

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

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**





# Dave Yost • Auditor of State

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

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, 2010 through June 30, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

February 29, 2012

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# OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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## ACRONYMS

ARRA	American Reinvestment and Recovery Act
CMAQ	Congestion Mitigation and Air Quality
FHWA	Federal Highway Administration
FIAM	Fiscal Impact Analysis Model
FTA	Federal Transit Authority
GIS	Geographic Information System
IDEM	Indiana Department of Environmental Management
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 years ended June 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of OKI's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 opinions.

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, 2011 and 2010, and the changes in financial position and cash flows, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2011, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements of OKI as a whole. The accompanying supplemental schedules 1–3 and schedules of cumulative revenues and expenditures for completed programs and programs in progress, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The supplemental schedules 1–3, schedules of cumulative revenues and expenditures for completed programs and programs in progress and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Cincinnati, Ohio  
November 23, 2011



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011  
(Unaudited)**

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The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) offers this narrative overview and analysis of OKI's financial performance during the fiscal year ending June 30, 2011. 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 47 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. Each year, OKI approves roughly \$40 million in funding for projects in the region.

***PROGRAMS AND ACTIVITIES***

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

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

OKI's Water Quality Planning Program involves work that enables wastewater treatment projects to obtain permits and promotes practices to reduce storm water runoff and restore streams.

OKI's Clean Air Program is leading the fight for cleaner air in the region by bringing clean air 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 the growing amount of freight on the highways and working to move it from the roads onto rails and the river.

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

***Cincinnati Streetcar:*** OKI supports Cincinnati's efforts to build a new streetcar system that will bond the Central Business District with the Uptown area, thereby connecting two of Cincinnati's most prolific

economic generators. It will embolden economic development, urban revitalization and cultural revival in the OKI region.

***Eastern Corridor Project:*** OKI continues to assist in the development of this project that provides multi-modal solutions to transportation issues and maximizes regional benefits. The eastern corridor stretches from the downtown Cincinnati urbanized core in Hamilton County to western Clermont County in Ohio and into northern Kentucky.

***Homeland Security:*** OKI is partnering with local emergency responders to develop a database of critical infrastructure. In the event of a disaster, this database can be used to create a common operating picture for emergency personnel throughout the region.

***Geographic Information System (GIS):*** A picture is worth a thousand words and millions of taxpayers' dollars. OKI's GIS department is devising new techniques such as 3D visualization, traffic simulation and rich internet applications to view proposed projects and assist officials, staff and the public-at-large in making more effective decisions.

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

***Uptown Transportation Study:*** OKI led the first phase of this transportation study which investigated improvement to, from and within the Uptown area. The recommendations of the study will help unleash more than \$1 billion in new development for this area, the region's second largest economic employer. Developing and evaluating a preferred alternative which will improve access to and from Interstate 71 and the Uptown area is the primary objective of the next phase of study.

***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. OKI's Title VI and Environmental Justice program ensures the inclusion of minority, low income, disabled, elderly and zero-car households in its transportation planning process.

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 2011:

- OKI continued executing partnership agreements with advertising outlets to provide value added services as match for the Clean Air and RideShare programs. The value of these services was used as match for the Kentucky share of these programs. OKI plans to further develop these partnerships in anticipation of the additional match that will be needed in the future when toll revenue credits are exhausted. During fiscal year 2011 the RideShare Program received \$93,906 in contributed services and the Clean Air Program received \$325,728 in contributed services.
- OKI continued its partnership with 10 cities, counties, and organizations within the region to implement the recently developed Fiscal Impact Analysis Model (FIAM). Three new partnerships for

future years were started, providing \$7,875 in local match for fiscal year 2012 model activities. FIAM activities will continue over the next year and OKI will continue to follow up with communities that have expressed an interest in becoming new partners.

- OKI partnered with local transit agencies Southwest Ohio Regional Transit Authority (SORTA), Transit Authority of Northern Kentucky (TANK) and Clermont Transportation Connection (CTC) to conduct a transit on board survey. This multi-agency survey provided insight to the transit companies about their service as well as insight to OKI about travel patterns in the region. Doing a multi-agency survey enabled OKI to obtain regional travel patterns during one time period with one consistent format. The agencies benefitted by receiving high quality, professional survey data collected in the most cost-effective manner. The transit agencies provided \$56,000 in local matching funds for the study. OKI provided \$241,799 in federal and state funds for the study.
- Total assets exceeded liabilities as of June 30, 2011 by \$1,161,564, a decrease of \$59,004 from June 30, 2010.
- OKI had operating revenues of \$6,426,344 and operating expenses of \$6,485,348, resulting in an operating loss of \$59,004.
- Contributed services in excess of match required by programs and grants totaled \$404,298.

### **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 as a result of the year's activities?". Although the net assets decreased by \$59,004, we feel that OKI as a whole is better off. Over the past few years OKI has increased its net assets to assist with day to day cash flow and in anticipation of future activities requiring local match. In fiscal year 2011 OKI began the Region Freight Study. The information gathered from the study is vital to planning for OKI's transportation and economic future. OKI was able to provide the local match needed for this study with minimal impact on net assets. 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 OKI's net assets, the difference between assets (what OKI owns) and liabilities (what OKI owes), as one way to measure OKI's financial health, or financial position. Over time, increases or decreases in OKI's net 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 12 through 14 of this report.

*Notes to the Financial Statements*

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on pages 15-20 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>FY2011</u>	<u>FY2010</u>	<u>FY2009</u>
Current assets	\$ 1,918	\$ 1,783	\$ 1,957
Capital assets, net	<u>78</u>	<u>99</u>	<u>84</u>
Total assets	<u>1,996</u>	<u>1,882</u>	<u>2,041</u>
Current liabilities	734	542	795
Non-current liabilities	<u>100</u>	<u>119</u>	<u>112</u>
Total liabilities	<u>834</u>	<u>661</u>	<u>907</u>
Net assets:			
Invested in capital assets, net of debt	62	73	50
Unrestricted	<u>1,100</u>	<u>1,148</u>	<u>1,084</u>
Total net assets	<u>\$ 1,162</u>	<u>\$ 1,221</u>	<u>\$ 1,134</u>

**Current assets** increased by \$135k, or 7.6%, in 2011 due to increased receivables associated with the Regional Freight Study, the Transit on Board Survey, and increased activities in the New Freedom pass through projects, offset by a decrease in cash and investments due to increased payables. In 2010 current assets decreased by \$174k, or 8.9%, due to decreased receivables associated with lower year-end fringe and indirect cost adjustments and completion of the Fiscal Impact Analysis Model (FIAM) Development,

Travel Model Data Collection, and GPS Travel Survey projects, offset by an increase in cash and investments due to decreased project activity.

**Capital assets** decreased by \$21k, or 21.2%, in 2011 due to the donation of \$48k in obsolete computers and computer equipment with in-service dates between 1999 and 2003 offset by the purchase of network equipment. In 2010 capital assets increased by \$15k, or 17.9%, due to the purchase of a new server, backup tape storage library, and network switches, offset by annual depreciation.

**Current liabilities** increased by \$192k, or 35.4%, in 2011 due to an increase in open payables related to the Regional Freight Study and the Transit on Board Survey, increased activities in the New Freedom pass through projects, and an increase in deferred revenues related to the timing of county funding payments. In 2010 current liabilities decreased by \$253k, or 31.8%, due to a decrease in the level of open payables related to timing of Clean Air advertising invoices and completion of the Travel Model Data Collection and FIAM Development projects, and a decrease in deferred revenues related to the timing of county funding payments.

**Non-current liabilities** decreased by \$19k, or 16.0%, in 2011 due to a decreased compensated absences liability associated with rising average leave usage combined with decreased capital lease balances due to payments made during the year. In 2010 non-current liabilities increased by \$7k, or 6.3%, due to an increased compensated absences liability associated with rising leave balances and on average lower leave usage offset by decreased capital lease balances due to payments made during the year.

