

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

**Financial Statements
and
Supplementary Information**

for the years ended June 30, 2009 and 2008



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 Auditors' Report* of the Ohio-Kentucky-Indiana Regional Council of Governments, Hamilton County, prepared by Bastin & Company, LLC, for the audit period July 1, 2008 through June 30, 2009. 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 1, 2010

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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ACRONYMS

| | |
|------------|---|
| CMAQ | Congestion Mitigation and Air Quality |
| FHWA | Federal Highway Administration |
| FIAM | Fiscal Impact Analysis Model |
| FTA | Federal Transit Authority |
| INDOT | Indiana Department of Transportation |
| JARC | Job Access Reserve Commute |
| KYTC | Kentucky Transportation Cabinet |
| MIS | Major Investment Study |
| NF | New Freedom |
| ODOT | Ohio Department of Transportation |
| OEPA | Ohio Environmental Protection Agency |
| OKI | Ohio-Kentucky-Indiana Regional Council of Governments |
| SAFETEA-LU | Safe, Accountable, Flexible and Efficient Transportation Equity Act: A legacy for Users |
| SNK | Surface Transportation Planning (Northern Kentucky) |
| STP | Surface Transportation Planning (Ohio) |
| TCSP | Transportation Community System Preservation |
| UPWP | Unified Planning Work Program |

Bastin & Company, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), as of and for the year ended June 30, 2009, as listed in the table of contents. 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. The financial statements of OKI as of and for the year ended June 30, 2008 were audited by other auditors who expressed an unqualified opinion on those financial statements in their report 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. 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 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 the Ohio-Kentucky-Indiana Regional Council of Governments, as of June 30, 2009, and changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2009 on our consideration of OKI's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 10 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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 basic 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 basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Bastin & Company, L L C

Cincinnati, Ohio
December 16, 2009

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009
(Unaudited)

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, 2009. Please read it in conjunction with OKI's financial statements, which follow this section.

OVERVIEW OF OKI

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 45 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 \$40 million in funding for projects in this region.

PROGRAMS AND ACTIVITIES

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

OKI helps communities develop Land Use, Infrastructure, Capital Improvement, 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.

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

PROJECTS

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

Freight: The movement of freight dominates the region's roadways both now and in the future. OKI is leading the initiative to address how to handle the growing amount of freight on the highways and working to move it from the roads onto rails and the river.

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 through the formation of carpools and vanpools.

I-471 Corridor Study: The study contains important project recommendations that support the quality of life and land use visions of Campbell County, along this booming corridor in Northern Kentucky. Mobility, connectivity, accessibility, safety, congestion management and air quality are all key project recommendations from the study.

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

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.

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. A second phase of study, which focuses on improving access to I-71 in the vicinity of Martin Luther King Drive, began in the spring of 2009.

2030 Regional Transportation Plan: This plan serves as a blueprint for transportation projects in the OKI region through the year 2030. It addresses current and future needs created by growth and development. At the same time, it responds to Federal Highway Administration and Clean Air Act requirements to mitigate congestion and address air quality and other environmental, social and financial issues.

Bike Plan: This plan will work to develop a regional bicycle system that is integrated with other transportation systems in the Cincinnati region. The plan is expected to secure adequate funding for bicycle improvements, as well as encourage and support bicycle safety, education, and enforcement programs.

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

During fiscal year 2009:

- OKI continued executing partnership agreements with advertising outlets to provide value added services as match for the Ozone and RideShare programs. 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 2009 the RideShare program received \$543,165 in contributed services and the Ozone program received \$971,237 in contributed services.
- OKI continued its partnership with eleven cities, counties, and organizations within the region to develop a Fiscal Impact Analysis Model and began implementation activities. These entities provided \$55,000 in local match for model activities and will provide an additional \$55,000 in match over the next year for continued implementation of the model.
- Total assets exceed liabilities as of June 30, 2009 by \$1,133,471, an increase of \$66,946 from June 30, 2008.

- OKI had operating revenues of \$6,548,591 and operating expenses of \$6,481,645, resulting in an operating income of \$66,946.
- Contributed services in excess of match required by programs and grants totaled \$1,485,863.

USING THIS ANNUAL REPORT

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

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

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

The Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets

Our analysis of OKI as a whole begins here. One of the most important questions asked about OKI's finances is "Is OKI as a whole better off or worse as a result of the year's activities?" As the net assets increased by \$66,946, the answer is yes. The question we hope that we are answering is, "Where is OKI going and are we headed in the right direction?"

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

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

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

Statement of Cash Flows

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

These financial statements can be found on pages 11 through 13 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 14-19 of this report.

FINANCIAL ANALYSIS OF OKI

STATEMENT OF NET ASSETS

The following table represents condensed statements of net assets.

Statement of Net Assets (\$ in Thousands)

| | <u>FY2009</u> | <u>FY2008</u> | <u>FY2007</u> |
|---|-----------------|-----------------|---------------|
| Current assets | \$ 1,957 | \$ 1,862 | \$ 1,586 |
| Capital assets, net | <u>84</u> | <u>86</u> | <u>105</u> |
| Total assets | <u>2,041</u> | <u>1,948</u> | <u>1,691</u> |
| Current liabilities | 795 | 806 | 674 |
| Non-current liabilities | <u>112</u> | <u>75</u> | <u>112</u> |
| Total liabilities | <u>907</u> | <u>881</u> | <u>786</u> |
| Net assets: | | | |
| Invested in capital assets, net of debt | 50 | 82 | 99 |
| Unrestricted | <u>1,084</u> | <u>985</u> | <u>806</u> |
| Total net assets | <u>\$ 1,134</u> | <u>\$ 1,067</u> | <u>\$ 905</u> |

Current assets increased by \$95k, or 5.1%, in 2009 due to higher receivables associated with activity in the Fiscal Impact Analysis Model (FIAM) Development, Travel Model Data Collection, and GPS Travel Survey projects, and a decrease in cash and investments due to increased project activity. In 2008 current assets increased by \$276k, or 17.4%, 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.

Capital assets decreased by \$2k, or 2.3%, in 2009 due to the addition of leased office furniture net of depreciation and the disposition of obsolete computers and equipment. In 2008 capital assets decreased by \$19k, or 18.1%, due to the disposition of obsolete computer equipment and depreciation of existing equipment.

Current liabilities decreased by \$11k, or 1.4%, in 2009 due to an increase in the level of open payables associated with the Travel Model Data Collection and FIAM Development projects; a decrease in accrued payroll associated with timing; a decrease in short-term leave liabilities due to staffing changes offset by increases in salaries; and an increase in deferred revenues due to a county funding payment received a month early. In 2008 current liabilities increased by \$132k, or 19.6%, 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.

Noncurrent liabilities increased by \$37k, or 49.3%, in 2009 due to an increase in capital leases associated with furniture acquisition at the end of the second five years of the Sawyer Point office lease, and an increase in long-term leave liabilities due to increases in salaries. In 2008 noncurrent liabilities

decreased by \$37k, or 33.0%, due to the retirement and subsequent vacation payout of two staff members each with 30+ years of service.

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 \$99k, or 10.1%, in 2009 due to effective management of general and administrative activities combined with timing of current projects. In 2008 unrestricted net assets increased by \$179k, or 22.2%, due to effective management of local projects funded by county contributions (General and Administrative and Regional Planning) combined with timing of current transportation projects.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

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

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

| | | | |
|--|-----------------|-----------------|---------------|
| Operating revenues | <u>FY2009</u> | <u>FY2008</u> | <u>FY2007</u> |
| Federal and state | \$ 5,043 | \$ 4,848 | \$ 4,545 |
| Local contracts | 754 | 710 | 1,204 |
| Other revenue | 40 | 52 | 43 |
| Contributed services | <u>712</u> | <u>88</u> | <u>100</u> |
| Total operating revenue | <u>6,549</u> | <u>5,698</u> | <u>5,892</u> |
| Operating expenses | | | |
| Salaries and wages | 2,280 | 2,354 | 2,080 |
| Fringe benefits | 853 | 706 | 666 |
| Travel, subsistence and professional development | 116 | 101 | 100 |
| Printing, marketing and contractual | 1,764 | 1,489 | 2,098 |
| Depreciation | 40 | 38 | 37 |
| Other expenses | 717 | 760 | 733 |
| Contributed services | <u>712</u> | <u>88</u> | <u>100</u> |
| Total operating expenses | <u>6,482</u> | <u>5,536</u> | <u>5,814</u> |
| Operating income | <u>67</u> | <u>162</u> | <u>78</u> |
| Non-operating revenues (expenses) | | | |
| Contributed services | 1,486 | 1,701 | 87 |
| Contributed marketing | <u>(1,486)</u> | <u>(1,701)</u> | <u>(87)</u> |
| Total non-operating revenues (expenses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Increase in net assets | 67 | 162 | 78 |
| Net assets, beginning of year | <u>1,067</u> | <u>905</u> | <u>827</u> |
| Net assets, end of year | <u>\$ 1,134</u> | <u>\$ 1,067</u> | <u>\$ 905</u> |

Operating revenues increased by 14.9% from 2008 to 2009 due to increased project activities associated with the FIAM Development and GPS Travel Survey projects. Federal and state revenues increased by 4.0% due to the addition of the GPS Travel Survey project. Local revenues increased by 6.2% due to increased activities in the FIAM Development project. Other revenues decreased by 23.1% due to declining interest rates. Contributed services revenue increased by 709.1% due to increased activities associated with the Mill Creek project and addition of the New Freedom Pass-Through projects. Operating revenues decreased 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 41.0% due to the completion of the Uptown Study.

