the economic vitality of the region.

Formed in 1964, OKI has spent 44 years cultivating partnerships and alliances that range from the federal government to local councils. Its 117 members represent governmental, social and civic groups from nearly 200 communities in the eight-county, three-state region.

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

OKI has final authority over all federal dollars spent on transportation in the region. This past year, OKI approved more than \$35 million in funding for projects in this region.

---

**OKI PROGRAMS AND ACTIVITIES**

---

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

OKI has been actively helping communities develop *Land Use, Infrastructure, Capital Improvements, Intergovernmental Coordination, Economic Development and Greenspace strategies*. An emerging toolbox, including guidance on writing better comprehensive plans, sample ordinances, and a fiscal impact analysis model, will aid local decisions that maintain the region's vitality for future generations.

OKI continues to work on water quality issues across the region with a number of public, private and civic sector groups, including the *Mill Creek Watershed Council of Communities*. The Mill Creek is a vital but much abused waterway in the very center of the OKI community.

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

Other OKI projects include...

***Homeland Security:*** OKI is working with emergency responders and others to assess regional capabilities in the case of disaster.

***Freight:*** The movement of freight is an issue that dominates the region's roadways. OKI is leading the initiative to address these issues including how to handle the increasing number of trucks on the road and getting them off the road onto freight cars.

***Brent Spence Bridge Cooperative:*** OKI is working closely with the business community, the Kentucky Transportation Cabinet and Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.

***RideShare:*** For more than 25 years, OKI's RideShare program has offered Tri-State commuters alternatives to driving alone to and from work. RideShare helps commuters save money and time and reduces stress by forming carpools and vanpools.

***Southeastern Indiana Transportation Gateway: U.S. 50 Corridor Transportation and Land Use Plan:*** This plan includes a new vision for the U.S. 50 corridor in Dearborn County; a vision that will improve mobility and safety for residents, commuters and freight, and that will lead to a development plan that improves the area's economic vitality and aesthetics. Access management and land use recommendations were key components of the plan.

***I-471 Corridor Study:*** To support the quality of life and land use visions of Campbell County, this study is developing, evaluating and prioritizing transportation improvements for this booming corridor in Northern Kentucky. Mobility, connectivity, accessibility, safety, congestion management and air quality are all key issues being addressed by this study.

***Geographic Information System (GIS):*** OKI has partnered with local, state, and federal agencies to develop a regional GIS which serves as a support tool for transportation and environmental planners.

***The Uptown Transportation Study:*** This critical study investigated improvements to, from and within the Uptown area which is home to 60,000 employees and 70,000 residents. The recommendations of the study include more than \$190 million in improvements to this thriving area.

***Western Hamilton County Transportation Study:*** OKI initiated a major investment study of the western portion of Hamilton County. This study produced a list of 100 conceptual recommendations which focused on improving mobility and safety for residents, commuters, visitors, and freight. From these, six Regional Corridor Project Priorities were identified.

By focusing the collective strength of organizations from the region, OKI has accomplished more in terms of growth, development and quality of life improvements than any other entity in the Tri-State. The impact is seen and felt in nearly every major project being undertaken in the region. These projects continue to support OKI's mission of promoting regional cooperation and growth.

---

## **FINANCIAL HIGHLIGHTS**

---

OKI follows the provisions of GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments*. Statement 34 established standards for external financial reporting for all state and local governmental entities which includes a balance sheet, statement of revenues, expenses, and changes in fund net assets and a statement of cash flows. It requires the classification of net assets into three components – invested in capital assets, net of related debt, restricted, and unrestricted.

OKI continued executing partnership agreements with advertising outlets to provide value added services as match for the Ozone and RideShare programs. During fiscal year 2008 the value of these services was used as match for the Kentucky share of these programs. OKI plans to further develop these partnerships in anticipation of the additional match that will be needed in the future when toll revenue credits are exhausted. During fiscal year 2008 the RideShare program received \$809,360 in contributed services and the Ozone program received \$938,272 in contributed services.

During fiscal year 2008 OKI partnered with eleven cities, counties, and organizations within the region to develop a Fiscal Impact Analysis Model. These entities provided \$55,000 in local match for the model development and will provide an additional \$110,000 in match over the next two years for implementation of the model.

During fiscal year 2008, OKI traded in the aging 1996 Caravan for a 2007 Uplander at a capital cost of \$19,830. OKI removed \$7,218 of computer equipment from its books. This equipment was purchased in FY2001 and was no longer compatible with the technology used in current operations. The equipment was disposed of through the Hamilton County computer recycling program.

---

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

---

This annual report includes management's discussion and analysis report, the independent auditor's report and the basic financial statements of OKI. The financial statements also include notes and individual project reports that explain in more detail some of the information in the financial statements.

---

## **REQUIRED FINANCIAL STATEMENTS**

---

The financial statements report information of OKI and its component activities using accounting methods similar to those used by private sector companies and offer short- and long-term financial information about the current fiscal year 2008 activities. The Statement of Net Assets includes all assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for evaluating the capital structure of OKI and assessing liquidity and financial flexibility.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Change in Net Assets. This statement measures the success of operations over the past year and can be used to determine whether OKI has successfully recovered all the costs through member contribution, federal, state of Ohio and state of Kentucky and local reimbursements, and other revenues.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash disbursements, and net changes in cash resulting from operations, investing, and financial activities and provides answers to such questions as where did the cash come from, what was cash used for, and what was the net change in the cash balance during the reporting period.

---

## **FINANCIAL ANALYSIS OF OKI**

---

One of the most important questions asked is: "Is OKI, as a whole, better off or worse off as result of this year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about OKI's activities in a way that will help answer this question. These two statements report the net assets of OKI, the changes in them, and measure the financial health or financial position of OKI. Increases or decreases in OKI's net assets are one indicator of whether its financial position is improving or deteriorating. However, in addition to the results of operating activities, one needs to consider other non-financial factors such as prevailing economic conditions, growth or decline in population, and new or changed legislation as contributing to the net change in assets.

---

## NET ASSETS

---

**Table A-1**  
**Condensed Statement of Net Assets (\$ in Thousands)**

	<u>FY2008</u>	<u>FY2007</u>	<u>FY2006</u>
Current assets	\$ 1,862	\$ 1,586	\$ 1,857
Capital assets, net	<u>86</u>	<u>105</u>	<u>115</u>
Total assets	<u>1,948</u>	<u>1,691</u>	<u>1,972</u>
Current liabilities	808	678	1,042
Noncurrent liabilities	<u>73</u>	<u>108</u>	<u>103</u>
Total liabilities	<u>881</u>	<u>786</u>	<u>1,145</u>
Invested in capital assets, net of debt	86	105	115
Unrestricted	<u>981</u>	<u>800</u>	<u>712</u>
<b>Total net assets</b>	<b><u>\$ 1,067</u></b>	<b><u>\$ 905</u></b>	<b><u>\$ 827</u></b>

**Current assets** increased by \$276k or 17.4% in 2008 due to higher receivables associated with a computer issue at ODOT delaying the payment of May invoices and an increase in cash and investments due to the receipt of deferred revenues associated with the development of the Fiscal Impact Analysis Model. In 2007 current assets decreased by \$271k or 14.6% due to higher receivables associated with the year-end finalization of fringe and indirect rates and a decrease in cash and investments due to the quicker payment of payables and spending deferred revenues associated with the Uptown study.

**Capital assets** decreased by \$19k or 18.1% in 2008 due to the disposition of obsolete computer equipment and depreciation of existing equipment. In 2007 capital assets decreased by \$10k or 8.7% due to the disposition of obsolete computer equipment.

**Current liabilities** increased by \$130k or 19.2% in 2008 due to an increase in the level of open payables associated with the Fiscal Impact Analysis Model and Millcreek projects along with increases in accrued payroll associated with timing and increased value of short-term leave liabilities due to increases in salaries. In 2007 current liabilities decreased by \$364k or 34.9% due to decrease in level of open payables associated with expedited payments and decrease in deferred revenues associated with the completion of the Uptown study.

**Noncurrent liabilities** decreased by \$35k or 32.4% in 2008 due to the retirement and subsequent vacation payout of two staff members each with 30+ years of service. In 2007 noncurrent liabilities increased by \$5k or 4.9% due to salary increases and a general slowing in vacation usage resulting in higher unused balances at the end of the fiscal year, increasing the long-term compensated leave liabilities.