**Unrestricted net assets** – the part of net assets that can be used to finance day-to-day operations without constraints or legal requirements – decreased by \$48k, or 4.2%, in 2011 due to a local match associated with the Regional Freight Study and increased local water expenses. In 2010 unrestricted net assets increased by \$64k, or 5.9%, due to effective management of general and administrative activities combined with timing of active 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)

	<u>FY2011</u>	<u>FY2010</u>	<u>FY2009</u>
Operating revenues			
Federal and state	\$ 4,691	\$ 3,839	\$ 4,811
State, local and county matching	1,076	1,011	986
Other revenue	55	32	40
Contributed services	<u>605</u>	<u>135</u>	<u>712</u>
Total operating revenue	<u>6,427</u>	<u>5,017</u>	<u>6,549</u>
Operating expenses			
Salaries and wages	2,358	2,316	2,280
Fringe benefits	1,006	915	853
Travel, subsistence and professional development	121	116	116
Printing, marketing and contractual	1,637	707	1,764
Depreciation	37	33	40
Other expenses	722	708	717
Contributed services	<u>605</u>	<u>135</u>	<u>712</u>
Total operating expenses	<u>6,486</u>	<u>4,930</u>	<u>6,482</u>
Operating income	<u>(59)</u>	<u>87</u>	<u>67</u>

Non-operating revenues (expenses)			
Contributed services	404	492	1,486
Contributed marketing	<u>(404)</u>	<u>(492)</u>	<u>(1,486)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	(59)	87	67
Net assets, beginning of year	<u>1,221</u>	<u>1,134</u>	<u>1,067</u>
Net assets, end of year	<u>\$ 1,162</u>	<u>\$ 1,221</u>	<u>\$ 1,134</u>

**Operating revenues** increased by 28.1% from 2010 to 2011 due to an increase in activities associated with the New Freedom pass through funded projects, the Indiana Department of Environmental Management (IDEM) water project, and the Hamilton County Emergency Management Agency (HCEMA) data project plus the addition of the Freight and Transit on Board projects. Contributed services revenue increased due to increased New Freedom pass through funded activities offset by lower RideShare contributed services associated with a change in timing of this year's campaign to coordinate with the start of the Banks High Occupancy Vehicle (HOV) program. Operating revenues decreased by 23.4% from 2009 to 2010 due to completion of the Millcreek, GPS Travel Survey, Travel Model Data Collection and FIAM Development projects. Federal and state revenues, coupled with state, local and county matching funds, decreased by 16.3% due to a reduction in marketing activities in the Rideshare and Clean Air projects along with completion of the Millcreek, GPS Travel Survey, Travel Model Data Collection and FIAM Development projects. Other revenues decreased by 20.0% due to lower interest rates and decreased annual meeting participation. Total contributed services revenue decreased by 71.5% due to completion of the Millcreek and St. Clair projects and decreased activities in the New Freedom pass through projects.

**Operating expenses** increased by 31.6% from 2010 to 2011. Printing, marketing and contractual increased 131.5% due to the addition of the Transit on Board Survey and Freight Study combined with an increase in activities in the New Freedom pass through funded projects. Depreciation increased by 12.1% due to network equipment purchased late in fiscal year 2010 being depreciated for a full year in fiscal year 2011 offset by one of OKI's staff vehicles being close to fully depreciated. Total contributed services increased by 60.9% due to increased New Freedom pass through funded activities offset by lower RideShare contributed services associated with a change in timing of this year's campaign to coordinate with the start of the Banks HOV program. Operating expenses decreased by 24.0% from 2009 to 2010. Printing, marketing and contractual decreased 59.9% due to completion of the Millcreek, FIAM development, GPS Travel and Travel Model Data Collection projects and a decrease in marketing activities associated with the Clean Air and Rideshare programs. Depreciation decreased by 17.5% due to conference room equipment being fully depreciated at the end of fiscal year 2009, offset by an increase in depreciation on micro computers related to upgrades to OKI's network equipment. New switches, storage, and backup devices were purchased. Total contributed services decreased by 71.5% due to completion of the Millcreek project and due to a decrease in activities associated with the New Freedom pass through projects.

**Contributed services in excess of required match** decreased by 17.9% from 2010 to 2011 due to a decrease in RideShare contributed services associated with a change in timing of this year's campaign to coordinate with the start of the Banks HOV program offset by an increase in contributed services received by the Clean Air program. Contributed services in excess of required match decreased by 66.9% from 2009 to 2010 due to a decrease in contributed services received by the Clean Air and RideShare programs.

## BUDGET VS ACTUAL INFORMATION

The following table reflects a budget to actual comparison.

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

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating revenues			
Federal and state	\$ 4,691	\$ 5,221	\$ (530)
State, local and county matching	1,076	1,077	(1)
Other revenue	55	37	18
Contributed services	<u>605</u>	<u>817</u>	<u>(212)</u>
Total operating revenue	<u>6,427</u>	<u>7,152</u>	<u>(725)</u>
Operating expenses			
Salaries and wages	2,358	2,349	9
Fringe benefits	1,006	1,064	(58)
Travel, subsistence and professional development	121	156	(35)
Printing, marketing and contractual	1,637	2,023	(386)
Other expenses	759	796	(37)
Contributed services	<u>605</u>	<u>817</u>	<u>(212)</u>
Total expenses	<u>6,486</u>	<u>7,205</u>	<u>(719)</u>
Non-operating revenues (expenses)			
Contributed services	404	215	189
Contributed marketing	<u>(404)</u>	<u>(215)</u>	<u>(189)</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	(59)	(53)	(6)
Net assets, beginning of year	<u>1,221</u>	<u>1,221</u>	<u>-</u>
Net assets, end of year	<u>\$ 1,162</u>	<u>\$ 1,168</u>	<u>\$ (6)</u>

Operating revenues were lower than budget due to timing of budgeted activities. Federal and state revenues were lower than budgeted due to the New Freedom, Eastern Corridor and Planning projects progressing slower than budgeted and due to lower than budgeted marketing expenditures in the Clean Air program, due to delays in coordinating the marketing request for qualifications (RFQ) with Kentucky Transportation Cabinet (KYTC). Activities shifted into fiscal year 2012. Other revenue was over budget due to Miami Valley Regional Planning Commission's participation in the Freight Study offset by lower than budgeted annual meeting revenues. Contributed services revenues were lower than budgeted due to the timing of the New Freedom and Eastern Corridor pass through funded projects.

Operating expenses were lower than budget for several reasons. Travel and professional development expenses were lower than budget due to the FIAM and Water projects having fewer meetings outside the office than scheduled and some scheduled development activities being shifted into next fiscal year. Printing, marketing and contractual expenses were lower than budget due to efficiencies experienced with the FIAM software maintenance provider and due to the Eastern Corridor and New Freedom pass through funded projects progressing slower than budgeted. Contributed services expenses were lower than budgeted due to timing of the Eastern Corridor and New Freedom pass through funded projects.

In fiscal year 2011, OKI was able to stay on budget. Conducting the Freight Study and increased activities in the Regional Planning and Local Water programs offset by careful management of the general and administrative expenses and project timing contributed to a decrease in net assets of \$59k.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of June 30, 2011, 2010 and 2009, OKI's capital assets are reflected in the following schedule.

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

	<u>FY2011</u>	<u>FY2010</u>	<u>FY2009</u>
Office furniture and equipment	\$ 641	\$ 673	\$ 624
Accumulated depreciation	<u>(563)</u>	<u>(574)</u>	<u>(540)</u>
Total	<u>\$ 78</u>	<u>\$ 99</u>	<u>\$ 84</u>

Capital assets declined during fiscal year 2011 primarily due to the donation of obsolete computers and computer equipment with in-service dates between 1999 and 2003 offset by the purchase of network equipment. OKI donated \$48K in obsolete computers, monitors, and miscellaneous equipment to the Cincinnati Computer Cooperative. Switches, network cards and cables were purchased to update older equipment.

Capital assets increased during fiscal year 2010 primarily due to improvements to OKI's computer network. A tape storage library, server, and network switches were purchased to replace older equipment and to secure OKI's data.

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 year 2011.

At the end of fiscal year 2011 OKI has a balance of \$16,749 on the capital lease agreement for furniture. The five year lease with 60 monthly payments of \$742 began in fiscal year 2009. The interest rate on the lease is 6.00%, and the final payment is due on June 1, 2013. Prior to July 1, 2008 the furniture had been part of the office building operating lease.

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

## ECONOMIC CONDITIONS

OKI considered many factors when setting the fiscal year 2011 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 continues to work closely with the business community, the Kentucky Transportation Cabinet, and the Ohio Department of Transportation to develop strategies for the replacement of this vital river crossing.