Operating expenses increased by 17.1% from 2008 to 2009 due to increased project activities and increases in employee benefits. Fringe benefits increased 20.8% due to increases in group health costs and changes in the retirement benefits of staff. In January 2009, the OKI employer 401(a) contribution rate increased from 6.9% to 10.0% and an optional 403(b) benefit was added with employer contributions of up to 4.0% depending on employee contributions. Printing, marketing and contractual increased 18.5% due to increased consultant activities related to the FIAM Development, Travel Model Data Collection, and GPS Travel Survey activities and increased professional services activities associated with the Mill Creek project, offset by a decrease in marketing activities associated with the Ozone program. Contributed services expense increased by 709.1% due to increased activities associated with the Mill Creek project and addition of the New Freedom Pass-Through projects. Operating expenses decreased 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 29.0% due to the completion of the Uptown Study.

Contributed services in excess of required match decreased by 12.6% from 2008 to 2009 due to a decrease in contributed services received by the RideShare program. Contributed services in excess of required match increased by 1855.2% 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 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 INFORMATION

The following table reflects a budget to actual comparison.

BUDGET VS ACTUAL (\$ in Thousands)

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|--|-----------------|-----------------|-----------------|
| Operating revenues | | | |
| Federal and state | \$ 5,043 | \$ 5,690 | \$ (647) |
| Local contracts | 754 | 709 | 45 |
| Other revenue | 40 | 47 | (7) |
| Contributed services | <u>712</u> | <u>516</u> | <u>196</u> |
| Total operating revenue | <u>6,549</u> | <u>6,962</u> | <u>(413)</u> |
| Operating expenses | | | |
| Salaries and wages | 2,280 | 2,444 | (164) |
| Fringe benefits | 853 | 920 | (67) |
| Travel, subsistence and professional development | 116 | 132 | (16) |
| Printing, marketing and contractual | 1,764 | 2,122 | (358) |
| Other expenses | 757 | 782 | (25) |
| Contributed services | <u>712</u> | <u>516</u> | <u>196</u> |
| Total expenses | <u>6,482</u> | <u>6,916</u> | <u>(434)</u> |
| Non-operating revenues (expenses) | | | |
| Contributed services | 1,486 | - | 1,486 |
| Contributed marketing | <u>(1,486)</u> | <u>-</u> | <u>(1,486)</u> |
| Total non-operating revenues (expenses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Increase in net assets | 67 | 46 | 21 |
| Net assets, beginning of year | <u>1,067</u> | <u>1,067</u> | <u>-</u> |
| Net assets, end of year | <u>\$ 1,134</u> | <u>\$ 1,113</u> | <u>\$ 21</u> |

Operating revenues were lower than budget due to timing of budgeted activities. Federal and state revenues were lower than budgeted due to timing of Travel Model Data Collection, Eastern Corridor project, and PL Planning activities. These revenues have shifted to FY10. Contributed services revenues were higher than budgeted due to the mid-year addition of the New Freedom Pass-Through projects.

Operating expenses were lower than budget for several reasons. Salaries and wages were lower than budget due to two budgeted positions not being filled, one position being open for half the year, and two internal promotions. Fringe benefits were lower than budget due to timing of changes to the employees' retirement plan. Increases in retirement benefits were budgeted for a full year but were not able to be implemented until mid-fiscal year. Travel and professional development expenses were lower than budget due to some scheduled development activities being shifted into next fiscal year. Printing, marketing and contractual expenses were lower than budget due to timing of Travel Model Data Collection and the Eastern Corridor project, and a reduced emphasis on advertising in the Ozone program. Contributed services expenses were higher than budgeted due to the mid-year addition of the New Freedom Pass-Through projects.

In fiscal year 2009, OKI was able to manage local projects and match needs for an increase in net assets of \$21,000. Project timing contributed an additional increase in net assets of \$46,000 – this amount will be used during fiscal 2010 to match projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2009, 2008 and 2007, OKI's capital assets are reflected in the following schedule.

CAPITAL ASSETS (\$ in Thousands)

| | <u>FY2009</u> | <u>FY2008</u> | <u>FY2007</u> |
|--------------------------------|---------------|---------------|---------------|
| Office furniture and equipment | \$ 624 | \$ 596 | \$ 589 |
| Accumulated depreciation | <u>(540)</u> | <u>(510)</u> | <u>(485)</u> |
| Total | <u>\$ 84</u> | <u>\$ 86</u> | <u>\$ 104</u> |

Capital assets declined during fiscal year 2009 primarily due to depreciation and the disposition of obsolete computers and equipment. These decreases were offset by furniture additions resulting from a capital lease.

Capital assets declined during fiscal 2008 primarily due 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.

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

Debt

The Council continues to maintain an \$850,000 bank line of credit if needed. The line of credit was not used during fiscal 2009.

At the end of fiscal 2009 OKI has a balance of \$2,678 on the capital lease agreement for postage equipment. The lease is for five years, with 19 quarterly payments of \$397 and 1 quarterly payment of \$393 (last payment). There are 7 payments remaining as of June 30, 2009. The lease annual interest rate is 3.715%. Maintenance fees and the postage meter rental are also expensed at \$188 per quarter.

OKI also entered into a new capital lease in fiscal year 2009 for furniture, which had been a part of the office building operating lease prior to July 1, 2008. The lease is for five years with 60 monthly payments of \$742. At the end of fiscal 2009 the remaining balance on the lease is \$31,608. The interest rate on the lease is 6.00%, and the final payment is due on June 1, 2013.

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

ECONOMIC CONDITIONS

OKI considered many factors when setting the fiscal year 2009 budget, including funding from federal and state agencies, the eight counties supporting the council and program demands from the member agencies.

OKI continues to rely on federal and state grants, local program grants, special studies, and other local projects to fund its many programs. At present, federal and state funding sources are secure; however, legislative action can affect both revenue streams. The eight counties that comprise the region are contributing funding for 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, 2009 AND 2008

| ASSETS | | |
|-------------------------------|--------------|--------------|
| | 2009 | 2008 |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 560,800 | \$ 636,213 |
| Accounts receivable | 1,365,399 | 1,211,655 |
| Prepaid expenses | 30,337 | 14,150 |
| TOTAL CURRENT ASSETS | 1,956,536 | 1,862,018 |
| NONCURRENT ASSETS: | | |
| Capital assets, net | 84,063 | 85,697 |
| TOTAL NONCURRENT ASSETS | 84,063 | 85,697 |
| TOTAL ASSETS | 2,040,599 | 1,947,715 |
| LIABILITIES | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | 349,929 | 314,430 |
| Accrued expenses | 18,141 | 120,864 |
| Compensated absences | 180,877 | 190,878 |
| Capital lease obligations | 8,716 | 1,653 |
| Deferred revenue | 237,742 | 177,906 |
| TOTAL CURRENT LIABILITIES | 795,405 | 805,731 |
| NONCURRENT LIABILITIES | | |
| Compensated absences | 86,153 | 72,980 |
| Capital lease obligations | 25,570 | 2,479 |
| TOTAL NONCURRENT LIABILITIES | 111,723 | 75,459 |
| TOTAL LIABILITIES | 907,128 | 881,190 |
| NET ASSETS | | |
| Invested in capital assets | 49,777 | 81,565 |
| Unrestricted | 1,083,694 | 984,960 |
| TOTAL NET ASSETS | \$ 1,133,471 | \$ 1,066,525 |

See accompanying notes to the financial statements.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
JUNE 30, 2009 AND 2008

| | <u>2009</u> | <u>2008</u> |
|---|----------------------------|----------------------------|
| OPERATING REVENUES: | | |
| Federal and state grants | \$ 5,042,704 | \$ 4,848,390 |
| Local and county matching funds | 754,252 | 709,858 |
| Other revenues | 39,652 | 52,134 |
| Contributed services | <u>711,983</u> | <u>87,886</u> |
| Total Operating Revenues | <u>6,548,591</u> | <u>5,698,268</u> |
| OPERATING EXPENSES: | | |
| Direct expenses | | |
| Personnel | 1,348,682 | 1,405,716 |
| Fringe benefits | 816,514 | 733,042 |
| Travel, subsistence and professional | 72,672 | 64,121 |
| Printing, marketing and contractual | 1,715,904 | 1,448,313 |
| Other direct expenses | 55,847 | 98,742 |
| Indirect costs | 1,760,043 | 1,698,505 |
| Contributed services | <u>711,983</u> | <u>87,886</u> |
| Total Operating Expenses | <u>6,481,645</u> | <u>5,536,325</u> |
| OPERATING INCOME | <u>66,946</u> | <u>161,943</u> |
| NON-OPERATING REVENUES (EXPENSES): | | |
| Contributed services revenues | 1,485,863 | 1,701,329 |
| Contributed services expenses | <u>(1,485,863)</u> | <u>(1,701,329)</u> |
| Total Non-operating Revenues (Expenses) | <u>-</u> | <u>-</u> |
| CHANGE IN NET ASSETS | 66,946 | 161,943 |
| Net Assets Beginning of Year | <u>1,066,525</u> | <u>904,582</u> |
| Net Assets End of Year | <u><u>\$ 1,133,471</u></u> | <u><u>\$ 1,066,525</u></u> |