**Unrestricted net assets** – the part of net assets that can be used to finance day-to-day operations without constraints or legal requirements – increased by \$181k or 22.6% in 2008 due to effective

management of 100% local projects (General & Administrative and Regional Planning) combined with timing of current transportation projects. In 2007 unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints or legal requirements – increased by \$88k or 12.4% due to effective management of 100% local projects (General & Administrative and Regional Planning) combined with timing of current transportation projects.

---

## REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

---

**Table A-2**  
**Condensed Statement of Revenues, Expenses, and Changes in Net Assets (\$ in Thousands)**

	FY2008	FY2007	FY2006
Operating revenues			
Federal and state	\$ 4,848	\$ 4,545	\$ 4,026
Local contracts	710	1,204	1,715
Other revenue	52	43	30
Contributed services	88	100	-
Total Revenues	5,698	5,892	5,771
Operating expenses			
Salaries and wages	2,354	2,080	2,095
Fringe benefits	706	666	581
Travel, subsistence, and professional development	101	100	92
Printing, marketing, and contractual	1,489	2,098	2,170
Depreciation	38	37	34
Other expenses	760	733	723
Contributed services	88	100	-
Total Expenses	5,536	5,814	5,695
Operating income	162	78	76
Non-operating revenues (expenses)			
Contributed services	1,701	87	-
Contributed marketing	(1,701)	(87)	-
Total non-operating revenues (expenses)	-	-	-
Increase in net assets	162	78	76
Net assets, beginning of year	905	827	751
Net assets, end of year	\$ 1,067	\$ 905	\$ 827

**Revenues** decreased overall by 3.3% from 2007 to 2008 due to the completion of the local Uptown Study. Federal and state revenues increased by 6.7% due to increased transportation funding and the addition of the Job Access Reverse Commute and New Freedom programs. Local revenues decreased by 89.6% due to the completion of the Uptown Study. Revenues overall remained stable from 2006 to 2007. Federal and state revenues increased by 12.9% due to increased transportation funding. Local revenues decreased by 47.8% due to the Uptown Study being in its final six months rather than a full year of activity.

**Expenses** decreased overall by 4.8% from 2007 to 2008 due primarily to the completion of the Uptown Study and the related consultant expenses. Salaries and wages increased by 13.2% due to merit increases and OKI being fully staffed in 2008. Printing, Marketing, and Contractual decreased by 30.5% due to the completion of the Uptown Study. Expenses overall remained stable from 2006 to 2007. Fringe Benefits increased 14.6% due to increases in leave balances and their related value. Contributed Services decreased 32.4% due to the completion of the Uptown and Dixie Fix projects.

**Contributed services in excess of required match** increased by 1,860.4% from 2007 to 2008 due to the success of the Ozone and RideShare programs in partnering with local advertising outlets for value added services. Advertising partners are providing match well in excess of what is required by the programs helping OKI to spread the messages of the programs. Fiscal 2007 was the first year that the Ozone and RideShare programs received contributed services in excess of required match.

---

## BUDGET VS ACTUAL

---

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating revenues			
Federal and state funded grants	\$ 4,848	\$ 5,149	\$ (301)
Local government contracts	710	703	7
Other Revenues	52	18	34
Contributed outside services revenue	<u>88</u>	<u>325</u>	<u>(237)</u>
Total operating revenues	<u>5,698</u>	<u>6,195</u>	<u>(497)</u>
Operating expenses			
Salaries and wages	2,354	2,360	(6)
Fringe benefits	706	879	(173)
Travel, subsistence and professional development	101	127	(26)
Printing, marketing, and contractual	1,464	1,616	(152)
Other expenses	798	836	(38)
Contributed Outside Services	<u>113</u>	<u>325</u>	<u>(212)</u>
Total operating expenses	<u>5,536</u>	<u>6,143</u>	<u>(607)</u>
Non operating revenues (expenses)			
Contributed services	1,701	-	1,701
Contributed marketing	<u>(1,701)</u>	<u>-</u>	<u>(1,701)</u>
Total non operating revenues (expenses)	-	-	-
<b>Increase in net assets</b>	<b><u>\$ 162</u></b>	<b><u>\$ 52</u></b>	<b><u>\$ 110</u></b>
<b>Change in net assets</b>			
Net assets, July 1 as previously reported	\$ 905	\$ 905	\$ -
Changes due to FY 2008 Operations	<u>162</u>	<u>52</u>	<u>110</u>
<b>Net assets, end of year</b>	<b><u>\$ 1,067</u></b>	<b><u>\$ 957</u></b>	<b><u>\$ 110</u></b>

Overall revenues were higher than budget due to contributed services received by the Rideshare and Ozone projects. Federal revenues were lower than budgeted due to continued delays with the 319 Mill Creek project. These revenues have shifted to FY09. The easement was obtained toward the end of fiscal 2008 and the project is expected to be completed in fiscal 2009.

Overall expenses were higher than budget due contributed services received by the Rideshare and Ozone projects. Fringe benefits were lower than budgeted due to savings in the area of health insurance premiums. OKI experienced a minimal increase in premiums due to the practice of consumerism on the part of staff. Budgeted leave variances were not experienced due to the retirement of two staff with 30+ years of service. The value of leave liabilities went down rather than up. Travel and professional development expenses were below budget due cancellation of the June NARC conference and efforts to manage these budgets and participate in only the most value added development events. The difficulties encountered by the 319 Mill Creek project shifted professional services and contributed services expenses from FY08 into FY09. Other expenditures were less than budget due to savings on supplies, postage, and legal fees.

In fiscal 2008, OKI was able to exercise operational controls and was under budget in the areas of Regional Planning, Local Water, and General and Administrative activities for an increase to net assets of \$85,000. Project timing contributed an additional increase to net assets of \$77,000 – this amount will be used during fiscal 2009 to match projects.

---

## **CAPITAL ASSETS**

---

Capital assets declined during fiscal 2008. This was due primarily to depreciation. OKI continued to purchase new computers and dispose of obsolete computers to keep up with advances in technology. OKI also traded in a 1996 minivan for a new 2007 minivan.

---

## **LONG-TERM DEBT**

---

The council continues to maintain an \$850,000 bank line of credit if needed. The line of credit was not used during fiscal 2008. At the end of fiscal 2008 OKI has a balance of \$4,132 on the capital lease agreement with Pitney Bowes for Postage Equipment. The lease is for five years with 20 quarterly payments of \$585 with 15 payments remaining. The payment includes maintenance and postage meter rental at \$188.15 per quarter as well as the equipment lease at \$396.85 per quarter at 3.715%.

---

## **ECONOMIC CONDITIONS**

---

OKI considered many factors when setting the fiscal year 2008 budget, including funding from federal and state agencies, the eight counties supporting the council and program demands from the member agencies.

OKI continues to rely on federal and state grants, local program grants, corridor studies, and other local projects to fund its many programs. At present, federal and state funding sources are secure; however, legislative action can affect both revenue streams. The eight counties that



comprise the region are contributing funding for the council's administrative costs based on each county's population at a per capita rate of \$0.33.

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

The federal SAFETEA-LU legislation passed in August 2005. This legislation reauthorizes the funding levels for Metropolitan Planning Organization's and other transportation related organizations at a slightly higher rate than previous bills. However, looking at the anticipated project trends, it is prudent for OKI to develop its operating plan based on level funding.