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

#### **CONTACTING OKI**

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011 AND 2010**

<b>ASSETS</b>		
	2011	2010
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 925,458	\$ 957,681
Accounts receivable	981,883	810,350
Prepaid expenses	10,599	15,243
TOTAL CURRENT ASSETS	1,917,940	1,783,274
<b>NONCURRENT ASSETS:</b>		
Capital assets, net	78,230	98,690
TOTAL NONCURRENT ASSETS	78,230	98,690
TOTAL ASSETS	1,996,170	1,881,964
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	250,527	124,910
Accrued expenses	36,533	28,424
Compensated absences	207,498	191,922
Capital lease obligations	8,124	8,821
Deferred revenue	231,737	188,205
TOTAL CURRENT LIABILITIES	734,419	542,282
<b>NONCURRENT LIABILITIES</b>		
Compensated absences	91,562	102,365
Capital lease obligations	8,625	16,749
TOTAL NONCURRENT LIABILITIES	100,187	119,114
TOTAL LIABILITIES	834,606	661,396
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	61,481	73,120
Unrestricted	1,100,083	1,147,448
TOTAL NET ASSETS	\$ 1,161,564	\$ 1,220,568

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
<b>OPERATING REVENUES:</b>		
Federal and state grants	\$ 4,690,819	\$ 3,838,837
State, local and county matching funds	1,076,053	1,010,725
Other revenues	54,495	32,116
Contributed services	<u>604,977</u>	<u>135,000</u>
Total Operating Revenues	<u>6,426,344</u>	<u>5,016,678</u>
<b>OPERATING EXPENSES:</b>		
Direct expenses		
Personnel	1,441,755	1,381,403
Fringe benefits	996,123	902,004
Travel, subsistence and professional	81,549	82,374
Printing, marketing and contractual	1,589,218	658,925
Other direct expenses	68,590	56,016
Indirect costs	1,703,136	1,713,859
Contributed services	<u>604,977</u>	<u>135,000</u>
Total Operating Expenses	<u>6,485,348</u>	<u>4,929,581</u>
<b>OPERATING INCOME</b>	<u>(59,004)</u>	<u>87,097</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Contributed services revenues	404,298	491,859
Contributed services expenses	<u>(404,298)</u>	<u>(491,859)</u>
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	(59,004)	87,097
Net Assets Beginning of Year	<u>1,220,568</u>	<u>1,133,471</u>
Net Assets End of Year	<u><u>\$ 1,161,564</u></u>	<u><u>\$ 1,220,568</u></u>

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

	2011	2010
<b>Cash flows from operating activities:</b>		
Receipts from federal and state grants	\$ 4,582,182	\$ 4,339,767
Receipts from local grants and matching funds	1,111,131	1,047,274
Payments to employees	(3,351,171)	(3,192,318)
Payments to suppliers	(2,349,422)	(1,741,027)
Net cash provided by (used for) operating activities	(7,280)	453,696
<b>Cash flows from capital related activities:</b>		
Purchase of fixed assets	(16,122)	(48,099)
Capital lease retirements	(8,821)	(8,716)
Net cash provided by (used for) capital financing activities	(24,943)	(56,815)
Net increase (decrease) in cash and cash equivalents	(32,223)	396,881
Cash and cash equivalents at beginning of year	957,681	560,800
Cash and cash equivalents at end of year	\$ 925,458	\$ 957,681
<b>Reconciliation of operating income to net cash used for operating activities:</b>		
Operating income	\$ (59,004)	\$ 87,097
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	36,582	33,472
Changes in assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	(171,533)	555,049
Prepaid expenses	4,644	15,094
Increase (Decrease) in:		
Accounts payable	125,617	(225,019)
Accrued expenses	8,109	10,283
Deferred revenue	43,532	(49,537)
Compensated absences	4,773	27,257
Net cash provided by (used for) operating activities	\$ (7,280)	\$ 453,696
<b>Non-cash transactions:</b>		
Capital assets acquired under capital lease	\$ -	\$ -

See accompanying notes to the financial statements.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**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  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010  
(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.

**2. DEPOSITS**

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

Custodial credit risk is the risk that in the event of a bank failure OKI's deposits may not be returned. Protection of OKI's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institutions holding the assets. Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which OKI places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by FDIC. The securities pledged as collateral are pledged to a pool for each individual financial institution in amount equal to at least 105 percent of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligation of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. At June 30, 2011 the carrying amount of OKI's deposits was \$925,458 and the bank balance was \$941,517. FDIC insurance covered \$250,000 of the bank balance. The remaining balance of \$691,517 was uninsured and collateralized with securities held by the pledging financial institution's trust department.

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010  
(continued)**

**3. ACCOUNTS RECEIVABLE**

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

	2011	2010
Receivables Under Contracts and Grants		
Federal	\$ 80,231	\$ 24,049
Ohio	733,173	645,152
Kentucky	113,964	109,431
Indiana	25,080	21,647
Local and County	29,435	10,018
Receivables Other		
Due from employees	-	53
Total Receivables	\$ 981,883	\$ 810,350

**4. CAPITAL ASSETS**

Changes in capital assets for the year that ended June 30, 2011 are summarized below:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Office furniture and equipment	\$ 672,579	\$ 16,122	\$(48,064)	\$ 640,637
Less: accumulated depreciation	(573,889)	(36,582)	48,064	(562,407)
Furniture and Equipment net	\$ 98,690	\$(20,460)	\$ -	\$ 78,230

Changes in capital assets for the year that ended June 30, 2010 are summarized below:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Office furniture and equipment	\$ 624,480	\$ 48,099	-	\$ 672,579
Less: accumulated depreciation	(540,417)	(33,472)	-	(573,889)
Furniture and Equipment net	\$ 84,063	\$ 14,627	\$ -	\$ 98,690

**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, 2011 and 2010, OKI had no borrowings against this line of credit.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010  
(continued)**

**6. COMPENSATED ABSENCES**

Changes in compensated absences for the year that ended June 30, 2011 are summarized below:

Balance July 1, 2010	Entitlements	Usage	Balance June 30, 2011	Due Within One Year
<u>\$294,287</u>	<u>\$347,298</u>	<u>\$(342,525)</u>	<u>\$299,060</u>	<u>\$207,498</u>

Changes in compensated absences for the year that ended June 30, 2010 are summarized below:

Balance July 1, 2009	Entitlements	Usage	Balance June 30, 2010	Due Within One Year
<u>\$267,030</u>	<u>\$365,547</u>	<u>\$(338,290)</u>	<u>\$294,287</u>	<u>\$191,922</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. The lease was retired in fiscal year 2011.

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. This lease has since been extended, effective October 1, 2011 (see Operating Leases section below), which will not affect the furniture agreement.

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
2012	\$ 8,908
2013	8,904
Net minimum lease payments	17,812
Less: amount representing interest	(1,063)
Present value of net minimum lease payments	<u>\$16,749</u>

*Operating Leases*

OKI has an operating lease agreement for office facilities. Rental expense was \$487,225 annually for the years ended June 30, 2011 and 2010, respectively. The lease was extended in fiscal year 2012, effective October 1, 2011. The extension will reflect a reduction in the current rent payment, to \$403,800 annually, with a freeze on this rent amount for seven years (through June 30, 2018), after which annual formula escalators will be in place.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010  
(continued)**

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

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

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

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

The OKI Employees Retirement Plan is a trusted, contributory, defined contribution retirement plan covering all permanent full-time employees. Through December 31, 2008, OKI’s Employees’ retirement plan consisted of a 401(a) plan. Merrill Lynch was the custodian and trustee of the 401(a) plan. Contributions to the plan included a contribution by OKI of 6.9% of the participant’s wages and a mandatory contribution by the participant of 5% of his or her wages. In June 2008 the Board approved changes to OKI’s Employees Retirement Plan. Effective January 1, 2009 the retirement plan has two components, a mandatory 401(a) and a voluntary 403(b). Eligible employees are required to contribute 6% to the 401(a) plan and OKI matches 10%. Eligible employees may contribute additional funds to the 403(b) plan. OKI matches up to 4% on the first 3% of employee contributions. The Executive Director is not eligible for benefits under the new plans, and contributions, both employee and employer, remain at prior rates. Employees are fully vested upon eligibility for the new plans. For the 401(a), OKI is the Plan Administrator. The corporate trustee is Central Bank & Trust. For the ERISA 403(b), CPI is the Plan Administrator and Matrix Capital Bank & Trust is the custodian. UBS serves as investment advisor and also provides employee education for both Plans. Pension expense was \$327,209 and \$299,001 for the years ended June 30, 2011 and 2010, respectively. Forfeitures reduce the current contributions of OKI to the plan.