See accompanying notes to the financial statements

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CASH FLOWS
JUNE 30, 2009 AND 2008

| | 2009 | 2008 |
|---|--------------|--------------|
| Cash flows from operating activities: | | |
| Receipts from federal and state grants | \$ 4,933,266 | \$ 4,571,685 |
| Receipts from local grants and matching funds | 809,636 | 849,984 |
| Payments to employees | (3,232,794) | (3,035,932) |
| Payments to suppliers | (2,577,278) | (2,276,478) |
| Net cash provided by (used for) operating activities | (67,170) | 109,259 |
| Cash flows from capital related activities: | | |
| Purchase of fixed assets | - | (19,830) |
| Sales proceeds from disposal of fixed assets | - | 1,120 |
| Capital lease retirements | (8,243) | (1,401) |
| Net cash provided by (used for) capital financing activities | (8,243) | (20,111) |
| Net increase (decrease) in cash and cash equivalents | (75,413) | 89,148 |
| Cash and cash equivalents at beginning of year | 636,213 | 547,065 |
| Cash and cash equivalents at end of year | \$ 560,800 | \$ 636,213 |
| Reconciliation of operating income to net cash used for operating activities: | | |
| Operating income | \$ 66,946 | \$ 161,943 |
| Adjustments to reconcile operating income to net cash provided by (used for) operating activities | | |
| Depreciation | 40,031 | 37,609 |
| Changes in assets and liabilities: | | |
| Decrease (Increase) in: | | |
| Accounts receivable | (153,744) | (187,767) |
| Prepaid expenses | (16,187) | 1,279 |
| Increase (Decrease) in: | | |
| Accounts payable | 35,499 | 72,718 |
| Accrued expenses | (102,723) | 36,629 |
| Deferred revenue | 59,836 | 594 |
| Compensated absences | 3,172 | (13,746) |
| Net cash provided by (used for) operating activities | \$ (67,170) | \$ 109,259 |
| Non-cash transactions: | | |
| Capital assets acquired under capital lease | \$ 38,397 | \$ - |

See accompanying notes to the financial statements

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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

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

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

Basis of Accounting

OKI uses the accrual basis of accounting to prepare its financial statements and maintains subsidiary ledgers to identify revenues and expenses by detailed program. Activities not specifically related to a program are classified as general and administrative transactions. The statement of Revenues, Expenses and Changes in Net Assets reflects 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 operating revenues to the extent required to fund eligible program costs and/or to meet program matching requirements.

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008
(continued)**

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

Income Taxes

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

Reclassification

Certain 2008 amounts have been reclassified to conform to 2009 financial statement presentation.

2. DEPOSITS

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

Custodial credit risk is the risk that in the event of a bank failure OKI's deposits may not be returned. Protection of OKI's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledges by the institutions holding the assets. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which OKI places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by FDIC. The securities pledged as collateral are pledged to a pool for each individual financial institution in amount equal to at least 105 percent of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligation of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. At June 30, 2009 the carrying amount of OKI's deposits was \$560,800 and the bank balance was \$565,983. FDIC insurance covered \$250,000 of the bank balance. The remaining balance of \$315,983 was uninsured and collateralized with securities held by the pledging financial institution's trust department.

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008
(continued)**

3. ACCOUNTS RECEIVABLE

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

| | 2009 | 2008 |
|--|-------------|-------------|
| Receivables Under Contracts and Grants | | |
| Federal | \$ 11,724 | \$ 1,234 |
| Ohio | 1,069,750 | 943,682 |
| Kentucky | 258,229 | 231,388 |
| Indiana | 11,043 | 5,168 |
| Local and County | 14,451 | 30,183 |
| Receivables Other | | |
| Due from employees | 202 | - |
| Total Receivables | \$1,365,399 | \$1,211,655 |

4. CAPITAL ASSETS

Changes in capital assets for the year that ended June 30, 2009 are summarized below:

| | <u>Balance</u> <u>July 1, 2008</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2009</u> |
|--------------------------------|---------------------------------------|------------------|------------------|--|
| Office furniture and equipment | \$ 595,532 | \$38,397 | \$(9,449) | \$ 624,480 |
| Less: accumulated depreciation | <u>(509,835)</u> | <u>(40,031)</u> | <u>9,449</u> | <u>(540,417)</u> |
| Furniture and Equipment net | <u>\$ 85,697</u> | <u>\$(1,634)</u> | <u>\$ -</u> | <u>\$ 84,063</u> |

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

| | <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 | \$ 19,830 | \$(13,908) | \$ 595,532 |
| Less: accumulated depreciation | <u>(485,014)</u> | <u>(37,609)</u> | <u>12,788</u> | <u>(509,835)</u> |
| Furniture and Equipment net | <u>\$ 104,596</u> | <u>\$(17,779)</u> | <u>\$(1,120)</u> | <u>\$ 85,697</u> |

5. BANK LINE OF CREDIT

OKI has a line of credit available of \$850,000. When used, the line of credit is collateralized by the working capital of OKI and bears interest at the prime rate less one-half percent. At June 30, 2009 and 2008, OKI had no borrowings against this line of credit.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008
(continued)**

6. COMPENSATED ABSENCES

Changes in compensated absences for the year that ended June 30, 2009 are summarized below:

| Balance July 1, 2008 | Entitlements | Usage | Balance June 30, 2009 | Due Within One Year |
|-------------------------|------------------|--------------------|--------------------------|------------------------|
| <u>\$263,858</u> | <u>\$316,082</u> | <u>\$(312,910)</u> | <u>\$267,030</u> | <u>\$180,877</u> |

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

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

7. LEASE COMMITMENTS

Capital Leases

During fiscal year 2006, OKI entered into a capital lease for postage equipment in the amount of \$7,213. Amortization of the remaining lease, including interest, is scheduled as follows:

| Year Ending June 30, | Amount |
|---|----------------|
| 2010 | \$1,588 |
| 2011 | 1,187 |
| Net minimum lease payments | 2,775 |
| Less: amount representing interest | (97) |
| Present value of net minimum lease payments | <u>\$2,678</u> |

OKI exercised a five-year renewal of the lease covering their office facilities commencing on July 1, 2008. A portion of the office facilities lease was for furniture, which under the terms of the lease would become the property of OKI after completion of the 5 year renewal option.

As a result of exercising the lease option, the portion of the office building lease attributable to the value of the furniture is considered a capital lease. Furniture covered under the lease was valued at \$38,397 at July 1, 2008. Lease payments applicable to the furniture portion of the lease are \$742.32 for 60 months and include an interest rate factor of 6.00%. The final payment is due on June 1, 2013.

Future minimum lease payments are as follows:

| Year Ending June 30, | Amount |
|---|-----------------|
| 2010 | \$ 8,907 |
| 2011 | 8,908 |
| 2012 | 8,908 |
| 2013 | 8,904 |
| Net minimum lease payments | 35,627 |
| Less: amount representing interest | (4,019) |
| Present value of net minimum lease payments | <u>\$31,608</u> |

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008
(continued)**

Operating Leases

OKI has an operating lease agreement for office facilities. Rental expense was \$485,630 and \$500,601 for the years ended June 30, 2009 and 2008, respectively.

At June 30, 2009, the minimum future rentals under the non-cancelable leases are due as follows:

| <u>Year Ending June 30,</u> | <u>Amount</u> |
|-----------------------------|--------------------|
| 2010 | \$ 487,221 |
| 2011 | 487,221 |
| 2012 | 487,221 |
| 2013 | 487,221 |
| | <u>\$1,948,884</u> |

8. EMPLOYEE RETIRMENT 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 Council’s employees under the Social Security system. This coverage is to supplement any retirement plan adopted according to the previous paragraphs.

The OKI Employees Retirement Plan is a trusted, contributory, defined contribution retirement plan covering all permanent full-time employees. Through December 31, 2008, OKI’s Employees’ retirement plan consisted of a 401(a) plan. Merrill Lynch was the custodian and trustee of the 401(a) plan. Contributions to the plan included a contribution by OKI of 6.9% of the participant’s wages and a mandatory contribution by the participant of 5 percent of his or her wages. In June 2008 the Board approved changes to OKI’s Employees Retirement Plan. Effective January 1, 2009 the retirement plan has two components, a mandatory 401(a) and a voluntary 403(b). Eligible employees are required to contribute 6% to the 401(a) plan and OKI matches up to 10%. Eligible employees may contribute additional funds to the 403(b) plan. OKI matches up to 4% on the first 3% of employee contributions. The Executive Director is not eligible for benefits under the new plans, and contributions, both employee and employer, remain at prior rates. Employees are fully vested upon

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008
(continued)**

eligibility for the new plans. For the 401(a), CPI is the Plan Administrator. The corporate trustee is Central Bank & Trust. For the ERISA 403(b), CPI is also the Plan Administrator; however, Matrix Capital Bank & Trust is the custodian for this Plan. UBS serves as investment advisor and also provides employee education for both Plans. Pension expense was \$232,572 and \$159,647 for the years ended June 30, 2009 and 2008 respectively. Forfeitures reduce the current contributions of OKI to the plan.