---

## **CONTACTING OKI**

---

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF NET ASSETS**  
**June 30, 2008 and 2007**

	<b>2008</b>	<b>2007</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 2)	\$ 636,213	\$ 547,065
Accounts receivable (Note 3)	1,211,655	1,023,888
Prepaid expenses	14,150	15,429
<b>Total current assets</b>	<b>1,862,018</b>	<b>1,586,382</b>
<b>Noncurrent assets:</b>		
Capital assets, net (Note 4)	85,697	104,596
<b>Total noncurrent assets</b>	<b>85,697</b>	<b>104,596</b>
<b>Total assets</b>	<b>1,947,715</b>	<b>1,690,978</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	314,430	241,712
Accrued expenses	311,742	253,614
Compensated absences	190,878	169,379
Capital lease obligation	1,653	1,844
Deferred revenue	177,906	177,312
<b>Total current liabilities</b>	<b>996,609</b>	<b>843,861</b>
<b>Noncurrent liabilities</b>		
Compensated absences	72,980	108,225
Capital lease obligation	2,479	3,689
<b>Total noncurrent liabilities</b>	<b>75,459</b>	<b>111,914</b>
<b>Total liabilities</b>	<b>1,072,068</b>	<b>955,775</b>
<b>NET ASSETS</b>		
Invested in capital assets	81,565	99,063
Unrestricted	984,960	805,519
<b>Total net assets</b>	<b>\$ 1,066,525</b>	<b>\$ 904,582</b>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET ASSETS**  
**for the years ended June 30, 2008 and 2007**

	<b>2008</b>	<b>2007</b>
<b>Operating revenues</b>		
Federal and state grants	\$ 4,848,390	\$ 4,545,031
Local contracts	709,858	1,203,622
Other revenue	52,134	43,482
Contributed services	87,886	100,484
<b>Total operating revenue</b>	<b>5,698,268</b>	<b>5,892,619</b>
 <b>Operating expenses</b>		
Direct expenses		
Personnel	1,405,716	1,275,226
Fringe benefits	733,042	667,877
Travel, subsistence and professional	64,121	67,572
Printing, marketing and contractual services	1,448,313	1,888,908
Other direct expenses	98,742	258,173
Indirect costs	1,698,505	1,556,629
Contributed services	87,886	100,484
<b>Total operating expenses</b>	<b>5,536,325</b>	<b>5,814,869</b>
 <b>Operating Income</b>	<b>161,943</b>	<b>77,750</b>
 <b>Non-operating revenues (expenses)</b>		
Contributed services	1,701,329	86,784
Contributed marketing	(1,701,329)	(86,784)
<b>Total non-operating expenses</b>	-	-
 <b>Increase in net assets</b>	<b>161,943</b>	<b>77,750</b>
 Net assets, beginning of year	904,582	826,832
 Net assets, end of year	<b>\$ 1,066,525</b>	<b>\$ 904,582</b>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CASH FLOWS**  
**for the years ended June 30, 2008 and 2007**

	<b>2008</b>	<b>2007</b>
<b>Cash flow from operating activities</b>		
Receipts from Federal and state grants	\$ 4,571,091	\$ 4,313,885
Receipts from local grants and matching funds	850,579	1,184,145
Payments to employees	(1,368,721)	(1,271,884)
Payments to consultants	(439,862)	(1,520,098)
Payment to vendors	(1,851,975)	(1,609,213)
Payment for indirect services	(1,645,094)	(1,525,081)
<b>Net cash provided by operating activities</b>	<b>116,018</b>	<b>(428,246)</b>
 <b>Cash Flow from Capital Financing Activities</b>		
Purchase of fixed assets	(27,990)	(27,078)
Sales proceeds from disposal of fixed assets	1,120	-
<b>Net cash used by capital financing activities</b>	<b>(26,870)</b>	<b>(27,078)</b>
 <b>Net increase (decrease) in cash</b>	89,148	(455,324)
 <b>Cash and cash equivalents, beginning of year</b>	547,065	1,002,389
 <b>Cash and cash equivalents, end of year</b>	<b>\$ 636,213</b>	<b>\$ 547,065</b>
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating Income	161,943	77,750
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	45,769	37,279
Changes in assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	(187,767)	(182,132)
Prepaid expenses	1,279	(2,134)
Increase (Decrease) in:		
Accounts payable	71,317	(291,458)
Accrued expenses	58,128	40,724
Deferred revenue	594	(113,513)
Compensated absences	(35,245)	5,238
<b>Net cash provided by operating activities</b>	<b>\$ 116,018</b>	<b>\$ (428,246)</b>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

**1. Description of Reporting Entity and Summary of Significant Accounting Policies**

***Organization***

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

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

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

***Basis of Accounting***

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

***Enterprise Fund Activity Accounting and Financial Reporting***

In accordance with GASB Statement no. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Government, OKI applies all GASB pronouncements and only FASB Statements and Interpretations, Accounting Principles Board of Opinions and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

***Revenue Recognition***

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

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

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

***Indirect Costs***

Indirect costs and fringe benefits are charged to individual programs based on provisional rates. Differences in amounts billed and actual costs incurred are adjusted to actual costs at year end. Indirect costs and fringe benefits in the Statement of Revenues, Expenses, and Changes in Net Fund Assets represent the application of actual indirect and fringe benefit rates.

***Capital Assets***

Capital assets are recorded at cost and are depreciated on the straight-line method over the asset's estimated useful life. OKI's capital assets consist primarily of office furniture and computers. OKI depreciates office furniture and equipment over a ten year period with one-half year depreciation taken in the year of purchase and disposal.

***Income Taxes***

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

***Reclassification***

Certain 2007 amounts have been reclassified to confirm with 2008 financial statement presentation.

**2. Cash and Cash Equivalents**

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

OKI's cash and temporary investments at June 30, 2008 and 2007 consisted of:

	<b>2008</b>	<b>2007</b>
Demand Deposits	\$ 84,299	\$ 14,924
Business Money Savings	551,914	532,141
	\$ 636,213	\$ 547,065

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

The account values were collateralized by U.S. Government securities held by the Federal Reserve Bank of Cleveland, Cincinnati Branch, as trustee for OKI.

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

**3. Accounts Receivable**

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

	<u>2008</u>	<u>2007</u>
<b>Receivables Under Contracts and Grants</b>		
Federal	\$ 1,234	\$ -
Ohio	943,682	643,463
Kentucky	231,388	253,325
Indiana	5,168	7,385
Local	30,183	118,175
<b>Receivables Other</b>		
Due from employees	-	1,540
<b>Total Receivables</b>	<u>\$ 1,211,655</u>	<u>\$ 1,023,888</u>

**4. Capital Assets**

Changes in capital assets for the year that ended June 30, 2008 are summarized below:

<u>Description</u>	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Office furniture and equipment	\$ 589,610	\$ 27,990	\$ 22,068	\$ 595,532
Less accumulated depreciation	<u>485,014</u>	<u>45,769</u>	<u>20,948</u>	<u>509,835</u>
<b>Furniture and equipment, net</b>	<u>\$ 104,596</u>	<u>\$ (17,779)</u>	<u>\$ 1,120</u>	<u>\$ 85,697</u>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

Changes in capital assets for the year that ended June 30, 2007 are summarized below:

<b>Description</b>	<b>Balance July 1, 2006</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2007</b>
Office furniture and equipment	\$ 673,115	\$ 27,078	\$ 110,583	\$ 589,610
Less accumulated depreciation	<u>558,318</u>	<u>37,279</u>	<u>110,583</u>	<u>485,014</u>
<b>Furniture and equipment, net</b>	<b><u>\$ 114,797</u></b>	<b><u>\$ (10,201)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 104,596</u></b>

**5. Bank Line of Credit**

OKI has a line of credit available of \$850,000. When used, the line of credit is collateralized by the working capital of OKI and bears interest at the prime rate. At June 30, 2008 and 2007, OKI had no borrowings against this line of credit.

**6. Compensated Absences**

Changes in compensated absences for the year that ended June 30, 2008 and 2007 are summarized below:

<b>Description</b>	<b>Balance July 1, 2007</b>	<b>FY2008 Entitlements</b>	<b>FY2008 Usage</b>	<b>Balance June 30, 2008</b>	<b>Due Within One Year</b>
Compensated absences	<u>\$ 277,604</u>	<u>\$ 270,299</u>	<u>\$ (284,045)</u>	<u>\$ 263,858</u>	<u>\$ 190,878</u>

<b>Description</b>	<b>Balance July 1, 2006</b>	<b>FY2007 Entitlements</b>	<b>FY2007 Usage</b>	<b>Balance June 30, 2007</b>	<b>Due Within One Year</b>
Compensated absences	<u>\$ 240,206</u>	<u>\$ 243,727</u>	<u>\$ (206,329)</u>	<u>\$ 277,604</u>	<u>\$ 169,379</u>



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

**7. Lease Commitment**

*Capital Leases*

OKI leases its postage equipment from Pitney Bowes under a capital lease. The economic substance of the lease is that OKI is financing the acquisition of the asset through the lease, and, accordingly, it is recorded in OKI's assets and liabilities.