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
HAMILTON COUNTY, OHIO  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010  
(continued)**

<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 2011 and 2010. Revenue from services was measured based on the fair value of those services. The following projects received contributed services:

Clean Air (Ozone Awareness) and RideShare programs partner with local advertising outlets which provide value added services as match for the programs. Services can be air time, print ads, or promotional items to be given away at events. The amount of contributed services was \$419,634 (\$397,916 in excess of required match) and \$523,296 (\$488,392 in excess of required match) for the years ended June 30, 2011 and 2010, respectively.

Eastern Corridor Part B – Hamilton County TID provided 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 \$258 for the year ended June 30, 2011 and \$8,917 for the year ended June 30, 2010.

Job Access Reverse Commute and New Freedom programs received contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of the contributed services was \$583,001 for the year ended June 30, 2011 and \$91,179 for the year ended June 30, 2010.

The Dearborn County Water Quality Management Plan Update program received contributed services in the form of partner activities in support of the projects per the grant agreements. The amount of contributed services was \$6,382 for the year ended June 30, 2011 and \$3,467 for the year ended June 30, 2010.

# **SUPPLEMENTARY INFORMATION**

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF REVENUES AND EXPENSES BY ACTIVITY**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
 (with comparative summary total for 2010)

	General & Administrative Activities	Environmental Planning Activities	Regional Planning	Ridesharing Implementation	Transportation Planning Activities	Total 2011	Total 2010
<b>Operating Revenues:</b>							
Federal & state grants	\$ -	\$ 222,891	\$ -	\$ 255,012	\$ 4,212,916	\$ 4,690,819	\$ 3,838,837
State, local and county matching funds	(16,637)	84,606	111,386	-	896,698	1,076,053	1,010,725
Other revenue	29,795	-	-	-	24,700	54,495	32,116
Contributed services	-	-	-	7,860	597,117	604,977	135,000
<b>Total Operating Revenues</b>	<b>13,158</b>	<b>307,497</b>	<b>111,386</b>	<b>262,872</b>	<b>5,731,431</b>	<b>6,426,344</b>	<b>5,016,678</b>
<b>Operating Expenses:</b>							
Direct expenses							
Personnel	8,570	100,368	38,510	28,283	1,266,024	1,441,755	1,381,403
Fringe benefits	5,921	69,344	26,607	19,541	874,710	996,123	902,004
Travel, subsistence, and professional	36,384	1,891	88	-	43,186	81,549	82,374
Printing, marketing and contractual	197	675	-	173,714	1,414,632	1,589,218	658,925
Other direct expenses	10,966	16,658	689	63	40,214	68,590	56,016
Indirect costs	10,124	118,561	45,492	33,411	1,495,548	1,703,136	1,713,859
Contributed services	-	-	-	7,860	597,117	604,977	135,000
<b>Total Operating Expenses</b>	<b>72,162</b>	<b>307,497</b>	<b>111,386</b>	<b>262,872</b>	<b>5,731,431</b>	<b>6,485,348</b>	<b>4,929,581</b>
<b>Non Operating Revenues (Expenses):</b>							
Contributed services revenues	-	6,382	-	86,046	311,870	404,298	491,859
Contributed services expenses	-	(6,382)	-	(86,046)	(311,870)	(404,298)	(491,859)
<b>Total Non Operating Revenues (Expenses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating Income</b>	<b>\$ (59,004)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (59,004)</b>	<b>\$ 87,097</b>

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF FRINGE BENEFIT COST RATES  
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budget</u>	<u>Actual</u>
Fringe benefit costs:		
Holidays	\$ 87,746	\$ 87,591
Sick leave	54,409	86,072
Vacation	174,045	169,580
Administrative	11,697	6,804
Performance contingency	20,000	20,775
Retirement	374,542	359,619
Group health	454,663	459,153
FICA	173,345	168,167
Workers compensation	6,700	6,171
Unemployment	3,000	-
Employee Incentives	10,106	8,076
	<u>1,370,253</u>	<u>1,372,008</u>
Total fringe benefit costs	<u>\$ 1,370,253</u>	<u>\$ 1,372,008</u>
Allocation base: Direct and indirect personnel	<u>\$ 2,035,741</u>	<u>\$ 1,985,800</u>
Fringe benefit cost rate	<u>67.31%</u>	<u>69.09%</u>

**Notes:**

1. Approval of the fringe benefit cost rate for the year ended June 30, 2011 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 67.31 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 2011 for grant application purposes. The final 2011 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 42 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF INDIRECT COST RATES  
FOR THE YEAR ENDED JUNE 30, 2011**

	Budget	Actual
Indirect costs:		
Personnel	\$ 556,650	\$ 544,043
Fringe benefits	374,680	375,885
Auto allowance	6,300	6,300
Travel and professional development	26,289	22,620
Memberships	15,060	15,159
Printing	1,535	874
Repairs and maintenance	17,287	14,276
Office supplies	36,670	32,664
Postage	2,279	2,432
Rent	494,111	487,104
Telephone	8,120	8,247
Subscriptions	1,099	1,301
Legal and audit	57,800	58,097
Reproductions	4,952	3,981
Insurance	26,267	26,326
Professional services	47,881	41,299
Advertising	2,555	1,568
Depreciation & loss on disposal of assets	41,750	36,582
Payroll processing	5,850	5,885
Internet	10,773	11,059
Retirement plan admin & education fees	3,775	2,975
Other	2,256	3,181
Interest - capital lease	1,278	1,278
Total indirect costs	\$ 1,745,217	\$ 1,703,136
Allocation base: Direct personnel	\$ 1,479,091	\$ 1,441,755
Indirect cost rate applied	<u>117.99%</u>	<u>118.13%</u>

**Notes:**

1. Approval of the provisional indirect cost rate for the year ended June 30, 2011 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 117.99 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 2011 for grant application purposes. The final 2011 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 23 to 41 reflect the application of provisional rates adjusted to actual, subject to grant/program limitations.

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

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2010 RIDESHARE**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 240,001	\$ 122,486	\$ 117,512	\$ 239,998
Kentucky: KYTC (SNK)	44,424	22,672	21,751	44,423
Contributed services	<u>11,106</u>	<u>10,693</u>	<u>-</u>	<u>10,693</u>
Total Operating Revenues	<u>295,531</u>	<u>155,851</u>	<u>139,263</u>	<u>295,114</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	39,942	7,589	20,714	28,303
Fringe benefits	27,103	4,556	13,943	18,499
Travel, subsistence & professional	100	62	-	62
Printing, marketing & contractual	169,810	122,639	80,133	202,772
Other direct expenses	1,950	124	32	156
Indirect costs	45,520	10,188	24,441	34,629
Contributed services	<u>11,106</u>	<u>10,693</u>	<u>-</u>	<u>10,693</u>
Total Operating Expenses	<u>295,531</u>	<u>155,851</u>	<u>139,263</u>	<u>295,114</u>
<b>Non-operating Revenues (Expenses):</b>				
Contributed services revenues	-	184,842	26,296	211,138
Contributed services expenses	<u>-</u>	<u>(184,842)</u>	<u>(26,296)</u>	<u>(211,138)</u>
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Tasks:</b>				
Marketing	<u>295,531</u>	<u>340,693</u>	<u>165,559</u>	<u>506,252</u>
Total Tasks	<u>\$ 295,531</u>	<u>\$ 340,693</u>	<u>\$ 165,559</u>	<u>\$ 506,252</u>

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for the period July 1, 2009 through June 30, 2011 for \$240,001 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
  - b. UPWP KYTC funding beginning July 1, 2009 for \$44,424 in KYTC/SNK reimbursed to OKI at a participation rate of 15.6189 percent of program from FY10 and FY11 SNK funding agreements and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2011, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OEPA**  
**FY 2010 OEPA 604B ARRA WATER QUALITY MANAGEMENT**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: OEPA (EPA Funds)	\$ 127,000	\$ 49,001	\$ 77,999	\$ 127,000
County matching funds	-	-	6	6
<b>Total Operating Revenues</b>	<u>127,000</u>	<u>49,001</u>	<u>78,005</u>	<u>127,006</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	42,149	16,916	26,678	43,594
Fringe benefits	28,473	11,046	18,432	29,478
Travel, subsistence & professional	2,464	20	6	26
Printing, marketing & contractual	150	-	249	249
Other direct expenses	3,430	4	1,126	1,130
Indirect costs	50,334	21,015	31,514	52,529
<b>Total Operating Expenses</b>	<u>127,000</u>	<u>49,001</u>	<u>78,005</u>	<u>127,006</u>
<b>Tasks:</b>				
Ohio water quality	127,000	49,001	78,005	127,006
<b>Total Tasks</b>	<u>\$ 127,000</u>	<u>\$ 49,001</u>	<u>\$ 78,005</u>	<u>\$ 127,006</u>

