

BUTLER COUNTY, OHIO

SUPPLEMENTAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017



Dave Yost • Auditor of State

Board of Commissioners
Butler County
130 High Street
Hamilton, Ohio 45011

We have reviewed the *Independent Auditor's Report* of Butler County, prepared by Julian & Grube, Inc., for the audit period January 1, 2017 through December 31, 2017. 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. Butler County is responsible for compliance with these laws and regulations.

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Dave Yost
Auditor of State

September 7, 2018

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BUTLER COUNTY

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**BUTLER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through/ Entity Number	Federal CFDA Number	Passed Through to Subrecipient	(A),(B) Cash Federal Disbursements
<u>U.S DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education:</i>				
Child Nutrition Cluster:				
(C),(G)	School Breakfast Program	2017	10.553	51,426
(C),(G)	National School Lunch Program	2017	10.555	101,863
	Total Child Nutrition Cluster			<u>153,289</u>
<i>Passed Through Ohio Department of Jobs & Family Services:</i>				
Supplemental Nutrition Assistance Program Cluster:				
(M)	State Administration Matching Grants for the Supplemental Nutrition Assistance Program	G-1617-11-5490/G-1819-11-5717	10.561	1,957,915
	Total Supplemental Nutrition Assistance Program Cluster			<u>1,957,915</u>
<i>Passed through Ohio Department of Agriculture:</i>				
(K)	Water and Waste Disposal Systems for Rural Communities	N/A	10.760	664,957
	Total U.S. Department of Agriculture			<u>2,776,161</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
CDBG - Entitlement Grants Cluster:				
(E),(L),(N)	Community Development Block Grants/Entitlement Grants	B-14-UC-39-0008	14.218	12,846
(E),(L),(N)	Community Development Block Grants/Entitlement Grants	B-15-UC-39-0008	14.218	187,959
(E),(J),(L),(N)	Community Development Block Grants/Entitlement Grants	B-16-UC-39-0008	14.218	208,640
(E),(J),(L),(N)	Community Development Block Grants/Entitlement Grants	B-17-UC-39-0008	14.218	17,000
	Total Community Development Block Grants/Entitlement Grants and CDBG - Entitlement Grants Cluster			<u>225,640</u> <u>1,198,849</u>
(E)	Shelter Plus Care	OH0430L5E071504	14.238	122,338
(E)	Shelter Plus Care	OH0431L5E071504	14.238	115,917
(E)	Shelter Plus Care	OH0159L5E071503	14.238	151,762
(E)	Shelter Plus Care	OH0430L5E071605	14.238	51,413
(E)	Shelter Plus Care	OH0431L5E071605	14.238	50,139
	Total Shelter Plus Care			<u>491,569</u>
(E),(J)	Home Investment Partnerships Program	M-15-DC-39-0222	14.239	16,500
(E),(J)	Home Investment Partnerships Program	M-16-DC-39-0222	14.239	191,416
(E)	Home Investment Partnerships Program	M-17-DC-39-0222	14.239	-
	Total Home Investment Partnerships Program			<u>207,916</u> <u>483,291</u>
	Total U.S. Department of Housing and Urban Development			<u>433,556</u> <u>2,173,709</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
(E)	Edward Byrne Memorial Justice Assistance Grant Program	2016-JG-A01-6801	16.738	30,000
<i>Passed Through Ohio Attorney General's Office:</i>				
	Crime Victim Assistance	2017-VOCA-43552856	16.575	87,006
	Crime Victim Assistance	2018-VOCA-109846335	16.575	42,587
	Crime Victim Assistance	2017-VOCA-43551983	16.575	22,895
	Crime Victim Assistance	2018-VOCA-109254229	16.575	82,629
	Total Crime Victim Assistance			<u>235,117</u>
	Total U.S. Department of Justice			<u>265,117</u>

(Continued)