The following is a summary of the property held under capital leases:

	<b>2008</b>	<b>2007</b>
Postage equipment	\$ 7,213	\$ 7,213
Accumulated depreciation	<u>(3,246)</u>	<u>(1,803)</u>
	<u>\$ 3,967</u>	<u>\$ 5,410</u>

Future minimum lease payments are as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2009	\$ 2,340
2010	2,340
2011	<u>1,170</u>
Net minimum lease payments	5,850
Less: amount representing interest	<u>(1,718)</u>
Present value of net minimum lease payments	<u>\$ 4,132</u>

*Operating Leases*

OKI has entered into operating lease agreements for office facilities and a photocopy machine. Rental expense was \$500,601 and \$472,625 for the year that ended June 30, 2008 and 2007 respectively. On April 17, 2003, OKI entered into a 10 year lease for office facilities at a new location. The lease which became effective July 1, 2003 included office facilities and furniture, fixtures, and equipment. After the fifth year of the lease, OKI may terminate the lease and pay the lessor \$250,000 and return the furniture, fixtures and equipment to the lessor. If OKI continues the lease for the ten year period, the furniture, fixtures and equipment become the property of OKI at the end of the 10 year period.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

At June 30, 2008, the minimum future rentals under the non-cancelable leases are due as follows for fiscal years ended June 30:

2009	\$ 493,367
2010	493,367
2011	493,367
2012	493,367
2013	<u>493,367</u>
	<u>\$ 2,466,835</u>

**8. Employee Retirement and Fringe Benefit Plans**

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

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

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

The OKI Employees Retirement Plan is a trustee, contributory, defined contribution retirement plan covering all permanent, full-time employees. Merrill Lynch is the custodian and trustee of OKI's retirement plan. Contributions to the plan include a contribution by OKI of 6.9 percent of the participant's wages and a mandatory contribution by the participant of 5 percent of his or her wages. An additional employer contribution of 6.20 percent is required on wages in excess of the FICA ceiling. Pension expense was \$159,647 and \$139,170 for the years ended June 30, 2008 and 2007, respectively. Forfeitures reduce the current contributions of OKI to the plan.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2008 and 2007**

---

Employee contributions are 100 percent vested at date of contribution. Employer contributions vest as follows:

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

**9. Contingent Liabilities**

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

**10. Contributed Services**

OKI recognized contributed service revenues in 2008 and 2007. Revenue from services was measured based on the fair value of those services. The following projects received contributed services:

Ozone Awareness and RideShare programs – these programs partner with local advertising outlets which provide value added services as match for the programs. Services can be air time, print ads, or promotional items to be given away at events. The amount of contributed services was \$1,747,632 (\$1,701,329 in excess of required match) and \$102,645 (\$86,784 in excess of required match) for the years ended June 30, 2008 and 2007, respectively.

Eastern Corridor Part B – Hamilton County TID provides the contributed services match for this program in the form of local funds paid directly to the consultant. The amount of the contributed services was \$1,194 for the year ended June 30, 2008.

EPA 319 Drinking Water, EPA 319 Millcreek, St, Clair Township, Great Miami Runoff Reduction, and Uptown programs – these programs receive contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of the contributed services was \$40,389 for the year ended June 30, 2008.

## **SUPPLEMENTARY INFORMATION**

**OHIO-KENTUCKY-INDIAN REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF REVENUES AND EXPENSES BY ACTIVITY**  
**for the year ended June 30, 2008**  
**(with comparative summary totals for 2007)**

**SCHEDULE 1**

	General & Administrative Activities	Environmental Planning Activities	Regional Planning	Ridesharing Implementation	Transportation Planning Activities	Total 2008	Total 2007
<b>Revenues:</b>							
Federal & state grants	\$ -	\$ 100,537	\$ -	\$ 330,215	\$ 4,417,638	\$ 4,848,390	\$ 4,545,031
Local contracts	174,308	67,207	94,756	-	373,587	709,858	1,203,622
Other revenue	52,134	-	-	-	-	52,134	43,482
Contributed services	<u>-</u>	<u>33,106</u>	<u>7,283</u>	<u>12,894</u>	<u>34,603</u>	<u>87,886</u>	<u>100,484</u>
<b>Total Revenues</b>	<u>226,442</u>	<u>200,850</u>	<u>102,039</u>	<u>343,109</u>	<u>4,825,828</u>	<u>5,698,268</u>	<u>5,892,619</u>
<b>Expenses:</b>							
<b>Direct costs</b>							
Personnel	9,080	46,355	33,828	26,065	1,290,388	1,405,716	1,275,615
Fringe benefits	4,735	24,173	17,640	13,592	672,902	733,042	667,488
Travel, subsistence, and professional development	23,604	2,883	657	98	36,879	64,121	67,572
Printing, marketing, and contractual services	1,008	33,446	323	257,467	1,156,069	1,448,313	2,051,003
Other direct expenses	15,101	4,877	1,435	1,499	75,830	98,742	96,077
Indirect costs	10,971	56,010	40,873	31,494	1,559,157	1,698,505	1,556,629
Contributed services	<u>-</u>	<u>33,106</u>	<u>7,283</u>	<u>12,894</u>	<u>34,603</u>	<u>87,886</u>	<u>100,484</u>
<b>Total Operating Expenses</b>	<u>64,499</u>	<u>200,850</u>	<u>102,039</u>	<u>343,109</u>	<u>4,825,828</u>	<u>5,536,325</u>	<u>5,814,868</u>
<b>Non operating revenues (expenses)</b>							
Contributed services	-	-	-	796,466	904,863	1,701,329	86,784
Contributed marketing	<u>-</u>	<u>-</u>	<u>-</u>	<u>(796,466)</u>	<u>(904,863)</u>	<u>(1,701,329)</u>	<u>(86,784)</u>
<b>Total Non Operating Revenues (expenses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Operating Income</b>	<u>\$ 161,943</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,943</u>	<u>\$ 77,751</u>

**SCHEDULE 2**

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
STATEMENT OF FRINGE BENEFIT COST RATES  
for the year ended June 30, 2008**

	Budget	Actual
Fringe benefit costs:		
Holidays	\$ 89,208	\$ 87,544
Sick leave	72,770	59,957
Vacation	173,516	170,544
Administrative	11,986	8,840
Retirement	197,233	189,864
Group health	414,050	351,112
FICA	172,117	163,765
Workers compensation	4,500	6,773
Unemployment	3,000	647
Employee Incentives	8,280	7,611
Total fringe benefit costs	\$ 1,146,660	\$ 1,046,657
Allocation base: Direct and indirect personnel	\$ 2,059,945	\$ 2,007,118
Fringe benefit cost rate	55.66%	52.15%

**Notes:**

1. Approval of the provisional fringe benefit cost rate for the year ended June 30, 2008 was obtained from ODOT.
2. A provisional fringe benefit rate of 55.66 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the fiscal year.
3. There were no questioned costs in the fringe benefit cost pool or the direct and indirect personnel allocation base.
4. The provisional rate was utilized during fiscal year 2008 for grant application purposes. The final 2008 fringe benefit rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Change in Fund Net Assets reflect the application of actual rates. Individual program costs presented on pages 25 to 41 reflect the application of provisional rates adjusted to actual.

**SCHEDULE 3**

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

**STATEMENT OF INDIRECT COST RATES**

**for the year ended June 30, 2008**

	Budget	Actual
Indirect costs:		
Personnel	\$ 547,432	\$ 601,402
Fringe benefits	304,678	313,614
Auto allowance	6,300	6,300
Travel and professional development	19,903	21,030
Memberships	16,125	15,670
Meetings	-	250
Printing	3,550	826
Repairs and maintenance	16,278	12,538
Office supplies	66,000	38,621
Postage	10,000	3,325
Rent	467,067	489,166
Telephone	9,320	9,132
Subscriptions	1,041	429
Legal and audit	63,850	59,251
Reproduction	11,604	10,787
Insurance	25,560	26,704
Professional services	48,000	34,594
Advertising	1,650	1,898
Depreciation & loss on disposal of assets	43,000	37,609
Payroll processing	4,775	5,599
Internet	5,700	5,469
Web site management	1,500	-
Retirement plan admin & education fees	2,750	2,475
Other	2,100	1,629
Interest - capital lease	186	187
Total indirect costs	\$ 1,678,369	\$ 1,698,505
Allocation base: Direct personnel	\$ 1,512,513	\$ 1,405,716
Indirect cost rate applied	<u>110.97%</u>	<u>120.83%</u>

**Notes:**

1. Approval of the provisional indirect cost rate for the year ended June 30, 2008 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional indirect cost rate of 110.97 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the fiscal year.
3. There were no questioned costs in the indirect cost pool or the direct personnel allocation base.
4. The provisional rate was utilized during fiscal year 2008 for grant application purposes. The final 2008 indirect cost rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Change in Fund Net Assets reflect the application of actual rates. Individual program costs presented on pages 25 to 41 reflect the provisional rates adjusted to actual.