**NOTES:**

1. The grant period under the OEPA FY2010 ARRA Water Quality Management contract is September 9, 2009 through June 30, 2011.
2. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OEPA**  
**FY 2011 OEPA STATE BIENNIUM WATER**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 75,000	\$ 75,000	\$ 75,000
County matching funds	-	6	6
	<u>75,000</u>	<u>75,006</u>	<u>75,006</u>
<b>Total Operating Revenues</b>			
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	25,777	26,090	26,090
Fringe benefits	17,351	18,025	18,025
Travel, subsistence & professional	890	40	40
Other direct expenses	568	32	32
Indirect costs	<u>30,414</u>	<u>30,819</u>	<u>30,819</u>
	<u>75,000</u>	<u>75,006</u>	<u>75,006</u>
<b>Total Operating Expenses</b>			
<b>Tasks:</b>			
General assembly	<u>75,000</u>	<u>75,006</u>	<u>75,006</u>
	<u>\$ 75,000</u>	<u>\$ 75,006</u>	<u>\$ 75,006</u>
<b>Total Tasks</b>			

**NOTES:**

1. The grant period under the OEPA FY2011 State Biennium Water contract is July 26, 2010 through June 30, 2011 (State of Ohio grant).
2. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OKI**  
**FY 2011 LOCAL WATER QUALITY PLANNING PROJECT**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>
<b>Operating Revenues:</b>			
County matching funds	\$ 60,343	\$ 84,594	\$ 84,594
Total Operating Revenues	<u>60,343</u>	<u>84,594</u>	<u>84,594</u>
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	18,110	23,397	23,397
Fringe benefits	12,190	16,165	16,165
Travel, subsistence & professional	3,250	1,644	1,644
Printing, marketing & contractual	1,100	426	426
Other direct expenses	4,325	15,324	15,324
Indirect costs	<u>21,368</u>	<u>27,638</u>	<u>27,638</u>
Total Operating Expenses	<u>60,343</u>	<u>84,594</u>	<u>84,594</u>
<b>Tasks:</b>			
Local water quality planning	<u>60,343</u>	<u>84,594</u>	<u>84,594</u>
Total Tasks	<u><u>\$ 60,343</u></u>	<u><u>\$ 84,594</u></u>	<u><u>\$ 84,594</u></u>

**NOTES:**

1. The project period for Local Water Quality Planning was July 1, 2010 through June 30, 2011.
2. Budget amounts were derived from fiscal year 2011 overall agency budget.
3. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OKI**  
**FY 2011 LOCAL REGIONAL PLANNING**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>			
County matching funds	\$ 79,824	\$ 111,386	\$ 111,386
Total Operating Revenues	<u>79,824</u>	<u>111,386</u>	<u>111,386</u>
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	27,078	38,510	38,510
Fringe benefits	18,226	26,607	26,607
Travel, subsistence & professional	1,350	88	88
Printing, marketing & contractual	500	-	-
Other direct expenses	720	689	689
Indirect costs	<u>31,950</u>	<u>45,492</u>	<u>45,492</u>
Total Operating Expenses	<u>79,824</u>	<u>111,386</u>	<u>111,386</u>
<b>Tasks:</b>			
Local regional planning	<u>79,824</u>	<u>111,386</u>	<u>111,386</u>
Total Tasks	<u><u>\$ 79,824</u></u>	<u><u>\$ 111,386</u></u>	<u><u>\$ 111,386</u></u>

**NOTES:**

1. The project period for Local Regional Planning program July 1, 2010 through June 30, 2011.
2. Budget amounts were derived from fiscal year 2011 overall agency budget.
3. As of June 30, 2011, no costs subject to audit have been questioned.

**SCHEDULES OF CUMULATIVE REVENUES AND EXPENDITURES**

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**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2010 TRANSPORTATION PLANNING**  
**JUNE 30, 2011**

	Budget	Cumulative Revenues and Expenditures as of June 30, 2010	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2011
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (MPO-PL Funds)	\$ 2,212,979	\$ 1,723,203	\$ 489,774	\$ 2,212,977
Kentucky: KYTC (HPR-PL Funds)	358,720	295,740	69,583	365,323
Kentucky: KYTC (FTA Funds)	108,641	89,567	21,073	110,640
Indiana: INDOT (Trans PL Funds)	5,157	5,136	-	5,136
State matching funds Ohio	276,622	215,400	61,222	276,622
State matching funds Kentucky	22,420	18,484	4,349	22,833
County matching funds	372,332	294,528	79,538	374,066
Local contracts	62,819	28,744	34,074	62,818
<b>Total Operating Revenues</b>	<b>3,419,690</b>	<b>2,670,802</b>	<b>759,613</b>	<b>3,430,415</b>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	1,152,343	895,680	261,054	1,156,734
Fringe benefits	775,414	582,236	175,867	758,103
Travel, subsistence & professional	59,091	36,403	7,701	44,104
Printing, marketing & contractual	7,275	453	4,643	5,096
Other direct expenses	38,100	38,346	2,319	40,665
Indirect costs	1,387,467	1,117,684	308,029	1,425,713
<b>Total Operating Expenses</b>	<b>3,419,690</b>	<b>2,670,802</b>	<b>759,613</b>	<b>3,430,415</b>
<b>Tasks:</b>				
Short range planning	350,500	271,382	82,820	354,202
Transportation improvement program	166,500	124,957	31,013	155,970
Surveillance	1,354,346	1,057,894	318,141	1,376,035
Homeland security data project (50/50)	55,508	40,815	14,693	55,508
Homeland security data project (100%)	35,065	8,337	26,728	35,065
Long range planning	933,300	723,205	176,748	899,953
UPWP administration	18,850	15,857	2,825	18,682
Public involvement	253,000	199,803	65,156	264,959
INDOT exclusive	6,446	6,419	-	6,419
KYTC exclusive safety and operating	72,175	82,929	-	82,929
Transportation annual summary	10,250	10,231	-	10,231
Air quality program	163,750	128,973	41,489	170,462
<b>Total Tasks</b>	<b>\$ 3,419,690</b>	<b>\$ 2,670,802</b>	<b>\$ 759,613</b>	<b>\$ 3,430,415</b>

**NOTES:**

- The grant period for FY 2010 Transportation Planning is July 1, 2009 through December 31, 2010.
- The agreement period for Homeland Security data project (100%) is April 23, 2009 through June 30, 2013. An additional \$28,000 was added to the contract PO during FY2011. \$15,181 matched the FY2011 HCEMA 50/50 data project. The remaining \$12,819 was added to the HCEMA 100% data project.
- FHWA/ODOT/KYTC funds are received under agreements for continuation of a transportation planning process with ODOT and KYTC. Revenues were received and expenditures incurred in accordance with an overall work program approved each fiscal year. INDOT also participated with the funding being 80 percent Federal and 20 percent local match.
- The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA and funding 100% the development of data sets for the exclusive use of HCEMA.
- Due to timing differences between OH and KY funding contracts, current year KY revenues (PL, FTA, and state) were paired with OH carryover activities but billed against the current FY11 KYTC contracts. See FY2011 Transportation PL footnote for total FY2011 KYTC amounts. FY2010 KYTC contracts were within budget.
- As of June 30, 2011, no costs subject to audit have been questioned.