BUTLER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through/ Entity Number	Federal CFDA Number	Passed Through to Subrecipient	(A),(B) Cash Federal Disbursements
<u>U.S. DEPARTMENT OF LABOR</u>				
<i>Passed Through Ohio Department of Jobs & Family Services:</i>				
(K)	Employment Service/Wagner-Peyser Funded Activities	N/A	17.207	2,000
Workforce Investment and Opportunity Act Cluster:				
(F),(K)	WIA Adult Program	N/A	17.258	443,641
(F),(K)	WIA Dislocated Worker Formula Grants	N/A	17.278	205,506
(F),(K)	Workforce Investment and Opportunity Act - Youth Activities	N/A	17.259	46,943
(F),(K)	Workforce Investment and Opportunity Act - Youth Administrative	N/A	17.259	3,091
	Total Workforce Investment and Opportunity Act - Youth Activities			50,034
	Total Workforce Investment and Opportunity Act Cluster			699,181
	Total U.S. Department of Labor			701,181
<u>U.S. DEPARTMENT OF TRANSPORTATION / FEDERAL HIGHWAY ADMINISTRATION</u>				
<i>Passed Through Ohio Department of Transportation:</i>				
Highway Planning and Construction Cluster:				
(O)	Highway Planning and Construction	PID 90755	20.205	5,602
(O)	Highway Planning and Construction	PID 94288	20.205	154,780
(O)	Highway Planning and Construction	PID 96450	20.205	1,247,637
(O)	Highway Planning and Construction	PID 96493	20.205	1,687,695
(O)	Highway Planning and Construction	PID 99558	20.205	23,308
(O)	Highway Planning and Construction	PID 103317	20.205	14,422
	Total Highway Planning and Construction and Highway Planning and Construction Cluster			3,133,444
<i>Passed through the Ohio Department of Public Safety:</i>				
	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	O-00044	20.608	10,765
Highway Safety Cluster:				
(D)	State and Community Highway Safety	STEP-2017-9-00-00-00481-00	20.600	25,692
(D)	State and Community Highway Safety	O-00044	20.600	9,008
	Total State and Community Highway Safety			34,700
(D)	National Priority Safety Programs	IDEP-2017-9-00-00-00418-00	20.616	33,694
	Total Highway Safety Cluster			68,394
(E)	Airport Improvement Program	N/A	20.106	20,284
	Total U.S. Department of Transportation / Federal Highway Administration			3,232,887

(Continued)

BUTLER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)

	Federal Grantor/ Pass Through Grantor Program Title	Pass Through/ Entity Number	Federal CFDA Number	Passed Through to Subrecipient	(A),(B) Cash Federal Disbursements
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>					
<i>Passed Through Ohio Emergency Management Agency:</i>					
	Emergency Management Performance Grant	EMC-2016-EP-00003-S01	97.042		55,944
	Pre-Disaster Mitigation	EMC-2016-EP-00003-S01	97.047		5,613
	Homeland Security Grant Program	EMW-2015-SS-00086	97.067		8,159
Total U.S. Department of Homeland Security					69,716
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
(E)	Drug-Free Communities Support Program Grants	N/A	93.276		614
<i>Passed Through Ohio Department of Mental Health:</i>					
(K)	Projects for Assistance in Transition from Homelessness (PATH)	N/A	93.150		52,883
(K)	Block Grants for Community Mental Health Services	N/A	93.958		292,575
(K)	Block Grants for Prevention and Treatment of Substance Abuse	N/A	93.959		2,132,978
<i>Passed Through Ohio Department of Jobs & Family Services:</i>					
	Promoting Safe and Stable Families	G-1617-11-5490/G-1819-11-5717	93.556		124,496
TANF Cluster:					
(P)	Temporary Assistance for Needy Families	G-1617-11-5490/G-1819-11-5717	93.558		2,801,524
Total Temporary Assistance for Needy Families and TANF Cluster					2,801,524
	Child Support Enforcement	G-1617-11-5490/G-1819-11-5717	93.563		3,404,798
CCDF Cluster:					
(Q)	Child Care and Development Block Grant	G-1617-11-5490/G-1819-11-5717	93.575		391,508
Total Child Care and Development Block Grant and CCDF Cluster					391,508
	Stephanie Tubbs Jones Child Welfare Services Program	G-1617-11-5490/G-1819-11-5717	93.645		307,153
	Foster Care Title IV-E	G-1617-11-5490/G-1819-11-5717	93.658		3,998,858
	Adoption Assistance	G-1617-11-5490/G-1819-11-5717	93.659		2,215,342
	Social Services Block Grant	G-1617-11-5490/G-1819-11-5717	93.667		2,585,338
(H),(K)	Social Services Block Grant	N/A	93.667		196,503
(I),(K)	Social Services Block Grant	N/A	93.667		211,961
Total Social Services Block Grant					2,993,802
	Chafee Foster Care Independence Program	G-1617-11-5490/G-1819-11-5717	93.674		51,369
Medicaid Cluster:					
(R)	Medical Assistance Program	G-1617-11-5490/G-1819-11-5717	93.778		2,276,196
(I),(K),(R)	Medical Assistance Program	N/A	93.778		840,274
Total Medical Assistance Program and Medicaid Cluster					3,116,470
Total U.S. Department of Health and Human Services					21,884,370
Total Federal Financial Assistance				\$ 433,556	\$ 31,103,141