**STATEMENTS OF CUMULATIVE REVENUES AND EXPENDITURES**  
**COMPLETED PROGRAMS**

**FHWA Transportation Planning**

FY 2007 Transportation Planning .....	25
FY 2007 Surface Transportation Program .....	26
FY 2007 Rideshare .....	27
FY 2007 Ozone Awareness .....	28
I-471 Transportation .....	29

**U.S. EPA Water Quality Planning**

FY 2006 Water Quality Planning – Drinking Water .....	30
FY 2008 Ohio 604B Water Quality Planning Program .....	31

**Local Planning Activities**

Local Regional Planning .....	32
Local Water Quality Planning 2008 .....	33



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2007 TRANSPORTATION PLANNING**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
<b>Revenues:</b>				
Federal and state				
Ohio: ODOT (HPR-PL Funds)	\$ 1,988,412	\$ 1,319,624	\$ 668,787	\$ 1,988,411
Kentucky: KYTC (HPR-PL Funds)	368,187	184,428	89,737	274,165
Kentucky: KYTC (FTA Funds)	102,777	51,481	25,580	77,061
Indiana: (Trans PL Funds)	9,696	9,686	-	9,686
Local matching funds	<u>196,729</u>	<u>194,937</u>	<u>96,540</u>	<u>291,477</u>
<b>Total Revenues</b>	<u>\$ 2,665,801</u>	<u>\$ 1,760,156</u>	<u>\$ 880,644</u>	<u>\$ 2,640,800</u>
<b>Expenditures:</b>				
Direct personnel	\$ 941,262	\$ 613,222	\$ 319,760	\$ 932,982
Fringe benefits	500,277	314,595	177,979	492,574
Indirect	1,126,889	777,358	354,838	1,132,196
Travel, subsistence & professional development	39,970	26,045	7,873	33,918
Printing, marketing & contractual	9,400	10,600	650	11,250
Other expenditures	<u>48,003</u>	<u>18,336</u>	<u>19,544</u>	<u>37,880</u>
<b>Total Expenditures</b>	<u>\$ 2,665,801</u>	<u>\$ 1,760,156</u>	<u>\$ 880,644</u>	<u>\$ 2,640,800</u>
<b>Tasks:</b>				
Short range planning	\$ 350,001	\$ 236,127	\$ 105,834	341,961
TIP	180,000	130,100	42,797	172,897
Traffic counts combined surveillance	1,113,295	751,798	352,943	1,104,741
Long range planning	815,000	516,553	345,095	861,648
Public involvement	100,000	63,896	24,224	88,120
INDOT exclusive	12,580	12,580	-	12,580
KYTC exclusive	34,925	9,925	-	9,925
Air quality program	<u>60,000</u>	<u>39,177</u>	<u>9,751</u>	<u>48,928</u>
<b>Total Tasks</b>	<u>\$ 2,665,801</u>	<u>\$ 1,760,156</u>	<u>\$ 880,644</u>	<u>\$ 2,640,800</u>

**NOTES:**

1. The grant period for FY 2007 Transportation Planning was July 1, 2006 through October 31, 2007.
2. FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match
3. In accordance with the agreement, Federal and State grant funds do not exceed the matching requirements established in the FY 2007 UPWP.
4. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2007 SURFACE TRANSPORTATION PROGRAM (STP)**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
<b>Revenues:</b>				
Federal and state				
Ohio: ODOT (STP)	\$ 300,000	\$ 253,039	\$ 46,960	\$ 299,999
Kentucky: (STP)	44,424	37,470	6,954	44,424
Indiana: (STP)	16,000	9,805	6,185	15,990
Local matching funds	<u>15,106</u>	<u>11,820</u>	<u>3,284</u>	<u>15,104</u>
Total Revenues	<u>\$ 375,530</u>	<u>\$ 312,134</u>	<u>\$ 63,383</u>	<u>\$ 375,517</u>
<b>Expenditures:</b>				
Direct personnel	\$ 132,504	\$ 105,075	\$ 22,058	\$ 127,133
Fringe benefits	72,519	54,823	12,278	67,101
Indirect	146,702	129,058	24,478	153,536
Travel, subsistence & professional development	8,027	7,502	508	8,010
Printing, marketing & contractual	12,806	12,806	3,800	16,606
Other expenditures	<u>2,972</u>	<u>2,870</u>	<u>261</u>	<u>3,131</u>
Total Expenditures	<u>\$ 375,530</u>	<u>\$ 312,134</u>	<u>\$ 63,383</u>	<u>\$ 375,517</u>
<b>Tasks:</b>				
Land use planning	\$ 355,530	\$ 299,878	\$ 55,652	\$ 355,530
INDOT	<u>20,000</u>	<u>12,256</u>	<u>7,731</u>	<u>19,987</u>
Total Tasks	<u>\$ 375,530</u>	<u>\$ 312,134</u>	<u>\$ 63,383</u>	<u>\$ 375,517</u>

**NOTES:**

1. The grant for the Surface Transportation Program agreement began July 1, 2006 through October 31, 2007.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year.
3. This program is funded with Ohio STP funds at a rate of 100 percent. Kentucky SNK funds are 80 percent Federal and 20 percent local match. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
4. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FY 2007 RIDESHARE**  
**as of June 30, 2008**

	<b>Budget</b>	<b>Cumulative Revenues and Expenditures as of June 30, 2007</b>	<b>Current Year Revenue and Expenditures</b>	<b>Cumulative Revenues and Expenditures as of June 30, 2008</b>
<b>Revenues:</b>				
Federal and state				
Ohio: CMAQ	\$ 300,000	\$ 186,109	\$ 104,519	\$ 290,628
Kentucky: SNK	44,424	34,448	19,346	53,794
Local match	11,106	26,580	62,202	88,782
Total Revenues	<u>\$ 355,530</u>	<u>\$ 247,137</u>	<u>\$ 186,067</u>	<u>\$ 433,204</u>
<b>Expenditures:</b>				
Direct personnel	\$ 34,363	\$ 16,684	\$ 13,134	\$ 29,818
Fringe benefits	18,871	8,559	7,310	15,869
Indirect	38,054	21,147	14,574	35,721
Travel, subsistence & professional development	477	49	57	106
Printing, marketing & contractual	239,839	172,910	87,572	260,482
Other expenditures	12,820	1,208	1,218	2,426
Contributed services	11,106	26,580	62,202	88,782
Total Expenditures	<u>\$ 355,530</u>	<u>\$ 247,137</u>	<u>\$ 186,067</u>	<u>\$ 433,204</u>
<b>Task:</b>				
Marketing	<u>\$ 355,530</u>	<u>\$ 247,137</u>	<u>\$ 186,067</u>	<u>\$ 433,204</u>

**NOTES:**

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
  - a. ODOT agreement for the period July 1, 2006 through December 31, 2007 for \$300,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. UPWP KYTC agreement for the period July 1, 2006 through December 31, 2007 for \$55,530 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY03-05 and FY 06 funding agreement and matched with contributed services.
2. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2007 OZONE AWARENESS**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:				
Federal and state				
Ohio: ODOT/CMAQ	\$ 850,000	\$ 156,624	\$ 666,825	\$ 823,449
Kentucky: SNK	125,868	28,991	123,429	152,420
Contributed services	<u>31,467</u>	<u>76,065</u>	<u>771,636</u>	<u>847,701</u>
Total Revenues	<u>\$ 1,007,335</u>	<u>\$ 261,680</u>	<u>\$ 1,561,890</u>	<u>\$ 1,823,570</u>
Expenditures:				
Direct personnel	\$ 62,458	\$ 25,551	\$ 38,362	\$ 63,913
Fringe benefits	34,345	12,985	20,005	32,990
Indirect	69,260	32,945	46,351	79,296
Travel, subsistence & professional development	3,585	35	1,746	1,781
Printing, marketing & contractual	757,723	109,744	680,447	790,191
Other expenditures	48,497	4,355	3,343	7,698
Contributed services	<u>31,467</u>	<u>76,065</u>	<u>771,636</u>	<u>847,701</u>
Total Expenditures	<u>\$ 1,007,335</u>	<u>\$ 261,680</u>	<u>\$ 1,561,890</u>	<u>\$ 1,823,570</u>
Task:				
Ozone awareness program	<u>\$ 1,007,335</u>	<u>\$ 261,680</u>	<u>\$ 1,561,890</u>	<u>\$ 1,823,570</u>