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

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2011
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: ODOT (MPO-PL Funds)	\$ 2,056,251	\$ 1,568,580	\$ 1,568,580
Kentucky: KYTC (HPR-PL Funds)	358,720	263,562	263,562
Kentucky: KYTC (FTA Funds)	108,641	79,822	79,822
Indiana: INDOT (Trans PL Funds)	40,869	37,347	37,347
State matching funds Ohio	257,031	196,073	196,073
State matching funds Kentucky	22,420	16,473	16,473
County matching funds	354,176	267,229	267,229
Local contracts	22,754	22,491	22,491
<b>Total Operating Revenues</b>	<b>3,220,862</b>	<b>2,451,577</b>	<b>2,451,577</b>
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	1,076,895	815,847	815,847
Fringe benefits	724,858	568,174	568,174
Travel, subsistence & professional	49,670	27,490	27,490
Printing, marketing & contractual	51,757	47,008	47,008
Other direct expenses	47,054	28,952	28,952
Indirect costs	1,270,628	964,106	964,106
<b>Total Operating Expenses</b>	<b>3,220,862</b>	<b>2,451,577</b>	<b>2,451,577</b>
<b>Tasks:</b>			
Short range planning	363,000	286,610	286,610
Transportation improvement program	153,000	92,569	92,569
Surveillance	1,221,817	941,127	941,127
Homeland security data project (50/50)	30,522	29,874	29,874
Homeland security data project (100%)	-	-	-
Long range planning	957,000	687,301	687,301
UPWP administration	20,000	18,644	18,644
Public involvement	233,000	217,339	217,339
INDOT exclusive	51,086	46,684	46,684
KYTC exclusive safety and operating	61,580	22,583	22,583
KYTC share of the transit on board survey	46,857	43,718	43,718
Transportation annual summary	22,000	7,360	7,360
Air quality program	61,000	57,768	57,768
<b>Total Tasks</b>	<b>\$ 3,220,862</b>	<b>\$ 2,451,577</b>	<b>\$ 2,451,577</b>

**NOTES:**

1. The grant period for FY 2010 Transportation Planning is July 1, 2010 through December 31, 2011.
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. The Hamilton County Emergency Management Agency is partnering with OKI on data development. They are providing 50% funding on data sets that can be used by both OKI and HCEMA.
4. Due to timing differences between OH and KY funding contracts, KY revenues (PL, FTA, and state) from the beginning of the fiscal year were paired with OH carryover activities and appear on the FY2010 Transportation PL page. Total KY PL for FY2011 was \$69,583 + \$263,562 = \$333,145. Total KY FTA for FY2011 was \$21,073 + \$79,822 = \$100,895. Total KY State for FY2011 was \$4,349 + \$16,473 = \$20,822. All within budget.
5. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2010 SURFACE TRANSPORTATION PROGRAM (STP)**  
**JUNE 30, 2011**

	Budget	Cumulative Revenues and Expenditures as of June 30, 2010	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2010
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (STP)	\$ 800,000	\$ 273,221	\$ 323,721	\$ 596,942
Kentucky: KYTC (SNK)	110,246	42,033	59,576	101,609
Indiana: INDOT (STP)	20,000	20,000	-	20,000
County matching funds	154,520	14,854	88,322	103,176
Local contracts	63,041	24,640	12,413	37,053
Other revenue - MVRPC	25,000	-	24,700	24,700
<b>Total Operating Revenues</b>	<b>1,172,807</b>	<b>374,748</b>	<b>508,732</b>	<b>883,480</b>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	130,813	120,645	12,912	133,557
Fringe benefits	88,024	78,268	8,691	86,959
Travel, subsistence & professional	12,060	4,629	-	4,629
Printing, marketing & contractual	780,095	18,775	471,827	490,602
Other direct expenses	4,278	1,581	67	1,648
Indirect costs	157,537	150,850	15,235	166,085
<b>Total Operating Expenses</b>	<b>1,172,807</b>	<b>374,748</b>	<b>508,732</b>	<b>883,480</b>
<b>Tasks:</b>				
Long range planning land use	285,830	273,392	11,031	284,423
Long range planning FIAM implementation	88,882	63,001	25,875	88,876
Long range planning FIAM maintenance & startups	45,000	11,776	7,238	19,014
INDOT	25,000	26,579	-	26,579
Regional freight study	728,095	-	464,588	464,588
<b>Total Tasks</b>	<b>\$ 1,172,807</b>	<b>\$ 374,748</b>	<b>\$ 508,732</b>	<b>\$ 883,480</b>

**NOTES:**

- The grant period for the Surface Transportation Program agreement is July 1, 2009 through December 31, 2010. The project period for the Freight Study is July 1, 2010 through December 31, 2011. The contract period for the FIAM maintenance and startups is February 12, 2010 through June 12, 2012.
- 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.
- These tasks are funded with Ohio STP funds - land use at a rate of 100 percent and FIAM and Freight Study at a rate of 80 percent. Kentucky SNK funds for all tasks are 80 percent Federal and 20 percent local match. INDOT also participated with the funding being 80 percent Federal and 20 percent local match. FIAM maintenance and startups is 100% locally funded.
- As of June 30, 2011, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC/INDOT**  
**FY 2011 SURFACE TRANSPORTATION PROGRAM (STP)**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>
<b>Operating Revenues:</b>			
Federal and state grants			
Ohio: ODOT (STP)	\$ 502,514	\$ 414,961	\$ 414,961
Kentucky: KYTC (SNK)	56,000	41,834	41,834
County matching funds	71,200	58,954	58,954
Local contracts	68,429	55,245	55,245
	<u>698,143</u>	<u>570,994</u>	<u>570,994</u>
<b>Total Operating Revenues</b>			
<b>Operating Expenses:</b>			
Direct expenses			
Personnel	149,025	113,618	113,618
Fringe benefits	100,309	78,730	78,730
Travel, subsistence & professional	9,961	7,995	7,995
Printing, marketing & contractual	260,644	236,188	236,188
Other direct expenses	2,369	228	228
Indirect costs	175,835	134,235	134,235
	<u>698,143</u>	<u>570,994</u>	<u>570,994</u>
<b>Total Operating Expenses</b>			
<b>Tasks:</b>			
Long range planning land use	356,000	294,771	294,771
Long range planning FIAM implementation	89,000	40,035	40,035
ODOT share of transit on board survey	253,143	236,188	236,188
	<u>\$ 698,143</u>	<u>\$ 570,994</u>	<u>\$ 570,994</u>
<b>Total Tasks</b>			

**NOTES:**

1. The grant period for the Surface Transportation Program agreement is July 1, 2010 through December 31, 2011.
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. All tasks were funded with 80 percent federal STP funds from ODOT and KYTC. The land use planning task was matched 20 percent from county funds. The FIAM and transit on board tasks were matched 20 percent from local funds.
4. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FHWA/ODOT/KYTC**  
**FY 2010-11 CLEAN AIR (OZONE AWARENESS)**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (CMAQ)	\$ 800,648	\$ 15,077	\$ 366,057	\$ 381,134
Kentucky: KYTC (CMAQ)	97,052	2,791	46,758	49,549
Kentucky: KYTC (SNK)	44,805	-	20,684	20,684
County matching funds	-	-	315	315
Contributed services	35,464	4,530	13,858	18,388
	<u>977,969</u>	<u>22,398</u>	<u>447,672</u>	<u>470,070</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	86,000	-	46,108	46,108
Fringe benefits	53,754	-	31,857	31,857
Travel, subsistence & professional	3,000	-	-	-
Printing, marketing & contractual	692,660	17,868	293,793	311,661
Other direct expenses	12,845	-	7,589	7,589
Indirect costs	94,246	-	54,467	54,467
Contributed services	35,464	4,530	13,858	18,388
	<u>977,969</u>	<u>22,398</u>	<u>447,672</u>	<u>470,070</u>
<b>Non-operating Revenues (Expenses):</b>				
Contributed services revenues	-	33,672	311,870	345,542
Contributed services expenses	-	(33,672)	(311,870)	(345,542)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Tasks:</b>				
Ozone awareness program	977,969	56,070	759,542	815,612
	<u>\$ 977,969</u>	<u>\$ 56,070</u>	<u>\$ 759,542</u>	<u>\$ 815,612</u>

**NOTES:**

1. State grants and contracts consist of the following:

- a. ODOT agreement for July 1, 2009 through June 30, 2012 for \$800,648 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent.
- b. UPWP KYTC funding beginning July 1, 2009 for \$55,720 in KYTC CMAQ and \$44,805 in KYTC/SNK. Expenses reimbursed to OKI at a participation rate of 15.6189 percent of program from FY09 and FY10 CMAQ and FY10 and FY11 SNK funding contracts, matched with contributed services. A minimum 20% match was required and exceeded.