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

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

9. CONTINGENT LIABILITES

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

10. CONTRIBUTED SERVICES

OKI recognized contributed service revenues in 2009 and 2008. 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 \$1,514,402 (\$1,481,461 in excess of required match) and \$1,747,632 (\$1,701,329 in excess of required match) for the years ended June 30, 2009 and 2008, 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 a consultant. The amount of the contributed services was \$9,795 for the year ended June 30, 2009 and \$1,194 for the year ended June 30, 2008.

EPA 319 Drinking Water, EPA 319 Millcreek, and Job Access Reverse Commute and New Freedom programs receive contributed services in the form of partner activities in support of the projects per

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
HAMILTON COUNTY, OHIO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009 AND 2008
(continued)

the grant agreements. The amount of the contributed services was \$666,301 for the year ended June 30, 2009 and \$40,389 for the year ended June 30, 2008.

St. Clair Township receives contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of contributed services was \$7,348 (\$4,402 in excess of required match).

SUPPLEMENTARY INFORMATION

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENTS OF REVENUES AND EXPENSES BY ACTIVITY
for the year ended June 30, 2009
(with comparative summary total for 2008)

| | General & Administrative Activities | Environmental Planning Activities | Regional Planning | Ridesharing Implementation | Transportation Planning Activities | Total 2009 | Total 2008 |
|--|-------------------------------------|-----------------------------------|-------------------|----------------------------|------------------------------------|------------------|-------------------|
| Operating Revenues: | | | | | | | |
| Federal & state grants | \$ - | \$ 436,901 | \$ - | \$ 325,433 | \$ 4,280,370 | \$ 5,042,704 | \$ 4,848,390 |
| Local and county matching funds | 76,327 | 90,974 | 117,840 | - | 469,111 | 754,252 | 709,858 |
| Other revenue | 39,652 | - | - | - | - | 39,652 | 52,134 |
| Contributed services | - | 413,607 | 2,946 | 12,707 | 282,723 | 711,983 | 87,886 |
| Total Operating Revenues | 115,979 | 941,482 | 120,786 | 338,140 | 5,032,204 | 6,548,591 | 5,698,268 |
| Operating Expenses: | | | | | | | |
| Direct expenses | | | | | | | |
| Personnel | 1,027 | 49,261 | 40,007 | 32,389 | 1,225,998 | 1,348,682 | 1,405,716 |
| Fringe benefits | 622 | 29,823 | 24,221 | 19,607 | 742,241 | 816,514 | 733,042 |
| Travel, subsistence, and professional | 33,868 | 3,143 | 366 | 81 | 35,214 | 72,672 | 64,121 |
| Printing, marketing and contractual | 356 | 370,063 | 205 | 230,945 | 1,114,335 | 1,715,904 | 1,448,313 |
| Other direct expenses | 11,820 | 11,298 | 831 | 144 | 31,754 | 55,847 | 98,742 |
| Indirect costs | 1,340 | 64,287 | 52,210 | 42,267 | 1,599,939 | 1,760,043 | 1,698,505 |
| Contributed services | - | 413,607 | 2,946 | 12,707 | 282,723 | 711,983 | 87,886 |
| Total Operating Expenses | 49,033 | 941,482 | 120,786 | 338,140 | 5,032,204 | 6,481,645 | 5,536,325 |
| Non Operating Revenues (Expenses): | | | | | | | |
| Contributed services revenues | - | - | 4,402 | 530,458 | 951,003 | 1,485,863 | 1,701,329 |
| Contributed services expenses | - | - | (4,402) | (530,458) | (951,003) | (1,485,863) | (1,701,329) |
| Total Non Operating Revenues (Expenses) | - | - | - | - | - | - | - |
| Operating Income | \$ 66,946 | \$ - | \$ - | \$ - | \$ - | \$ 66,946 | \$ 161,943 |

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF FRINGE BENEFIT COST RATES
for the year ended June 30, 2009

| | <u>Budget</u> | <u>Actual</u> |
|--|---------------------|---------------------|
| Fringe benefit costs: | | |
| Holidays | \$ 93,406 | \$ 84,782 |
| Sick leave | 68,434 | 65,213 |
| Vacation | 178,786 | 166,088 |
| Administrative | 12,567 | 12,949 |
| Retirement | 304,276 | 265,343 |
| Group health | 363,900 | 391,722 |
| FICA | 180,400 | 170,386 |
| Workers compensation | 5,100 | 5,287 |
| Unemployment | 3,000 | 7,769 |
| Employee Incentives | 8,755 | 9,450 |
| | <u>1,218,624</u> | <u>1,178,989</u> |
| Total fringe benefit costs | <u>\$ 1,218,624</u> | <u>\$ 1,178,989</u> |
| Allocation base: Direct and indirect personnel | <u>\$ 2,138,646</u> | <u>\$ 1,947,402</u> |
| Fringe benefit cost rate | <u>56.98%</u> | <u>60.54%</u> |

Notes:

1. Approval of the fringe benefit cost rate for the year ended June 30, 2009 was obtained from ODOT, OKI's cognizant agency. The authority for ODOT to be OKI's cognizant agency was granted from the FHWA.
2. A provisional fringe benefit rate of 56.98 percent was authorized by ODOT. The provisional rate is applied each month and adjusted to actual at the end of the year.
3. There were no questioned costs in the fringe benefit cost pool or the direct and indirect personnel allocation base.
4. The provisional rate was utilized during the fiscal year 2009 for grant application purposes. The final 2009 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 Net Assets reflect the application of actual rates. Individual program costs presented on pages 24 to 40 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF INDIRECT COST RATES
for the year ended June 30 2009

| | Budget | Actual |
|---|----------------|----------------|
| Indirect costs: | | |
| Personnel | \$ 589,198 | \$ 598,721 |
| Fringe Benefits | 335,731 | 362,475 |
| Auto allowance | 6,300 | 6,300 |
| Travel and professional development | 19,244 | 25,065 |
| Memberships | 16,525 | 16,820 |
| Printing | 2,350 | 1,187 |
| Repairs and maintenance | 16,115 | 15,914 |
| Office supplies | 51,775 | 39,945 |
| Postage | 4,244 | 2,392 |
| Rent | 494,613 | 487,301 |
| Telephone | 8,960 | 9,555 |
| Subscriptions | 1,286 | 1,116 |
| Legal and audit | 55,250 | 60,561 |
| Reproductions | 4,546 | 4,950 |
| Insurance | 25,825 | 25,040 |
| Professional services | 48,000 | 41,522 |
| Advertising | 3,150 | 2,563 |
| Depreciation & loss on disposal of assets | 35,409 | 40,031 |
| Payroll processing | 5,850 | 5,629 |
| Internet | 5,472 | 5,856 |
| Web site management | - | 215 |
| Retirement plan admin & education fees | 3,024 | 3,004 |
| Other | 2,100 | 1,628 |
| Interest - capital lease | 133 | 2,253 |
| Total indirect costs | \$ 1,735,100 | \$ 1,760,043 |
| Allocation base: Direct personnel | \$ 1,549,448 | \$ 1,348,682 |
| Indirect cost rate applied | <u>111.98%</u> | <u>130.50%</u> |

Notes:

1. Approval of the provisional indirect cost rate for the year ended June 30, 2009 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 111.98 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 2009 for grant application purposes. The final 2009 indirect cost rate was applied for financial statement purposes and for determining the final grant amounts claimed.
5. Expenses in the Statement of Revenues, Expenditures and Changes in Net Assets reflect the application of actual rates. Individual program costs presented on pages 24 to 40 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations..

STATEMENTS OF CUMULATIVE REVENUES AND EXPENDITURES
COMPLETED PROGRAMS

FHWA Transportation Planning

| | |
|---|----|
| FY 2007 Ozone Awareness | 24 |
| FY 2008 Ozone Awareness | 25 |
| FY 2008 Transportation Planning | 26 |
| FY 2008 Surface Transportation Program (STP)..... | 27 |
| FY 2008 Rideshare | 28 |

U.S. EPA Water Quality Planning

| | |
|---|----|
| FY 2006 Water Quality Planning – Millcreek Headwaters | 29 |
| FY 2009 Ohio 604B Water Quality Planning | 30 |
| FY 2009 Local Water Quality Planning | 31 |

Local Planning Activities

| | |
|---|----|
| St. Clair Township Comprehensive Plan | 32 |
| FY 2009 Local Regional Planning | 33 |