**NOTES:**

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
  - a. ODOT agreement for the period July 1, 2006 through July 31, 2008 for \$850,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. UPWP KYTC funding for the period July 1, 2006 through July 31, 2008 for \$157,335 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY03-05 and FY06 CMAQ funding agreements and matched with contributed services.
2. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**I-471 TRANSPORTATION STUDY**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:				
Federal and state				
Kentucky: CMAQ	\$ 750,000	\$ 452,859	\$ 297,141	\$ 750,000
County funds	-	-	428	428
Total Revenues	<u>\$ 750,000</u>	<u>\$ 452,859</u>	<u>\$ 297,569</u>	<u>\$ 750,428</u>
Expenditures:				
Direct personnel	\$ 40,496	\$ 30,756	\$ 9,089	\$ 39,845
Fringe benefits	22,347	16,084	4,740	20,824
Indirect	44,830	37,505	10,982	48,487
Travel, subsistence & professional development	200	55	90	145
Printing, marketing & contractual	638,557	366,618	271,824	638,442
Other expenditures	3,570	1,841	844	2,685
Total Expenditures	<u>\$ 750,000</u>	<u>\$ 452,859</u>	<u>\$ 297,569</u>	<u>\$ 750,428</u>
Task:				
I-471 Corridor	<u>\$ 750,000</u>	<u>\$ 452,859</u>	<u>\$ 297,569</u>	<u>\$ 750,428</u>

**NOTES:**

1. The grant for the I-471 Corridor Study began May 30, 2006 and ended June 30, 2008.
2. CMAQ funds from Kentucky Transportation Cabinet are reimbursed at 100 percent.
3. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FY 2006 WATER QUALITY PLANNING - DRINKING WATER**  
**as of June 30, 2007**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:				
Federal and state				
Ohio: OEPA (EPA Funds)	\$ 69,000	38,587	\$ 20,154	\$ 58,741
Local matching funds	2,000	1,002	1,699	2,701
In-kind/contributed services	<u>48,000</u>	<u>29,134</u>	<u>27,031</u>	<u>56,165</u>
Total Revenues	<u>\$ 119,000</u>	<u>\$ 68,723</u>	<u>\$ 48,884</u>	<u>\$ 117,607</u>
Expenditures:				
Direct personnel	\$ 12,826	12,357	\$ 2,216	\$ 14,573
Fringe benefits	6,402	6,140	1,156	7,296
Indirect	14,770	14,250	2,677	16,927
Travel, subsistence & professional development	1,000	567	203	770
Printing, marketing & contractual	28,000	-	14,564	14,564
Other expenditures	8,002	6,275	1,037	7,312
Contributed services	<u>48,000</u>	<u>29,134</u>	<u>27,031</u>	<u>56,165</u>
Total Expenditures	<u>\$ 119,000</u>	<u>\$ 68,723</u>	<u>\$ 48,884</u>	<u>\$ 117,607</u>
Task:				
State 319 Great Miami Drinking Water	<u>\$ 119,000</u>	<u>\$ 68,723</u>	<u>\$ 48,884</u>	<u>\$ 117,607</u>

**NOTES:**

- Ohio EPA 319 funds are received under an agreement for Expanded Drinking Water Source Protection in the Lower Great Miami Watershed which began September 30, 2005 and ended June 30, 2008.
- As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES  
FY 2008 WATER QUALITY PLANNING - STATE 604B CONTRACT (OHIO)  
as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:			
Federal and state			
Ohio: OEPA (EPA Funds)	\$ 40,574	\$ 40,281	\$ 40,281
Local matching funds	<u>27,049</u>	<u>26,854</u>	<u>26,854</u>
Total Revenues	<u>67,623</u>	<u>67,135</u>	<u>67,135</u>
Expenditures:			
Direct personnel	\$ 22,955	\$ 23,866	\$ 23,866
Fringe benefits	12,775	12,446	12,446
Indirect	25,472	28,837	28,837
Travel, subsistence & professional development	420	744	744
Printing, marketing & contractual	150	98	98
Other expenditures	<u>5,851</u>	<u>1,144</u>	<u>1,144</u>
Total Expenditures	<u>\$ 67,623</u>	<u>\$ 67,135</u>	<u>\$ 67,135</u>
Task:			
Program coordination	<u>\$ 67,623</u>	<u>\$ 67,135</u>	<u>\$ 67,135</u>

**NOTES:**

1. The grant period under the OEPA FY 2008 State 604B Contract August 28, 2007 to June 30, 2008. This grant agreement provides for state revenues to be earned on adequate completion of products rather than cost reimbursement.
2. In accordance with the State OEPA contract, state grant revenues were not to exceed \$40,574 as set forth in the grant budget and the local matching funds of \$27,049 would be provided by OKI.
3. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES  
LOCAL REGIONAL PLANNING  
as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
<b>Revenues:</b>			
County funds	\$ 78,000	\$ 38,763	\$ 38,763
Local revenue	<u>11,873</u>	<u>13,000</u>	<u>13,000</u>
Total Revenues	<u><u>89,873</u></u>	<u><u>51,763</u></u>	<u><u>51,763</u></u>
<b>Expenditures:</b>			
Direct personnel	\$ 32,686	\$ 18,539	\$ 18,539
Fringe benefits	18,191	9,667	9,667
Indirect	36,271	22,400	22,400
Travel, subsistence & professional development	400	387	387
Printing, marketing & contractual	50	-	-
Other expenditures	<u>2,275</u>	<u>770</u>	<u>770</u>
Total Expenditures	<u><u>\$ 89,873</u></u>	<u><u>\$ 51,763</u></u>	<u><u>\$ 51,763</u></u>
<b>Tasks:</b>			
Local regional planning	\$ 78,000	\$ 34,587	\$ 34,587
Clinton County comprehensive plan	<u>11,873</u>	<u>17,176</u>	<u>17,176</u>
Total Tasks	<u><u>\$ 89,873</u></u>	<u><u>\$ 51,763</u></u>	<u><u>\$ 51,763</u></u>

**NOTES:**

1. The project period for the Local Comprehensive Regional Planning Program was July 1, 2007 to June 30, 2008.
2. The contract period for the Clinton County Comprehensive Plan was November 2007 through April 2008.
3. Budget amounts were derived from FY 2008 Overall Agency Budget.
4. As of June 30, 2008, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES  
LOCAL WATER QUALITY PLANNING PROJECT - 2008  
as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:			
Local revenue	\$ 45,214	\$ 38,297	\$ 38,297
Total Revenues	<u>45,214</u>	<u>38,297</u>	<u>38,297</u>
Expenditures:			
Direct personnel	\$ 13,367	\$ 12,464	\$ 12,464
Fringe benefits	7,439	6,499	6,499
Indirect	14,833	15,059	15,059
Travel, subsistence & professional development	1,180	1,654	1,654
Printing, marketing & contractual	70	-	-
Other expenditures	<u>8,325</u>	<u>2,621</u>	<u>2,621</u>
Total Expenditures	<u>\$ 45,214</u>	<u>\$ 38,297</u>	<u>\$ 38,297</u>
Task:			
Local water quality planning	<u>\$ 45,214</u>	<u>\$ 38,297</u>	<u>\$ 38,297</u>

**NOTES:**

1. Budget amounts were derived from fiscal 2008 overall agency budget.
2. As of June 30, 2008, no costs subject to audit have been questioned.