2. As of June 30, 2011, no costs subject to audit have been questioned.

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

	<u>Budget</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
Operating Revenues:			
Federal and state grants			
Ohio: ODOT (CMAQ)	\$ 740,001	\$ 97,670	\$ 97,670
Kentucky: KYTC (SNK)	44,424	18,079	18,079
Contributed services	<u>11,106</u>	<u>7,860</u>	<u>7,860</u>
 Total Operating Revenues	 <u>795,531</u>	 <u>123,609</u>	 <u>123,609</u>
Operating Expenses:			
Direct expenses			
Personnel	39,942	7,569	7,569
Fringe benefits	26,979	5,598	5,598
Travel, subsistence & professional	100	-	-
Printing, marketing & contractual	669,810	93,581	93,581
Other direct expenses	1,950	31	31
Indirect costs	45,644	8,970	8,970
Contributed services	<u>11,106</u>	<u>7,860</u>	<u>7,860</u>
 Total Operating Expenses	 <u>795,531</u>	 <u>123,609</u>	 <u>123,609</u>
Non-operating Revenues (Expenses):			
Contributed services revenues	-	59,750	59,750
Contributed services expenses	<u>-</u>	<u>(59,750)</u>	<u>(59,750)</u>
 Total Non-operating Revenues (Expenses)	 <u>-</u>	 <u>-</u>	 <u>-</u>
Tasks:			
Marketing	295,531	183,359	183,359
Banks High Occupancy Vehicle Parking Program	<u>500,000</u>	<u>-</u>	<u>-</u>
 Total Tasks	 <u>\$ 795,531</u>	 <u>\$ 183,359</u>	 <u>\$ 183,359</u>

**NOTES:**

1. State grants and contracts consist of the following:
  - a. ODOT agreement for the period July 1, 2010 through June 30, 2013 for \$240,001 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent for the RideShare program and ODOT agreement for the period March 21, 2011 through March 20, 2014 for \$500,000 in ODOT/CMAQ reimbursed to OKI at a participation rate of 100 percent for the Banks HOV Parking Program.
  - b. UPWP KYTC funding beginning July 1, 2010 for \$44,424 in KYTC/SNK reimbursed to OKI at a participation rate of 15.6189 percent of RideShare program from FY11 SNK funding agreement and matched with contributed services. A minimum 20% match was required and exceeded.
2. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**HAMILTON COUNTY TID-PART B**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Ohio: ODOT (STP)	\$ 308,796	\$ 180,320	\$ 1,030	\$ 181,350
Contributed services	<u>77,199</u>	<u>45,079</u>	<u>258</u>	<u>45,337</u>
Total Operating Revenues	<u>385,995</u>	<u>225,399</u>	<u>1,288</u>	<u>226,687</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	308,796	180,320	1,030	181,350
Contributed services	<u>77,199</u>	<u>45,079</u>	<u>258</u>	<u>45,337</u>
Total Operating Expenses	<u>385,995</u>	<u>225,399</u>	<u>1,288</u>	<u>226,687</u>
<b>Tasks:</b>				
Hamilton County TID Part B	<u>385,995</u>	<u>225,399</u>	<u>1,288</u>	<u>226,687</u>
Total Tasks	<u>\$ 385,995</u>	<u>\$ 225,399</u>	<u>\$ 1,288</u>	<u>\$ 226,687</u>

**NOTES:**

1. The grant for the Hamilton County TID began July 1, 2002.
2. STP/ODOT funds are received under an agreement with ODOT at a participation rate of 80 percent. Revenues were received and expenditures incurred in accordance with a UPWP approved each fiscal year.
3. Hamilton County TID provides the 20 percent match from non-Federal funds through their participation in the project.
4. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2007 JOB ACCESS REVERSE COMMUTE ADMINISTRATION PROGRAM**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 118,969	\$ 46,988	\$ 15,332	\$ 62,320
Total Operating Revenues	<u>118,969</u>	<u>46,988</u>	<u>15,332</u>	<u>62,320</u>
Operating Expenses:				
Direct expenses				
Personnel	43,097	16,044	4,977	21,021
Fringe benefits	25,400	9,465	3,439	12,904
Travel, subsistence & professional	275	13	-	13
Other direct expenses	3,725	1,431	1,036	2,467
Indirect costs	<u>46,472</u>	<u>20,035</u>	<u>5,880</u>	<u>25,915</u>
Total Operating Expenses	<u>118,969</u>	<u>46,988</u>	<u>15,332</u>	<u>62,320</u>
Tasks:				
Job Access Reverse Commute	<u>118,969</u>	<u>46,988</u>	<u>15,332</u>	<u>62,320</u>
Total Tasks	<u>\$ 118,969</u>	<u>\$ 46,988</u>	<u>\$ 15,332</u>	<u>\$ 62,320</u>

**NOTES:**

1. The Job Access Reverse Commute administration grant began July 5, 2007.
2. The Job Access Reverse Commute grant is 100% federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2007 NEW FREEDOM ADMINISTRATION PROGRAM**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 76,309	\$ 57,489	\$ 18,440	\$ 75,929
Total Operating Revenues	<u>76,309</u>	<u>57,489</u>	<u>18,440</u>	<u>75,929</u>
<b>Operating Expenses:</b>				
Direct expenses				
Personnel	26,361	19,683	6,459	26,142
Fringe benefits	16,200	11,848	4,348	16,196
Travel, subsistence & professional	25	13	-	13
Other direct expenses	1,455	1,311	11	1,322
Indirect costs	<u>32,268</u>	<u>24,634</u>	<u>7,622</u>	<u>32,256</u>
Total Operating Expenses	<u>76,309</u>	<u>57,489</u>	<u>18,440</u>	<u>75,929</u>
<b>Tasks:</b>				
New Freedom	<u>76,309</u>	<u>57,489</u>	<u>18,440</u>	<u>75,929</u>
Total Tasks	<u>\$ 76,309</u>	<u>\$ 57,489</u>	<u>\$ 18,440</u>	<u>\$ 75,929</u>

**NOTES:**

1. The New Freedom administration grant began July 5, 2007.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2008 NEW FREEDOM PASS-THROUGH PROGRAMS**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 431,787	\$ 85,195	\$ 135,856	\$ 221,051
Contributed services	<u>739,314</u>	<u>308,665</u>	<u>171,207</u>	<u>479,872</u>
Total Operating Revenues	<u>1,171,101</u>	<u>393,860</u>	<u>307,063</u>	<u>700,923</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	431,787	85,195	135,856	221,051
Contributed services	<u>739,314</u>	<u>308,665</u>	<u>171,207</u>	<u>479,872</u>
Total Operating Expenses	<u>1,171,101</u>	<u>393,860</u>	<u>307,063</u>	<u>700,923</u>
<b>Tasks:</b>				
Wesley Community Services	376,721	287,292	-	287,292
Community Cab	794,380	106,568	307,063	413,631
New Freedom	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Tasks	<u>\$ 1,171,101</u>	<u>\$ 393,860</u>	<u>\$ 307,063</u>	<u>\$ 700,923</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began July 1, 2008.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. The Wesley Community Services portion of the pass through was completed June 30, 2009. The budget was for \$34,597 in federal funds and \$342,124 in match. The final program was \$34,597 in federal funds and \$252,694 in match. Although the match is not in the amount budgeted it is in excess of the 50% requirement and was accepted by FTA.
5. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2010 NEW FREEDOM ADMINISTRATION PROGRAM**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
Operating Revenues:				
Federal and state grants				
Federal FTA	\$ 93,632	\$ 452	\$ 14,639	\$ 15,091
Total Operating Revenues	<u>93,632</u>	<u>452</u>	<u>14,639</u>	<u>15,091</u>
Operating Expenses:				
Direct expenses				
Personnel	32,142	156	5,049	5,205
Fringe benefits	19,635	102	3,604	3,706
Travel, subsistence & professional	200	-	-	-
Other direct expenses	1,360	-	12	12
Indirect costs	<u>39,925</u>	<u>194</u>	<u>5,974</u>	<u>6,168</u>
Total Operating Expenses	<u>93,262</u>	<u>452</u>	<u>14,639</u>	<u>15,091</u>
Tasks:				
New Freedom Administration	<u>93,632</u>	<u>452</u>	<u>14,639</u>	<u>15,091</u>
Total Tasks	<u>\$ 93,632</u>	<u>\$ 452</u>	<u>\$ 14,639</u>	<u>\$ 15,091</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began October 8, 2009.
2. The New Freedom grant is 100% Federally funded. Funds are used for administration of the Coordinated Public Transit Human Services Transportation Plan for the OKI region.
3. As of June 30, 2011, no costs subject to audit have been questioned.