(Continued)

BUTLER COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)

Notes to the Schedule of Expenditures of Federal Awards:

(A) This schedule includes the federal award activity of Butler County under programs of the federal government for the year ended December 31, 2017 and is prepared in accordance with the cash basis of accounting. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Butler County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Butler County.

(B) Certain federal programs require the County contribute non-federal funds (matching funds) to support the federally funded programs. The County has complied with the matching requirements. The expenditure of non-federal matching funds are not included on the schedule.

(C) Included as part of the "Child Nutrition Cluster" in determining major programs.

(D) Included as part of the "Highway Safety Cluster" in determining major programs.

(E) Grant was received directly from the federal agency.

(F) Included as part of the "Workforce Investment Act and Opportunity Cluster" in determining major programs.

(G) Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

(H) This portion of the program was passed through the Ohio Department of Mental Health.

(I) This portion of the program was passed through the Ohio Department of Developmental Disabilities.

(J) The County passes certain federal awards received from various agencies to other governments or not-for-profit agencies (subrecipients). As Note A describes, the County reports expenditures of Federal awards to subrecipients when paid in cash. As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

(K) Pass-through number was unable to be obtained for this grant.

(L) The County has established a revolving loan program to provide low-interest loans to businesses that are creating jobs and meet the other program requirements. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Expenditures of Federal Awards (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2017, the gross amount of loans outstanding under this program was \$176,975.

(M) Included as part of the "Supplemental Nutrition Assistance Program Cluster" in determining major programs.

(N) Included as part of the "CDBG - Entitlement Grants Cluster" in determining major programs.

(O) Included as part of the "Highway Planning and Construction Cluster" in determining major programs.

(P) Included as part of the "TANF Cluster" in determining major programs.

(Q) Included as part of the "CCDF Cluster" in determining major programs.

(R) Included as part of the "Medicaid Cluster" in determining major programs.

(S) CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The County has not elected to use the 10% de minimis indirect cost rate.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Required by *Government Auditing Standards***

Butler County
130 High Street
Hamilton, Ohio 45011

To the Board of County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements and have issued our report thereon dated June 28, 2018. Our report refers to other auditors who audited the financial statements of the Butler County Port Authority, a discretely presented component unit of Butler County, as described in our report on Butler County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered Butler County's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of Butler County's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of Butler County's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Board of County Commissioners
Butler County

Compliance and Other Matters

As part of reasonably assuring whether Butler County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results and does not opine on the effectiveness of Butler County's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering Butler County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc." The signature is written in black ink and is positioned above the printed name of the firm.

Julian & Grube, Inc.
June 28, 2018



Julian & Grube, Inc.
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333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Compliance With Requirements Applicable
to Each Major Federal Program and on Internal Control Over Compliance
and the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Butler County
130 High Street
Hamilton, Ohio 45011

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Butler County's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of Butler County's major federal programs for the year ended December 31, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies Butler County's major federal programs.