**STATEMENTS OF CUMULATIVE REVENUES AND EXPENDITURES**

**PROGRAMS IN PROGRESS**

**FHWA Transportation Planning**  
FY 2008 Transportation Planning .....34  
FY 2008 Surface Transportation Program (STP).....35  
FY 2008 Ozone .....36  
FY 2008 Rideshare.....37  
FTA Study .....38  
Hamilton County TID-Part B .....39

**U.S. EPA Water Quality Planning**  
FY 2006 Water Quality Planning – Millcreek Headwaters .....40

**Local Planning Activities**  
St Clair Township Comprehensive Plan .....41

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2008 TRANSPORTATION PLANNING**  
**as of June 30, 2008**

	<b>Budget</b>	<b>Current Year Revenue and Expenditures</b>	<b>Cumulative Revenues and Expenditures as of June 30, 2008</b>
<b>Revenues:</b>			
Federal and state			
Ohio: ODOT (HPR-PL funds)	\$ 2,122,896	\$ 1,744,577	\$ 1,744,577
Kentucky: KYTC (HPR-PL funds)	335,981	259,420	259,420
Kentucky: KYTC (FTA Funds)	95,472	73,947	73,947
Indiana: (Trans PL Funds)	8,653	8,653	8,653
County matching funds	321,216	260,485	260,485
Total Revenues	\$ 2,884,218	\$ 2,347,082	\$ 2,347,082
<b>Expenditures:</b>			
Direct personnel	\$ 979,666	\$ 786,027	\$ 786,027
Fringe benefits	545,282	398,660	398,660
Indirect	1,087,136	981,267	981,267
Travel, subsistence & professional development	43,249	22,196	22,196
Printing, marketing & contractual	170,245	110,482	110,482
Other expenditures	58,640	48,450	48,450
Total Expenditures	\$ 2,884,218	\$ 2,347,082	\$ 2,347,082
<b>Tasks:</b>			
Short range planning	\$ 309,000	\$ 238,621	\$ 238,621
Short range planning	106,000	94,523	94,523
Surveillance	1,154,381	951,714	951,714
Long range planning	1,065,000	883,363	883,363
Long range planning	45,595	1,997	1,997
Public involvement	84,000	70,303	70,303
INDOT	10,816	11,030	11,030
KYTC exclusive	32,426	36,836	36,836
Transportation summary	12,000	7,859	7,859
Air quality program	65,000	50,836	50,836
Total Tasks	\$ 2,884,218	\$ 2,347,082	\$ 2,347,082

**NOTES:**

1. The grant period for FY 2008 Transportation Planning is July 1, 2007 through September 30, 2008.
2. FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
3. In accordance with the agreement, Federal and State grant funds do not exceed the matching requirements established in the FY 2008 UPWP.
4. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2008 SURFACE TRANSPORTATION PROGRAM (STP)**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:			
Federal and state			
Ohio: ODOT (STP)	\$ 497,062	\$ 253,793	\$ 253,793
Kentucky: (SNK funds)	44,424	36,303	36,303
Indiana: (STP)	16,000	6,457	6,457
County matching funds	13,490	10,619	10,619
Local matching funds	<u>50,881</u>	<u>2,229</u>	<u>2,229</u>
Total Revenues	<u>\$ 621,857</u>	<u>\$ 309,401</u>	<u>\$ 309,401</u>
Expenditures:			
Direct personnel	\$ 128,606	\$ 103,652	\$ 103,652
Fringe benefits	71,582	53,277	53,277
Indirect	142,714	127,415	127,415
Travel, subsistence & professional development	6,349	4,466	4,466
Printing, marketing & contractual	267,405	18,743	18,743
Other expenditures	<u>5,201</u>	<u>1,848</u>	<u>1,848</u>
Total Expenditures	<u>\$ 621,857</u>	<u>\$ 309,401</u>	<u>\$ 309,401</u>
Tasks:			
Transportation improvement	\$ 355,530	\$ 290,541	\$ 290,541
Land use planning	254,405	11,143	11,143
INDOT	<u>11,922</u>	<u>7,717</u>	<u>7,717</u>
Total Tasks	<u>\$ 621,857</u>	<u>\$ 309,401</u>	<u>\$ 309,401</u>

**NOTES:**

1. The grant for the Surface Transportation Program agreement is July 1, 2007 through September 30, 2008.
2. FHWA/ODOT STP/KYTC SNK funds were received under agreements for specified long range planning activities. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year.
3. This program is funded with Ohio STP funds at a rate of 100 percent. Kentucky SNK funds are 80 percent Federal and 20 percent local match. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
4. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2008 OZONE**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
<b>Revenues</b>			
Federal and state			
Ohio: ODOT/CMAQ	\$ 415,956	\$ 55,140	\$ 55,140
Kentucky: CMAQ	40,150	-	-
Kentucky: SNK	21,445	10,206	10,206
County matching funds	5,360	-	-
Contributed services match	10,038	166,636	166,636
Total Revenues	<u>\$ 492,949</u>	<u>\$ 231,982</u>	<u>\$ 231,982</u>
<b>Expenditures</b>			
Direct personnel	\$ 64,520	\$ -	\$ -
Fringe benefits	36,208	-	-
Indirect	70,895	-	-
Travel, subsistence & professional development	2,000	-	-
Printing, marketing & contractual	295,000	65,346	65,346
Other expenditures	5,800	-	-
Contributed services	18,526	166,636	166,636
Total Expenditures	<u>\$ 492,949</u>	<u>\$ 231,982</u>	<u>\$ 231,982</u>
<b>Task:</b>			
Ozone awareness program	<u>\$ 492,949</u>	<u>\$ 231,982</u>	<u>\$ 231,982</u>

**NOTES:**

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
  - a. ODOT agreement for the period July 1, 2007 through April 2009 for \$415,956 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. UPWP KYTC funding beginning July 1, 2007 for \$50,188 in KYTC CMAQ and \$26,806 in KYTC/SNK. Expenses reimbursed to OKI at a participation rate of 80 percent from FY06 funding agreement and matched with contributed services.
2. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2008 RIDESHARE**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:			
Federal and state			
Ohio: Ozone CMAQ	\$ 300,000	\$ 174,120	\$ 174,120
Kentucky: Rideshare SNK	44,424	32,230	32,230
Contributed services match	<u>11,106</u>	<u>747,158</u>	<u>747,158</u>
Total Revenues	<u>\$ 355,530</u>	<u>\$ 953,508</u>	<u>\$ 953,508</u>
Expenditures:			
Direct personnel	\$ 32,542	\$ 12,932	\$ 12,932
Fringe benefits	18,113	6,283	6,283
Indirect	36,112	16,920	16,920
Travel, subsistence & professional development	300	40	40
Printing, marketing & contractual	252,107	169,896	169,896
Other expenditures	5,250	279	279
Contributed services	<u>11,106</u>	<u>747,158</u>	<u>747,158</u>
Total Expenditures	<u>\$ 355,530</u>	<u>\$ 953,508</u>	<u>\$ 953,508</u>
Task:			
Ozone awareness program	<u>\$ 355,530</u>	<u>\$ 953,508</u>	<u>\$ 953,508</u>

**NOTES:**

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
  - a. ODOT agreement for the period July 1, 2007 through February 2009 for \$300,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. UPWP KYTC agreement for the period July 1, 2007 through February 2009 for \$55,530 in KYTC/SNK reimbursed to OKI at a participation rate of 80 percent from FY06 finding agreement and matched with contributed services.
2. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES  
FTA STUDY  
FY 2007 JOB ACCESS REVERSE COMMUTE AND NEW FREEDOM PROGRAMS  
as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:			
Federal and state			
Federal FTA	\$ 195,280	\$ 32,767	\$ 32,767
Total Revenues	<u>\$ 195,280</u>	<u>\$ 32,767</u>	<u>\$ 32,767</u>
Expenditures:			
Direct personnel	\$ 72,940	\$ 11,439	\$ 11,439
Fringe benefits	40,598	5,965	5,965
Indirect	80,942	13,822	13,822
Travel, subsistence & professional development	100	-	-
Printing, marketing & contractual	-	-	-
Other expenditures	700	1,541	1,541
Total Expenditures	<u>\$ 195,280</u>	<u>\$ 32,767</u>	<u>\$ 32,767</u>
Task:			
Job Access Reverse Commute	\$ 76,310	\$ 17,004	\$ 17,004
New Freedom	<u>118,970</u>	<u>15,763</u>	<u>15,763</u>
Total task	<u>\$ 195,280</u>	<u>\$ 32,767</u>	<u>\$ 32,767</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began July 5, 2007.
2. The Job Access Reverse Commute and New Freedom grants are 100% Federally funded.
3. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**HAMILTON COUNTY TID-PART B**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:				
Federal and state				
Ohio:	\$ 308,796	\$ 100,690	\$ 4,777	\$ 105,467
In-kind matching funds	<u>77,199</u>	<u>25,173</u>	<u>1,194</u>	<u>26,367</u>
Total revenues	<u>\$ 385,995</u>	<u>125,863</u>	<u>\$ 5,971</u>	<u>\$ 131,834</u>
Expenditures:				
Direct personnel	\$ -	\$ -	\$ -	\$ -
Fringe benefits	-	-	-	-
Indirect	-	-	-	-
Travel, subsistence & professional development	-	-	-	-
Printing, marketing & contractual	308,796	100,690	4,777	105,467
Contributed services	77,199	25,173	1,194	26,367
Other expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 385,995</u>	<u>\$ 125,863</u>	<u>\$ 5,971</u>	<u>\$ 131,834</u>
Task:				
Hamilton County TID Part B	<u>\$ 385,995</u>	<u>\$ 125,863</u>	<u>\$ 5,971</u>	<u>\$ 131,834</u>