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2007 OZONE AWARENESS
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|--|---------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: ODOT (CMAQ) | \$ 850,000 | \$ 823,449 | \$ 26,551 | \$ 850,000 |
| Kentucky: KYTC (CMAQ) | 157,335 | 152,420 | 4,914 | 157,334 |
| Contributed services | 39,334 | 38,105 | 1,229 | 39,334 |
| Total Operating Revenues | <u>1,046,669</u> | <u>1,013,974</u> | <u>32,694</u> | <u>1,046,668</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 61,153 | 63,913 | - | 63,913 |
| Fringe benefits | 34,985 | 32,990 | - | 32,990 |
| Travel, subsistence & professional | 3,585 | 1,781 | - | 1,781 |
| Printing, marketing & contractual | 817,937 | 790,191 | 31,465 | 821,656 |
| Other direct expenses | 15,475 | 7,698 | - | 7,698 |
| Indirect costs | 74,200 | 79,296 | - | 79,296 |
| Contributed services | 39,334 | 38,105 | 1,229 | 39,334 |
| Total Operating Expenses | <u>1,046,669</u> | <u>1,013,974</u> | <u>32,694</u> | <u>1,046,668</u> |
| Non-operating Revenues (Expenses): | | | | |
| Contributed services revenues | - | 809,596 | 45,855 | 855,451 |
| Contributed services expenses | - | (809,596) | (45,855) | (855,451) |
| Total Non-operating Revenues (Expenses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Tasks: | | | | |
| Ozone awareness program | 1,046,669 | 1,823,570 | 78,549 | 1,902,119 |
| Total Tasks | <u>\$ 1,046,669</u> | <u>\$ 1,823,570</u> | <u>\$ 78,549</u> | <u>\$ 1,902,119</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 agreements for the period July 1, 2006 through July 31, 2008 for \$157,335 in KYTC/CMAQ reimbursed to OKI at a participation rate of 15.6189 percent of program from FY03-05 and FY 06 funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2009, 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 AWARENESS
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|--|-------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: ODOT (CMAQ) | \$ 400,324 | \$ 55,140 | \$ 345,184 | \$ 400,324 |
| Kentucky: KYTC (SNK) | 29,586 | - | 3,909 | 3,909 |
| Kentucky: KYTC (CMAQ) | 44,514 | 10,206 | 59,985 | 70,191 |
| Contributed services | 18,526 | 2,552 | 15,974 | 18,526 |
| Total Operating Revenues | <u>492,950</u> | <u>67,898</u> | <u>425,052</u> | <u>492,950</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 64,520 | - | 24,785 | 24,785 |
| Fringe benefits | 36,115 | - | 14,122 | 14,122 |
| Travel, subsistence & professional | 2,000 | - | 10 | 10 |
| Printing, marketing & contractual | 295,001 | 65,346 | 338,797 | 404,143 |
| Other direct expenses | 5,800 | - | 3,610 | 3,610 |
| Indirect costs | 70,988 | - | 27,754 | 27,754 |
| Contributed services | 18,526 | 2,552 | 15,974 | 18,526 |
| Total Operating Expenses | <u>492,950</u> | <u>67,898</u> | <u>425,052</u> | <u>492,950</u> |
| Non-operating Revenues (Expenses): | | | | |
| Contributed services revenues | - | 164,084 | 899,965 | 1,064,049 |
| Contributed services expenses | - | (164,084) | (899,965) | (1,064,049) |
| Total Non-operating Revenues (Expenses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Tasks: | | | | |
| Ozone awareness program | 492,950 | 231,982 | 1,325,017 | 1,556,999 |
| Total Tasks | <u>\$ 492,950</u> | <u>\$ 231,982</u> | <u>\$ 1,325,017</u> | <u>\$ 1,556,999</u> |

NOTES:

1. State grants and contracts consist of the following (all costs were incurred after the effective dates):
 - a. ODOT agreement for July 1, 2007 through April 2009 for \$400,324 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC agreements for the period July 1, 2007 through April 2009 for KYTC/CMAQ and KYTC/SNK. Expenses reimbursed to OKI at a participation rate of 15.6189 percent of program from FY 06 CMAQ, FY 08 CMAQ, and FY 09 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
 - c. Due to changes in funding rules at KYTC's Office of Special Programs, the active KY contracts for this program covered different types of expenses. The FY06 KYTC CMAQ funding contract covered KYTC's share of salaries, fringe, indirect, and other direct expenses. The FY08 KYTC CMAQ funding contract covered KYTC's share of other direct costs only, and the FY09 KYTC SNK funding contract covered KYTC's share of salaries, fringe and indirect costs only.
 - d. KYTC's total share of the program was \$74,100. Due to less staff hours being required than what was originally estimated at the time of application, the actual KY CMAQ revenues are over what was budgeted, but within contract due to the timing of the individual KYTC contracts.
2. As of June 30, 2009, 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 TRANSPORTATION PLANNING
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|--------------------------------------|---------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: ODOT (HPR-PL Funds) | \$ 2,122,897 | \$ 1,744,577 | \$ 378,317 | \$ 2,122,894 |
| Kentucky: KYTC (HPR-PL Funds) | 335,749 | 259,420 | 77,538 | 336,958 |
| Kentucky: KYTC (FTA Funds) | 95,703 | 73,947 | 22,102 | 96,049 |
| Indiana: INDOT (Trans PL Funds) | 8,653 | 8,653 | - | 8,653 |
| County matching funds | 321,216 | 260,162 | 54,613 | 314,775 |
| Local contracts | - | 323 | 6,633 | 6,956 |
| | <u>2,884,218</u> | <u>2,347,082</u> | <u>539,203</u> | <u>2,886,285</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 981,916 | 786,027 | 181,097 | 967,124 |
| Fringe benefits | 546,572 | 398,660 | 103,189 | 501,849 |
| Travel, subsistence & professional | 37,250 | 22,196 | 6,417 | 28,613 |
| Printing, marketing & contractual | 170,245 | 110,482 | 42,006 | 152,488 |
| Other direct expenses | 58,640 | 48,450 | 3,701 | 52,151 |
| Indirect costs | <u>1,089,595</u> | <u>981,267</u> | <u>202,793</u> | <u>1,184,060</u> |
| | <u>2,884,218</u> | <u>2,347,082</u> | <u>539,203</u> | <u>2,886,285</u> |
| Tasks: | | | | |
| Short range planning | 309,000 | 238,621 | 72,340 | 310,961 |
| Transportation improvement program | 106,000 | 94,523 | 25,945 | 120,468 |
| Surveillance | 1,154,381 | 951,714 | 206,022 | 1,157,736 |
| Long range planning | 1,065,000 | 883,363 | 173,802 | 1,057,165 |
| Long range planning FIAM development | 45,595 | 1,997 | 41,040 | 43,037 |
| Public involvement | 84,000 | 70,303 | 12,976 | 83,279 |
| INDOT exclusive | 10,816 | 11,030 | 1 | 11,031 |
| KYTC exclusive safety and operating | 32,426 | 36,836 | - | 36,836 |
| Transportation summary | 12,000 | 7,859 | - | 7,859 |
| Air quality program | <u>65,000</u> | <u>50,836</u> | <u>7,077</u> | <u>57,913</u> |
| | <u>\$ 2,884,218</u> | <u>\$ 2,347,082</u> | <u>\$ 539,203</u> | <u>\$ 2,886,285</u> |

NOTES:

1. The grant period for FY 2008 Transportation Planning was 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. This program was covered by the FY2008 KYTC PL and FTA contracts from July 1, 2007 through June 30, 2008, and by FY2009 KYTC PL and FTA contracts from July 1, 2008 through September 30, 2008. Each KYTC contract has an exclusive element. Actual KYTC revenues were in excess of budgeted revenues, but within contract due to the timing of KYTC contracts.
4. As of June 30, 2009, 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 SURFACE TRANSPORTATION PROGRAM (STP)
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|--------------------------------------|-------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: ODOT (STP) | \$ 497,062 | \$ 253,793 | \$ 233,009 | \$ 486,802 |
| Kentucky: KYTC (SNK) | 44,424 | 36,303 | 8,239 | 44,542 |
| Indiana: INDOT (STP) | 16,000 | 6,457 | 9,450 | 15,907 |
| County matching funds | 13,490 | 10,619 | 2,968 | 13,587 |
| Local contracts | 50,881 | 2,229 | 45,797 | 48,026 |
| | <u>621,857</u> | <u>309,401</u> | <u>299,463</u> | <u>608,864</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 128,986 | 103,652 | 24,562 | 128,214 |
| Fringe benefits | 71,790 | 53,277 | 14,051 | 67,328 |
| Travel, subsistence & professional | 6,469 | 4,466 | 161 | 4,627 |
| Printing, marketing & contractual | 267,405 | 18,743 | 232,787 | 251,530 |
| Other direct expenses | 4,075 | 1,848 | 110 | 1,958 |
| Indirect costs | 143,132 | 127,415 | 27,792 | 155,207 |
| | <u>621,857</u> | <u>309,401</u> | <u>299,463</u> | <u>608,864</u> |
| Tasks: | | | | |
| Long range planning land use | 355,530 | 290,541 | 65,933 | 356,474 |
| Long range planning FIAM development | 254,405 | 11,143 | 228,988 | 240,131 |
| INDOT | 11,922 | 7,717 | 4,542 | 12,259 |
| | <u>\$ 621,857</u> | <u>\$ 309,401</u> | <u>\$ 299,463</u> | <u>\$ 608,864</u> |

NOTES:

1. The grant period for the Surface Transportation Program agreement was July 1, 2007 through June 30, 2009.
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 STP funding at 80 percent Federal and 20 percent local match.
4. This program was covered by FY08 and FY09 KYTC STP contracts. Actual KYTC revenues were in excess of budgeted revenues, but within contract due to the timing of KYTC contracts.
5. As of June 30, 2009, 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
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|---|-------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: ODOT (CMAQ) | \$ 300,000 | \$ 174,120 | \$ 125,087 | \$ 299,207 |
| Kentucky: KYTC (SNK) | 55,530 | 32,230 | 23,153 | 55,383 |
| Contributed services | <u>13,883</u> | <u>8,058</u> | <u>5,788</u> | <u>13,846</u> |
| Total Operating Revenues | <u>369,413</u> | <u>214,408</u> | <u>154,028</u> | <u>368,436</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 32,542 | 12,932 | 19,686 | 32,618 |
| Fringe benefits | 18,113 | 6,283 | 11,216 | 17,499 |
| Travel, subsistence & professional | 300 | 40 | 81 | 121 |
| Printing, marketing & contractual | 263,212 | 169,896 | 95,081 | 264,977 |
| Other direct expenses | 5,251 | 279 | 132 | 411 |
| Indirect costs | 36,112 | 16,920 | 22,044 | 38,964 |
| Contributed services | <u>13,883</u> | <u>8,058</u> | <u>5,788</u> | <u>13,846</u> |
| Total Operating Expenses | <u>369,413</u> | <u>214,408</u> | <u>154,028</u> | <u>368,436</u> |
| Non-operating Revenues (Expenses): | | | | |
| Contributed services revenues | - | 739,100 | 189,387 | 928,487 |
| Contributed services expenses | <u>-</u> | <u>(739,100)</u> | <u>(189,387)</u> | <u>(928,487)</u> |
| Total Non-operating Revenues (Expenses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Tasks: | | | | |
| Marketing | <u>369,413</u> | <u>953,508</u> | <u>343,415</u> | <u>1,296,923</u> |
| Total Tasks | <u>\$ 369,413</u> | <u>\$ 953,508</u> | <u>\$ 343,415</u> | <u>\$ 1,296,923</u> |

NOTES:

1. State grants and contracts consist of the following:
 - 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 agreements for the period July 1, 2007 through February 2009 for \$55,530 in KYTC/SNK reimbursed to OKI at a participation rate of 15.6189 percent of program from FY 06 and FY 07 funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2009, 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
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|------------------------------------|-------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: OEPA (EPA Funds) | \$ 498,010 | \$ 86,906 | \$ 411,104 | \$ 498,010 |
| County matching funds | 3,000 | 1,237 | 13,264 | 14,501 |
| Contributed services | 469,600 | 35,508 | 413,607 | 449,115 |
| | <u>970,610</u> | <u>123,651</u> | <u>837,975</u> | <u>961,626</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 38,859 | 23,984 | 15,381 | 39,365 |
| Fringe benefits | 20,853 | 12,125 | 9,311 | 21,436 |
| Travel, subsistence & professional | 3,278 | 928 | 2,022 | 2,950 |
| Printing, marketing & contractual | 391,785 | 22,674 | 369,095 | 391,769 |
| Other direct expenses | 2,164 | 308 | 8,487 | 8,795 |
| Indirect costs | 44,071 | 28,124 | 20,072 | 48,196 |
| Contributed services | 469,600 | 35,508 | 413,607 | 449,115 |
| | <u>970,610</u> | <u>123,651</u> | <u>837,975</u> | <u>961,626</u> |
| Tasks: | | | | |
| State 319 Mill Creek Headwaters | 970,610 | 123,651 | 837,975 | 961,626 |
| | <u>\$ 970,610</u> | <u>\$ 123,651</u> | <u>\$ 837,975</u> | <u>\$ 961,626</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, 2009, 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 2009 WATER QUALITY PLANNING - STATE 604B CONTRACT (OHIO)
JUNE 30, 2009

| | <u>Budget</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|------------------------------------|------------------|--|---|
| Operating Revenues: | | | |
| Federal and state grants | | | |
| Ohio: OEPA (EPA Funds) | \$ 25,797 | \$ 25,797 | \$ 25,797 |
| County matching funds | <u>17,198</u> | <u>24,260</u> | <u>24,260</u> |
| Total Operating Revenues | <u>42,995</u> | <u>50,057</u> | <u>50,057</u> |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 17,560 | 16,628 | 16,628 |
| Fringe benefits | 6,629 | 10,067 | 10,067 |
| Travel, subsistence & professional | 645 | 25 | 25 |
| Printing, marketing & contractual | 100 | 218 | 218 |
| Other direct expenses | 806 | 1,419 | 1,419 |
| Indirect costs | <u>17,255</u> | <u>21,700</u> | <u>21,700</u> |
| Total Operating Expenses | <u>42,995</u> | <u>50,057</u> | <u>50,057</u> |
| Tasks: | | | |
| Program coordination | <u>42,995</u> | <u>50,057</u> | <u>50,057</u> |
| Total Tasks | <u>\$ 42,995</u> | <u>\$ 50,057</u> | <u>\$ 50,057</u> |

NOTES:

1. The grant period under the OEPA FY 2009 State 604B Contract is July 1, 2008 to June 30, 2009. 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 \$25,797 as set forth in the grant budget and the local matching funds of \$17,198 would be provided by OKI.
3. As of June 30, 2009, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
LOCAL WATER QUALITY PLANNING PROJECT - 2009
JUNE 30, 2009

| | Budget | Current Year Revenue and Expenditures | Cumulative Revenues and Expenditures as of June 30, 2009 |
|------------------------------------|-----------|---|---|
| Operating Revenues: | | | |
| County funds | \$ 54,128 | \$ 53,450 | \$ 53,450 |
| Total Operating Revenues | 54,128 | 53,450 | 53,450 |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 16,435 | 17,252 | 17,252 |
| Fringe benefits | 9,364 | 10,445 | 10,445 |
| Travel, subsistence & professional | 1,950 | 1,096 | 1,096 |
| Printing, marketing & contractual | 550 | 750 | 750 |
| Other direct expenses | 7,425 | 1,392 | 1,392 |
| Indirect costs | 18,404 | 22,515 | 22,515 |
| Total Operating Expenses | 54,128 | 53,450 | 53,450 |
| Tasks: | | | |
| Local water quality planning | 54,128 | 53,450 | 53,450 |
| Total Tasks | \$ 54,128 | \$ 53,450 | \$ 53,450 |

NOTES:

1. The project period for Local Water Quality Planning was July 1, 2008 to June 30, 2009.
2. Budget amounts were derived from fiscal 2009 overall agency budget.
3. As of June 30, 2009, 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 2008
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|---|------------------|---|--|---|
| Operating Revenues: | | | | |
| County funds | \$ - | \$ - | \$ 2,873 | \$ 2,873 |
| Local contracts | 80,699 | 42,992 | 36,162 | 79,154 |
| Contributed services | <u>10,230</u> | <u>7,284</u> | <u>2,946</u> | <u>10,230</u> |
| Total Operating Revenues | <u>90,929</u> | <u>50,276</u> | <u>41,981</u> | <u>92,257</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 29,125 | 15,289 | 13,126 | 28,415 |
| Fringe benefits | 16,370 | 7,973 | 7,947 | 15,920 |
| Travel, subsistence & professional | 840 | 270 | 11 | 281 |
| Printing, marketing & contractual | - | 322 | 205 | 527 |
| Other direct expenses | 1,720 | 665 | 616 | 1,281 |
| Indirect costs | 32,644 | 18,473 | 17,130 | 35,603 |
| Contributed services | <u>10,230</u> | <u>7,284</u> | <u>2,946</u> | <u>10,230</u> |
| Total Operating Expenses | <u>90,929</u> | <u>50,276</u> | <u>41,981</u> | <u>92,257</u> |
| Non-operating Revenues (Expenses): | | | | |
| Contributed services revenues | - | - | 4,402 | 4,402 |
| Contributed services expenses | <u>-</u> | <u>-</u> | <u>(4,402)</u> | <u>(4,402)</u> |
| Total Non-operating Revenues (Expenses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Tasks: | | | | |
| St. Clair Township Comprehensive Plan | <u>90,929</u> | <u>50,276</u> | <u>46,383</u> | <u>96,659</u> |
| Total Tasks | <u>\$ 90,929</u> | <u>\$ 50,276</u> | <u>\$ 46,383</u> | <u>\$ 96,659</u> |

NOTES:

- 1 The project period for the St. Clair Township Comprehensive Plan was October 12, 2007 through May 1, 2009.
- 2 Project funding was provided through a contract with the Miami Conservancy District.
- 3 As of June 30, 2009, 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 2009 LOCAL REGIONAL PLANNING
JUNE 30, 2009

| | Budget | Current Year Revenue and Expenditures | Cumulative Revenues and Expenditures as of June 30, 2009 |
|------------------------------------|-----------|---|---|
| Operating Revenues: | | | |
| County funds | \$ 69,531 | \$ 78,805 | \$ 78,805 |
| Total revenues | 69,531 | 78,805 | 78,805 |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 24,857 | 26,881 | 26,881 |
| Fringe benefits | 14,164 | 16,274 | 16,274 |
| Travel, subsistence & professional | 550 | 355 | 355 |
| Printing, marketing & contractual | - | - | - |
| Other direct expenses | 2,125 | 215 | 215 |
| Indirect costs | 27,835 | 35,080 | 35,080 |
| Total Operating Expenses | 69,531 | 78,805 | 78,805 |
| Tasks: | | | |
| Local regional planning | 69,531 | 78,805 | 78,805 |
| Total Tasks | \$ 69,531 | \$ 78,805 | \$ 78,805 |

NOTES:

1. The project period for the Local Comprehensive Regional Planning Program was July 1, 2008 to June 30, 2009.
2. Budget amounts were derived from FY 2009 Overall Agency Budget.
3. As of June 30, 2009, no costs subject to audit have been questioned.