Management's Responsibility

Butler County's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on Butler County's compliance for each of Butler County's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about Butler County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of Butler County's major programs. However, our audit does not provide a legal determination of Butler County's compliance.

Opinion on Each Major Federal Program

In our opinion, Butler County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2017.

Report on Internal Control Over Compliance

Butler County's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered Butler County's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of Butler County'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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *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 federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely-presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements. We issued our unmodified report thereon dated June 28, 2018. We conducted our audit to opine on Butler County's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. Our opinion also explained that the Butler County Port Authority, a discretely presented component unit, was audited by other auditors.



Julian & Grube, Inc.
June 28, 2018

BUTLER COUNTY
SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2017

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Supplemental Nutrition Assistance Program Cluster; Highway Planning and Construction Cluster; Child Support Enforcement (CFDA #93.563)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$933,094 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

BUTLER COUNTY

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR § 200.511(b)
DECEMBER 31, 2017**

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2016-001	2016	<u>Material Noncompliance</u> - Ohio Revised Code Section 5705.36 in part, requires subdivisions to request increased or reduced amended certificates of estimated resources upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the last certified amended certificate. The County did not request timely amended certificates throughout the fiscal year upon notice of increased or decreased resources.	Corrective Action Taken and Finding is Fully Corrected	N/A
2016-002	2016	<u>Material Noncompliance</u> - Ohio Revised Code Section 5705.39 requires that a subdivision's total appropriations from each fund should not exceed total estimated resources. The County had total appropriations exceeding total estimated resources in multiple funds at December 31, 2016.	Corrective Action Taken and Finding is Fully Corrected	N/A
2016-003	2016	<u>Material Noncompliance</u> - Ohio Revised Code Section 5705.36 (A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency. The County had appropriations in excess of actual resources, which consists of actual revenues and beginning unencumbered fund balance, in multiple funds at December 31, 2016.	Corrective Action Taken and Finding is Fully Corrected	N/A

Butler County Ohio

Comprehensive Annual Financial Report



For the Year Ended December 31, 2017

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Butler County, Ohio

Comprehensive Annual Financial Report **For the Year Ended December 31, 2017**

Prepared by the Butler County Auditor's Office

Roger Reynolds, CPA
Butler County Auditor

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Introductory Section

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BUTLER COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2017

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BUTLER COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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BUTLER COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2017

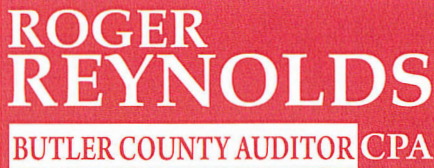
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Office Phone: 513-887-3154
Office Fax: 513-887-3149

130 High Street
Hamilton, Ohio 45011



June 28, 2018

To the Citizens and Board of Commissioners of Butler County:

Butler County is required by Ohio law to prepare an annual financial report using generally accepted accounting principles. It is our pleasure to present the Butler County Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2017.

The CAFR is prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources and contains basic financial statements, supplemental statements, and other financial and statistical information, providing complete and full disclosure of all material financial aspects of Butler County for 2017. This report is presented in fulfillment of the financial reporting requirements and is representative of our continual commitment to provide accurate and timely financial information to the citizens of Butler County.

Management assumes full responsibility for the accuracy and completeness of the information contained in this report based upon a comprehensive framework of internal control. Because the cost of internal control should not exceed anticipated benefits, management's objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Our independent auditor, Julian & Grube, Incorporated, has issued an unmodified opinion on Butler County's financial statements for the year ended December 31, 2017. The independent auditor's report is presented as the first component of the financial section of this report.

Management provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A, which can be found immediately following the independent auditor's report.