**NOTES:**

1. The grant for the Hamilton County TID began July 1, 2002.
2. SPT/ODOT funds are received under an agreement with the Ohio Department of Transportation at a participation rate of 80 percent. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. Hamilton County TID provides the 20 percent match from non-Federal funds through their participation in the project.
4. As of June 30, 2008, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FY 2006 WATER QUALITY PLANNING - MILLCREEK HEADWATERS**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2007</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
<b>Revenues:</b>				
Federal and state				
Ohio: OEPA (EPA Funds)	\$ 497,920	\$ 46,804	\$ 40,102	\$ 86,906
Local matching funds	3,090	879	358	1,237
In-kind	-	29,433	6,075	35,508
Total Revenues	<u>\$ 501,010</u>	<u>\$ 77,116</u>	<u>\$ 46,535</u>	<u>\$ 123,651</u>
<b>Expenditures:</b>				
Direct personnel	\$ 38,859	\$ 16,174	\$ 7,809	\$ 23,983
Fringe benefits	20,853	8,052	4,073	12,125
Indirect	44,071	18,688	9,436	28,124
Travel, subsistence & professional development	3,278	646	282	928
Printing, marketing & contractual	861,385	33,323	24,860	58,183
Other expenditures	2,164	233	75	308
Total Expenditures	<u>\$ 970,610</u>	<u>\$ 77,116</u>	<u>\$ 46,535</u>	<u>\$ 123,651</u>
<b>Task:</b>				
State 319 Mill Creek Headwaters	<u>\$ 970,610</u>	<u>\$ 77,116</u>	<u>\$ 46,535</u>	<u>\$ 123,651</u>

**NOTES:**

- Ohio EPA 319 funds are received under an agreement for the Mill Creek Headwaters TMDL Implementation Project which began December 19, 2005.
- As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES**  
**ST. CLAIR TOWNSHIP COMPREHENSIVE PLAN**  
**as of June 30, 2008**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2008</u>
Revenues:			
Local matching funds	\$ 80,703	\$ 42,992	\$ 123,695
Contributed services	<u>10,230</u>	<u>7,284</u>	<u>17,514</u>
Total Revenues	<u>\$ 90,933</u>	<u>\$ 50,276</u>	<u>\$ 141,209</u>
Expenditures:			
Direct personnel	\$ 29,125	\$ 15,289	\$ 15,289
Fringe benefits	16,374	7,973	7,973
Indirect	32,644	18,473	18,473
Travel, subsistence & professional development	840	270	270
Printing, marketing & contractual	10,230	7,606	7,606
Other expenditures	<u>1,720</u>	<u>665</u>	<u>665</u>
Total Expenditures	<u>\$ 90,933</u>	<u>\$ 50,276</u>	<u>\$ 50,276</u>
Task:			
Total tasks	<u>\$ 90,933</u>	<u>\$ 50,276</u>	<u>\$ 50,276</u>

**NOTES:**

1. As of June 30, 2008, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
for the year ended June 30, 2008

<b>Federal Grantor/ Pass-through Grantor/ Program Title</b>	<b>CFDA Number</b>	<b>Federal Award Amount</b>	<b>Total Project Budget</b>	<b>Total Federal Expenditures for the year ended June 30, 2008</b>	<b>Cumulative Federal Expenditures as of June 30, 2008</b>
<b>FHWA Transportation Planning</b>					
<b>Passed through State Department of Transportation (Ohio, Kentucky &amp; Indiana)</b>					
<b>FHWA Highway Planning</b>					
FY 2007 Transportation Planning	20.205	\$ 2,469,072	\$ 2,665,801	\$ 784,104	\$ 2,349,323
FY 2008 Transportation Planning	20.205	2,563,002	2,884,218	2,086,597	2,086,597
FY 2007 Surface Transportation Program	20.205	360,424	375,530	60,099	360,413
FY 2008 Surface Transportation Program	20.205	557,486	621,857	296,553	296,553
Ozone Awareness Program - 2007	20.205	975,868	1,007,335	790,254	975,870
Ozone Awareness Program - 2008	20.205	477,551	492,949	65,346	65,346
FTA	20.205	195,280	195,280	32,767	32,767
FY 2007 Project Rideshare	20.205	344,424	355,530	123,865	344,422
FY 2008 Project Rideshare	20.205	344,424	355,530	206,350	206,350
I-471 Transportation Study	20.205	750,000	750,000	297,141	750,000
Hamilton County TID - Part B	20.205	308,796	385,995	4,777	105,467
		<u>9,346,327</u>	<u>10,090,025</u>	<u>4,747,853</u>	<u>7,573,108</u>
<b>Total FHWA Transportation Planning</b>					
<b>U.S. Environmental Protection Agency</b>					
<b>Passed through State Environmental Protection Agency</b>					
FY 2006 Drinking Water- Water Quality Planning Project	66.419	69,000	119,000	20,154	58,741
FY 2006 Millcreek Headwaters - Water Quality Planning Project	66.419	497,920	970,610	40,102	86,906
FY 2008 604B Water Quality Planning Project	66.419	40,574	67,623	40,281	40,281
		<u>607,494</u>	<u>1,157,233</u>	<u>100,537</u>	<u>185,928</u>
<b>Total U.S. Environmental Protection Agency</b>					
<b>TOTAL</b>		<u>\$ 9,953,821</u>	<u>\$ 11,247,258</u>	<u>\$ 4,848,390</u>	<u>\$ 7,759,036</u>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
for the year ended June 30, 2008**

1. The supplementary schedule of expenditures of Federal awards was prepared using the accrual basis of accounting.
2. OKI receives certain Federal awards as pass-through awards from various states (Ohio, Kentucky and Indiana). The amounts received are Federal and non Federal funds that are combined by the states and expenditures cannot be separately identified. The total amount of such pass-through awards is included in the supplemental Schedule of Expenditures of Federal Awards.
3. Expenditures for fringe benefits and indirect costs included in the Schedule of Expenditures of Federal Awards reflect the application of provisional rates adjusted to actual.



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

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

We have audited the financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the year ended June 30, 2008, and have issued our report thereon dated December 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the OKI's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OKI's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect OKI's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of OKI's financial statements that is more than inconsequential will not be prevented or detected by OKI's internal control.

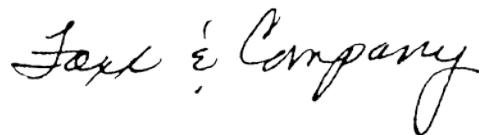
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by OKI's internal control.

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

### Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Executive Committee, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

Cincinnati, Ohio  
December 12, 2008



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of Ohio-Kentucky-Indiana Regional Council of Governments (OKI) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. OKI's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of OKI's management. Our responsibility is to express an opinion on OKI's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about OKI's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on OKI's compliance with those requirements.

In our opinion, OKI complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

## Internal Control Over Compliance

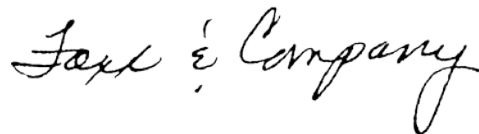
The management of OKI is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered OKI's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operations of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of management, the Executive Committee, the Ohio Auditor of State, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Jaxx & Company".

Cincinnati, Ohio  
December 12, 2008



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2008**

**Section 1. SUMMARY OF AUDITOR'S RESULTS**

<b>Type of Financial Statement Opinion</b>	<b>Unqualified</b>
Were there any significant deficiencies or material weaknesses reported at the financial statement level (GAGAS)?	No
Was there any reported material non-compliance as the financial statement level (GAGAS)?	No
Was there any material internal control weakness conditions reported for major federal programs?	No
Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<b>Type of Major Programs' Compliance Opinion</b>	<b>Unqualified</b>
Are there any reportable findings under Section .510?	No
Major Programs (list):	Federal Highway Planning  CFDA No. 20.205
Dollar Threshold: Type A/B Programs	Type A: \$300,000 or more Type B: All others
Low Risk Auditee?	Yes

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

None were noted.

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

None were noted.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
June 30, 2008**

There were no prior audit findings or questioned costs relative to Federal awards for the audit of the Ohio-Kentucky-Indiana Regional Council of Government for the year ended June 30, 2007.



**Mary Taylor, CPA**  
Auditor of State

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

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 12, 2009**