**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**FTA**  
**FY 2010 NEW FREEDOM PASS-THROUGH PROGRAMS**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Federal FTA	\$ 395,494	\$ 10,350	\$ 224,287	\$ 234,637
Contributed services	<u>500,614</u>	<u>35,208</u>	<u>411,794</u>	<u>447,002</u>
Total Operating Revenues	<u>896,108</u>	<u>45,558</u>	<u>636,081</u>	<u>681,639</u>
<b>Operating Expenses:</b>				
Direct expenses				
Printing, marketing & contractual	395,494	10,350	224,287	234,637
Contributed services	<u>500,614</u>	<u>35,208</u>	<u>411,794</u>	<u>447,002</u>
Total Operating Expenses	<u>896,108</u>	<u>45,558</u>	<u>636,081</u>	<u>681,639</u>
<b>Tasks:</b>				
Wesley Community Services	696,108	45,558	556,565	602,123
Senior Services of Northern Kentucky	<u>200,000</u>	<u>-</u>	<u>79,516</u>	<u>79,516</u>
Total Tasks	<u>\$ 896,108</u>	<u>\$ 45,558</u>	<u>\$ 636,081</u>	<u>\$ 681,639</u>

**NOTES:**

1. The Job Access Reverse Commute and New Freedom grants began January 1, 2010.
2. The New Freedom grants are funded at 50% for operating programs and passed through to other agencies for delivery of transportation services related to the Public Transit Human Services Transportation Plan for the OKI region.
3. The recipient agency provides the required 50% match.
4. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**OEPA**  
**FY 2011-12 OEPA 604B WATER QUALITY PLANNING**  
**JUNE 30, 2011**

	Budget	Current Year Revenue and Expenditures	Cumulative Revenues and Expenditures as of June 30, 2010
Operating Revenues:			
Federal and state grants			
Ohio: OEPA (EPA Funds)	\$ 77,267	\$ 9,772	\$ 9,772
Total Operating Revenues	77,267	9,772	9,772
Operating Expenses:			
Direct expenses			
Personnel	26,644	3,345	3,345
Fringe benefits	18,240	2,311	2,311
Travel, subsistence & professional	255	160	160
Printing, marketing & contractual	100	-	-
Other direct expenses	563	5	5
Indirect costs	31,465	3,951	3,951
Total Operating Expenses	77,267	9,772	9,772
Tasks:			
Program coordination	77,267	9,772	9,772
Total Tasks	\$ 77,267	\$ 9,772	\$ 9,772

**NOTES:**

1. The grant period under the OEPA FY2011 State 604B Water Quality Planning contract is March 16, 2011 through June 30, 2012.
2. As of June 30, 2011, no costs subject to audit have been questioned.

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS**  
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES**  
**IDEM**  
**DEARBORN COUNTY WATER QUALITY MANAGEMENT PLAN UPDATE**  
**JUNE 30, 2011**

	<u>Budget</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2010</u>	<u>Current Year Revenue and Expenditures</u>	<u>Cumulative Revenues and Expenditures as of June 30, 2011</u>
<b>Operating Revenues:</b>				
Federal and state grants				
Indiana: IDEM (ARRA funds)	\$ 90,437	\$ 26,975	\$ 60,120	\$ 87,095
Total Operating Revenues	<u>90,437</u>	<u>26,975</u>	<u>60,120</u>	<u>87,095</u>
<b>Operating Expenses:</b>				
<b>Direct expenses</b>				
Personnel	31,269	9,261	20,858	30,119
Fringe benefits	21,242	6,046	14,411	20,457
Travel, subsistence & professional	41	-	41	41
Printing, marketing & contractual	-	-	-	-
Other direct expenses	416	163	171	334
Indirect costs	<u>37,469</u>	<u>11,505</u>	<u>24,639</u>	<u>36,144</u>
Total Operating Expenses	<u>90,437</u>	<u>26,975</u>	<u>60,120</u>	<u>87,095</u>
<b>Non-operating Revenues (Expenses):</b>				
Contributed services revenues	-	3,467	6,382	9,849
Contributed services expenses	<u>-</u>	<u>(3,467)</u>	<u>(6,382)</u>	<u>(9,849)</u>
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Tasks:</b>				
IDEM ARRA non-point source	22,250	10,158	12,507	22,665
IDEM ARRA point sources	17,044	4,931	13,027	17,958
IDEM ARRA land use population	16,484	10,031	11,937	21,968
IDEM ARRA advisory group and outreach	24,345	5,321	21,635	26,956
IDEM ARRA plan document	<u>10,314</u>	<u>1</u>	<u>7,396</u>	<u>7,397</u>
Total Tasks	<u>\$ 90,437</u>	<u>\$ 30,442</u>	<u>\$ 66,502</u>	<u>\$ 96,944</u>

**NOTES:**

1. The grant period under the IDEM FY2010 Dearborn County Water Quality Management Plan Update contract is February 3, 2010 through August 2, 2011.
2. During the application process Dearborn County GIS pledged \$3,000 in contributed services and Dearborn County Plan Commission pledged \$6,000 in contributed services. IDEM did not include these contributed services in the contract, but OKI records them to report support of the program.
3. As of June 30, 2011, 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, 2011**

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	Federal Award Amount	Total Project Budget	Total Federal Expenditures for the year ended June 30, 2011	Cumulative Federal Expenditures as of June 30, 2011
<b>U. S. Department of Transportation</b>					
<i>Direct Programs - Federal Transit Administration</i>					
<i>Transit Services Programs Cluster</i>					
FY 2007 FTA - Job Access Reverse Commute Administration Program	20.516	\$ 118,969	\$ 118,969	\$ 15,332	\$ 62,320
FY 2007 FTA - New Freedom Administration Program	20.521	76,309	76,309	18,440	75,929
FY 2008 FTA - New Freedom Pass-Through Programs	20.521	431,787	1,171,101	135,856	221,051
FY 2010 FTA - New Freedom Administration Program	20.521	93,632	93,632	14,639	15,091
FY 2010 FTA - New Freedom Pass-Through Programs	20.521	395,494	896,108	224,287	234,637
		<u>1,116,191</u>	<u>2,356,119</u>	<u>408,554</u>	<u>609,028</u>
Total Direct Programs					
<i>Programs Passed Through State Department of Transportation (Ohio, Kentucky &amp; Indiana) - Federal Highway Administration</i>					
FY 2010 Transportation Planning	20.205	2,685,497	3,419,690	580,430	2,694,076
FY 2011 Transportation Planning	20.205	2,564,481	3,220,862	1,949,311	1,949,311
FY 2010 Surface Transportation Program	20.205	930,246	1,172,807	383,297	718,551
FY 2011 Surface Transportation Program	20.205	558,514	698,143	456,795	456,795
FY 2010-11 Clean Air (Ozone Awareness) Program	20.205	942,505	977,969	433,499	451,367
FY 2010 Project RideShare	20.205	284,425	295,531	139,263	284,421
FY 2011 Project RideShare	20.205	784,425	795,531	115,749	115,749
Hamilton County TID - Part B	20.205	308,796	385,995	1,030	181,350
		<u>9,058,889</u>	<u>10,966,528</u>	<u>4,059,374</u>	<u>6,851,620</u>
Total Passed Through Programs					
		<u>10,175,080</u>	<u>13,322,647</u>	<u>4,467,928</u>	<u>7,460,648</u>
<b>Total U. S. Department of Transportation</b>					
<b>U.S. Environmental Protection Agency</b>					
<i>Programs Passed through State Environmental Protection Agency</i>					
FY 2011-12 OEPA 604B Water Quality Planning	66.454	77,267	77,267	9,772	9,772
FY 2010 OEPA 604B ARRA Water Quality Management	66.454	127,000	127,000	77,999	127,000
Dearborn County Water Quality Management Plan Update ARRA	66.460	90,437	90,437	60,120	87,095
		<u>294,704</u>	<u>294,704</u>	<u>147,891</u>	<u>223,867</u>
<b>Total U.S. Environmental Protection Agency</b>					
		<u>\$ 10,469,784</u>	<u>\$ 13,617,351</u>	<u>\$ 4,615,819</u>	<u>\$ 7,684,515</u>

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, 2011**

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

# Bastin & Company, LLC

*Certified Public Accountants*

## **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, 2011, and have issued our report thereon dated November 23, 2011. 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Bastin & Company, LLC*

Cincinnati, Ohio  
November 23, 2011

# 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 Ohio-Kentucky-Indiana Regional Council of Governments (OKI) compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of OKI's major federal programs for the year ended June 30, 2011. 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

### **Internal Control Over Compliance**

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 to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of OKI's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a



reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

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 over compliance that might be deficiencies, 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, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

Cincinnati, Ohio  
November 23, 2011

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 OMB CIRCULAR A-133 § .505  
 FOR THE YEAR ENDED JUNE 30, 2011**

<b>SUMMARY OF AUDITORS' RESULTS</b>
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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 Administration  CFDA 66.454 U.S. Environmental Protection Agency
Dollar threshold to distinguish between Type A/B programs	Type A: >\$300,000 Type B: all others
Low risk auditee?	Yes

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

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

**OHIO-KENTUCKY-INDIANA REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
AS OF JUNE 30, 2011**

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

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# Dave Yost • Auditor of State

**OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS**

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 13, 2012**