STATEMENTS OF CUMULATIVE REVENUES AND EXPENDITURES

PROGRAMS IN PROGRESS

FHWA Transportation Planning

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OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FHWA/ODOT/KYTC
FY 2009 TRANSPORTATION PLANNING
JUNE 30, 2009

| | Budget | Current Year Revenue and Expenditures | Cumulative Revenues and Expenditures as of June 30, 2009 |
|-------------------------------------|--------------|---|---|
| Operating Revenues: | | | |
| Federal and state grants | | | |
| Ohio: ODOT (MPO-PL Funds) | \$ 2,223,633 | \$ 1,934,455 | \$ 1,934,455 |
| Kentucky: KYTC (HPR-PL Funds) | 507,458 | 453,625 | 453,625 |
| Kentucky: KYTC (FTA Funds) | 99,041 | 83,695 | 83,695 |
| Indiana: INDOT (Trans PL Funds) | 7,466 | 7,466 | 7,466 |
| County matching funds | 375,013 | 330,292 | 330,292 |
| Total Operating Revenues | 3,212,611 | 2,809,533 | 2,809,533 |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 1,091,287 | 867,501 | 867,501 |
| Fringe benefits | 621,817 | 531,650 | 531,650 |
| Travel, subsistence & professional | 35,713 | 21,323 | 21,323 |
| Printing, marketing & contractual | 204,083 | 205,125 | 205,125 |
| Other direct expenses | 37,688 | 18,297 | 18,297 |
| Indirect costs | 1,222,023 | 1,165,637 | 1,165,637 |
| Total Operating Expenses | 3,212,611 | 2,809,533 | 2,809,533 |
| Tasks: | | | |
| Short range planning | 372,851 | 328,546 | 328,546 |
| Transportation improvement program | 138,875 | 116,322 | 116,322 |
| Surveillance | 1,256,654 | 1,092,540 | 1,092,540 |
| Long range planning | 974,498 | 846,404 | 846,404 |
| UPWP administration | 12,149 | 10,532 | 10,532 |
| Public involvement | 136,776 | 120,741 | 120,741 |
| INDOT exclusive | 9,333 | 10,076 | 10,076 |
| KYTC exclusive safety and operating | 75,250 | 52,210 | 52,210 |
| KYTC exclusive GPS travel | 200,000 | 200,000 | 200,000 |
| Air quality program | 36,225 | 32,162 | 32,162 |
| Total Tasks | \$ 3,212,611 | \$ 2,809,533 | \$ 2,809,533 |

NOTES:

1. The grant period for FY 2009 Transportation Planning is July 1, 2008 through September 30, 2009.
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. As of June 30, 2009, 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 2009 SURFACE TRANSPORTATION PROGRAM (STP)
JUNE 30, 2009

| | Budget | Current Year Revenue and Expenditures | Cumulative Revenues and Expenditures as of June 30, 2009 |
|---|------------|---|---|
| Operating Revenues: | | | |
| Federal and state grants | | | |
| Ohio: ODOT (STP) | \$ 500,000 | \$ 407,329 | \$ 407,329 |
| Kentucky: KYTC (SNK) | 46,644 | 30,036 | 30,036 |
| Indiana: INDOT (STP) | 16,000 | 10,783 | 10,783 |
| County matching funds | 30,169 | 24,429 | 24,429 |
| Local contracts | 492 | 4,379 | 4,379 |
| Total Operating Revenues | 593,305 | 476,956 | 476,956 |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 141,398 | 102,374 | 102,374 |
| Fringe benefits | 80,569 | 62,800 | 62,800 |
| Travel, subsistence & professional | 10,050 | 7,303 | 7,303 |
| Printing, marketing & contractual | 200,000 | 163,950 | 163,950 |
| Other direct expenses | 2,950 | 2,667 | 2,667 |
| Indirect costs | 158,338 | 137,862 | 137,862 |
| Total Operating Expenses | 593,305 | 476,956 | 476,956 |
| Tasks: | | | |
| Long range planning land use | 284,423 | 289,034 | 289,034 |
| Long range planning FIAM implementation | 288,882 | 174,443 | 174,443 |
| INDOT | 20,000 | 13,479 | 13,479 |
| Total Tasks | \$ 593,305 | \$ 476,956 | \$ 476,956 |

NOTES:

1. The grant period for the Surface Transportation Program agreement is July 1, 2008 through September 30, 2009.
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, 2009, 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 2009 OZONE AWARENESS
JUNE 30, 2009

| | Budget | Current Year Revenue and Expenditures | Cumulative Revenues and Expenditures as of June 30, 2009 |
|---|------------|---|---|
| Operating Revenues: | | | |
| Federal and state grants | | | |
| Ohio: ODOT (CMAQ) | \$ 400,324 | \$ 65,490 | \$ 65,490 |
| Kentucky: KYTC (SNK) | 26,806 | 7,641 | 7,641 |
| Kentucky: KYTC (CMAQ) | 47,294 | 4,481 | 4,481 |
| Contributed services | 18,525 | 3,031 | 3,031 |
| Total Operating Revenues | 492,949 | 80,643 | 80,643 |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 62,408 | 14,928 | 14,928 |
| Fringe benefits | 36,828 | 9,920 | 9,920 |
| Travel, subsistence & professional | 300 | - | - |
| Printing, marketing & contractual | 298,000 | 26,423 | 26,423 |
| Other direct expenses | 4,500 | 2,269 | 2,269 |
| Indirect costs | 72,388 | 24,072 | 24,072 |
| Contributed services | 18,525 | 3,031 | 3,031 |
| Total Operating Expenses | 492,949 | 80,643 | 80,643 |
| Non-operating Revenues (Expenses): | | | |
| Contributed services revenues | - | 5,183 | 5,183 |
| Contributed services expenses | - | (5,183) | (5,183) |
| Total Non-operating Revenues (Expenses) | - | - | - |
| Tasks: | | | |
| Ozone awareness program | 492,949 | 85,826 | 85,826 |
| Total Tasks | \$ 492,949 | \$ 85,826 | \$ 85,826 |

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for July 1, 2008 through June 30, 2011 for \$400,324 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC funding beginning July 1, 2008 for \$47,294 in KYTC CMAQ and \$26,806 in KYTC/SNK. Expenses reimbursed to OKI at a participation rate of 15.6189 percent of program from FY 08 CMAQ and FY 09 SNK funding, matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2009, 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 2009 RIDESHARE
JUNE 30, 2009

| | <u>Budget</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|---|-------------------|--|---|
| Operating Revenues: | | | |
| Federal and state grants | | | |
| Ohio: ODOT (CMAQ) | \$ 240,001 | \$ 149,518 | \$ 149,518 |
| Kentucky: KYTC (SNK) | 44,424 | 5,641 | 5,641 |
| Kentucky: KYTC (CMAQ) | - | 22,034 | 22,034 |
| Contributed services | <u>11,106</u> | <u>6,919</u> | <u>6,919</u> |
| Total Operating Revenues | <u>295,531</u> | <u>184,112</u> | <u>184,112</u> |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Personnel | 33,043 | 12,703 | 12,703 |
| Fringe benefits | 18,828 | 8,391 | 8,391 |
| Travel, subsistence & professional | 300 | - | - |
| Printing, marketing & contractual | 194,529 | 135,864 | 135,864 |
| Other direct expenses | 723 | 12 | 12 |
| Indirect costs | 37,002 | 20,223 | 20,223 |
| Contributed services | <u>11,106</u> | <u>6,919</u> | <u>6,919</u> |
| Total Operating Expenses | <u>295,531</u> | <u>184,112</u> | <u>184,112</u> |
| Non-operating Revenues (Expenses): | | | |
| Contributed services revenues | - | 341,071 | 341,071 |
| Contributed services expenses | <u>-</u> | <u>(341,071)</u> | <u>(341,071)</u> |
| Total Non-operating Revenues (Expenses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Tasks: | | | |
| Marketing | <u>295,531</u> | <u>525,183</u> | <u>525,183</u> |
| Total Tasks | <u>\$ 295,531</u> | <u>\$ 525,183</u> | <u>\$ 525,183</u> |

NOTES:

1. State grants and contracts consist of the following:
 - a. ODOT agreement for the period July 1, 2008 through December 31, 2009 for \$240,001 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
 - b. UPWP KYTC agreement for the period July 1, 2008 through December 31, 2009 for \$44,424 in KYTC/SNK reimbursed to OKI at a participation rate of 15.6189 percent of program from FY 07 CMAQ and FY 09 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2009, 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 ADMINISTRATION PROGRAMS
JUNE 30, 2009**

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|------------------------------------|-------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Federal FTA | \$ 195,278 | \$ 32,767 | \$ 32,389 | \$ 65,156 |
| Total Operating Revenues | <u>195,278</u> | <u>32,767</u> | <u>32,389</u> | <u>65,156</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Personnel | 72,940 | 11,439 | 10,751 | 22,190 |
| Fringe benefits | 40,596 | 5,965 | 6,509 | 12,474 |
| Travel, subsistence & professional | 100 | - | - | - |
| Other direct expenses | 700 | 1,541 | 1,100 | 2,641 |
| Indirect costs | <u>80,942</u> | <u>13,822</u> | <u>14,029</u> | <u>27,851</u> |
| Total Operating Expenses | <u>195,278</u> | <u>32,767</u> | <u>32,389</u> | <u>65,156</u> |
| Tasks: | | | | |
| Job Access Reverse Commute | 118,969 | 17,004 | 14,733 | 31,737 |
| New Freedom | <u>76,309</u> | <u>15,763</u> | <u>17,656</u> | <u>33,419</u> |
| Total Tasks | <u>\$ 195,278</u> | <u>\$ 32,767</u> | <u>\$ 32,389</u> | <u>\$ 65,156</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. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2009, no costs subject to audit have been questioned.

OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CUMULATIVE REVENUES AND EXPENDITURES
FTA STUDY
FY 2008 NEW FREEDOM PASS-THROUGH PROGRAMS
JUNE 30, 2009

| | <u>Budget</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|-----------------------------------|---------------------|--|---|
| Operating Revenues: | | | |
| Federal and state grants | | | |
| Federal FTA | \$ 431,787 | \$ 34,598 | \$ 34,598 |
| Contributed services | 739,314 | 252,694 | 252,694 |
| | <u>1,171,101</u> | <u>287,292</u> | <u>287,292</u> |
| Operating Expenses: | | | |
| Direct expenses | | | |
| Printing, marketing & contractual | 431,787 | 34,598 | 34,598 |
| Contributed services | 739,314 | 252,694 | 252,694 |
| | <u>1,171,101</u> | <u>287,292</u> | <u>287,292</u> |
| Tasks: | | | |
| Wesley Community Services | 376,721 | 287,292 | 287,292 |
| Community Cab | 794,380 | - | - |
| | <u>\$ 1,171,101</u> | <u>\$ 287,292</u> | <u>\$ 287,292</u> |

NOTES:

1. The Job Access Reverse Commute and New Freedom grants began July 1, 2008.
2. The Job Access Reverse Commute and New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. As of June 30, 2009, 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
JUNE 30, 2009

| | <u>Budget</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2008</u> | <u>Current Year Revenue and Expenditures</u> | <u>Cumulative Revenues and Expenditures as of June 30, 2009</u> |
|-----------------------------------|-------------------|---|--|---|
| Operating Revenues: | | | | |
| Federal and state grants | | | | |
| Ohio: ODOT (STP) | \$ 308,796 | \$ 105,467 | \$ 39,184 | \$ 144,651 |
| Contributed services | <u>77,199</u> | <u>26,367</u> | <u>9,795</u> | <u>36,162</u> |
| Total Operating Revenues | <u>385,995</u> | <u>131,834</u> | <u>48,979</u> | <u>180,813</u> |
| Operating Expenses: | | | | |
| Direct expenses | | | | |
| Printing, marketing & contractual | 308,796 | 105,467 | 39,184 | 144,651 |
| Contributed services | <u>77,199</u> | <u>26,367</u> | <u>9,795</u> | <u>36,162</u> |
| Total Operating Expenses | <u>385,995</u> | <u>131,834</u> | <u>48,979</u> | <u>180,813</u> |
| Tasks: | | | | |
| Hamilton County TID Part B | <u>385,995</u> | <u>131,834</u> | <u>48,979</u> | <u>180,813</u> |
| Total Tasks | <u>\$ 385,995</u> | <u>\$ 131,834</u> | <u>\$ 48,979</u> | <u>\$ 180,813</u> |

NOTES:

1. The grant for the Hamilton County TID began July 1, 2002.
2. STP/ODOT funds are received under an agreement with ODOT at a participation rate of 80 percent. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. Hamilton County TID provides the 20 percent match from non-Federal funds through their participation in the project.
4. As of June 30, 2009, 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, 2009

| Federal Grantor/ Pass-through Grantor/ Program Title | CFDA Number | Federal Award Amount | Total Project Budget | Total Federal Expenditures for the year ended June 30, 2009 | Cumulative Federal Expenditures as of June 30, 2009 |
|---|----------------|----------------------------|----------------------------|---|---|
| U. S. Department of Transportation | | | | | |
| <i>Direct Programs - Federal Transit Administration</i> | | | | | |
| FY 2007 FTA Study - Job Access Reverse Commute and New Freedom Programs | 20.205 | \$ 195,278 | \$ 195,278 | \$ 32,389 | \$ 65,156 |
| FY 2008 FTA Study - New Freedom Pass-Through Programs | 20.205 | 431,787 | 1,171,101 | 34,598 | 34,598 |
| Total Direct Programs | | 627,065 | 1,366,379 | 66,987 | 99,754 |
| <i>Programs Passed Through State Department of Transportation (Ohio, Kentucky & Indiana) - Federal Highway Administration</i> | | | | | |
| FY 2008 Transportation Planning | 20.205 | 2,563,002 | 2,884,218 | 477,957 | 2,564,554 |
| FY 2009 Transportation Planning | 20.205 | 2,837,598 | 3,212,611 | 2,479,241 | 2,479,241 |
| FY 2008 Surface Transportation Program | 20.205 | 557,486 | 621,857 | 250,698 | 547,251 |
| FY 2009 Surface Transportation Program | 20.205 | 562,644 | 593,305 | 448,148 | 448,148 |
| Ozone Awareness Program - 2007 | 20.205 | 1,007,335 | 1,046,669 | 31,465 | 1,007,334 |
| Ozone Awareness Program - 2008 | 20.205 | 474,424 | 492,950 | 409,078 | 474,424 |
| Ozone Awareness Program - 2009 | 20.205 | 474,424 | 492,949 | 77,612 | 77,612 |
| FY 2008 Project Rideshare | 20.205 | 355,530 | 369,413 | 148,240 | 354,590 |
| FY 2009 Project Rideshare | 20.205 | 284,425 | 295,531 | 177,193 | 177,193 |
| Hamilton County TID - Part B | 20.205 | 308,796 | 385,995 | 39,184 | 144,651 |
| Total Passed Through Programs | 20.205 | 9,425,664 | 10,395,498 | 4,538,816 | 8,274,998 |
| Total U. S. Department of Transportation | 20.205 | 10,052,729 | 11,761,877 | 4,605,803 | 8,374,752 |
| U.S. Environmental Protection Agency | | | | | |
| <i>Programs Passed through State Environmental Protection Agency</i> | | | | | |
| FY 2006 Millcreek Headwaters - Water Quality Planning Project | 66.419 | 498,010 | 970,610 | 411,104 | 498,010 |
| FY 2009 604B Water Quality Planning Project | 66.419 | 25,797 | 42,995 | 25,797 | 25,797 |
| Total U.S. Environmental Protection Agency | 66.419 | 523,807 | 1,013,605 | 436,901 | 523,807 |
| Total | | \$ 10,576,536 | \$ 12,775,482 | \$ 5,042,704 | \$ 8,898,559 |

See accompanying notes to schedule.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the year ended June 30, 2009**

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, subject to grant or program limitations.

Bastin & Company, LLC

Certified Public Accountants

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, 2009, and have issued our report thereon dated December 16, 2009. 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 OKI's internal control over financial reporting as a basis for designing our auditing 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 affects 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 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 are required to be reported 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.

Bastin & Company, LLC

Cincinnati, Ohio
December 16, 2009

Bastin & Company, LLC

Certified Public Accountants

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 the 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, 2009. 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, 2009.

Internal Control Over Compliance

The management of OKI is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered 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 operation 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 that we consider to be material weaknesses, as defined above.

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 "Bastin & Company, LLC". The signature is written in black ink on a light-colored background.

Cincinnati, Ohio
December 16, 2009

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB Circular A-133 § .505
 FOR THE YEAR ENDED JUNE 30, 2009**

| |
|-------------------------------------|
| SUMMARY OF AUDITORS' RESULTS |
|-------------------------------------|

| | |
|--|--|
| Type of financial statement opinion | Unqualified |
| Were there any material control weaknesses reported at the financial statement level? | No |
| Were there any other significant deficiencies in internal control reported at the financial statement level? | No |
| Was there any reported material noncompliance reported at the financial statement level? | No |
| Were there any material internal control weaknesses reported for major federal programs? | No |
| Were there any other significant deficiencies in internal control reported for major federal programs? | No |
| Type of major programs' compliance opinion | Unqualified |
| Are there any reportable findings? | No |
| Major programs: | CFDA 20.205 Federal Highway Planning CFDA 66.419 U.S. Environmental Protection Agency |
| Dollar threshold to distinguish between Type A/B programs | Type A: >\$300,000 Type B: all others |
| Low risk auditee? | Yes |

| |
|---|
| FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS |
|---|

None

| |
|---|
| FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS |
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None

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2009**

There were no findings or questioned costs reported for the year ended June 30, 2008.



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 11, 2010