REPORTING ENTITY

Butler County, established in 1803, was one of Ohio's original eight counties. The elected three-member Board of County Commissioners functions as the primary legislative and executive branch of the County. Each commissioner serves a term of four years. In addition, the Auditor, who serves as the chief fiscal officer and real estate property assessor for the County, and the Treasurer, who collects property taxes and is the custodian of all funds, are also elected to four-year terms. Other elected officials serving four-year terms include the Prosecuting Attorney, Sheriff, Engineer, Clerk of Courts, Recorder, and Coroner. Judges presiding over the Court of Common Pleas, Domestic Relations Court, Juvenile Court, Probate Court, and the County Court are also elected on a countywide basis.

The County provides its citizens with a wide range of services that include human and social services, health and community assistance related services, civil and criminal justice system services, road and bridge maintenance, and other general and administrative support services. The County maintains enterprise funds to account for the water and sewer system operations. The County also maintains internal service funds for workers' compensation and health insurance.

The financial statements contained within this Comprehensive Annual Financial Report includes all funds, agencies, boards and commissions for which the County elected officials are financially accountable. A complete discussion of the County's reporting entity is provided in Note 1 to the basic financial statements.

ECONOMIC CONDITION AND OUTLOOK

Seventh largest among the state's 88 counties, Butler County's estimated 2017 population of 380,604 is up more than 3,000 from 2016 and reflects an increase of 12,474 people since the 2010 Census – the third largest increase among the State's 10 largest counties. Ranking 183rd in population out of 3,142 counties in the nation, Butler is among the top six percent of all U.S. counties in terms of total population. Served by rail lines, interstate highways, two nearby international airports and high-speed fiber-optic data communications, Butler County is an ideal location for businesses to locate and prosper.

There were 4,229 building/electric permits issued in 2017 in the unincorporated areas of Butler County with a combined value of \$252.0 million and fees came in at \$2.4 million. These numbers are all down from 2016 when 4,573 permits were issued with a combined valuation of \$299.4 million. Total permit fees were \$2.7 million.

According to the latest data from the U.S. Bureau of Labor Statistics (BLS), the average weekly wage in Butler County fell 1.4 percent from the third quarter of 2016 to the third quarter of 2017, to \$901/week. The BLS reported that Butler County's third quarter 2017 employment number was 155,200, up 2.0 percent over the 2016 figure. This increase was the highest in Ohio among the top 13 most populous counties and ranked 60th best among the nation's 347 largest counties. The Consumer Price Index for All Urban Consumers (CPI-U) in the Cincinnati-Hamilton area increased 1.1 percent from the second half of 2016 to the second half of 2017. Assistant Commissioner for Regional Operations Charlene Peiffer noted that energy prices were 11.7 percent higher compared to the second half of 2016, and food prices were up 2.0 percent. The index for all items less food and energy was unchanged over the year.

Butler County was again well represented on the 2017 Deloitte Cincinnati USA Top 100 list of the largest privately owned businesses in the Cincinnati region (based on 2016 revenue).

- Performance Automotive Network of Fairfield was up from the 4th spot to 3rd and is the top ranked Butler County business.
- Baker Concrete Construction of Monroe moved up from 13th on the list to 9th
- Lithko Contracting of Lemon Township was up from the 29th spot to 24th.
- Totes Isotoner of West Chester, was down two spots from 28th to 30th
- Cohen Recycling of Middletown, was up one spot from 34th to 33rd

The unemployment rate leveled off at 4.4 percent in 2017, a percentage that has not been bettered since it was 4.0 percent in 2001. Reflecting that good news, several companies chose to locate in Butler County. According to the 2017 Growth Report for Butler County, the largest 18 projects – 14 of them expansions and four of them new locations – provided more than \$105 million in new investment, almost 1 million square feet in new construction, 746 new jobs created and at least 1,222 jobs retained.

With many communities aggressively seeking to attract companies to relocate, County officials said the 14 expansion projects show that companies have confidence in Butler County and believe it's the right location for their businesses.

The City of Hamilton saw the largest investment by one company in 2017 with American Manpower Services Inc.'s \$46 million investment, which created 200 jobs, making it the largest single creator of jobs in the County last year. In January 2017, American Manpower Services, the staffing entity that works exclusively for Darana Hybrid, received a \$200,000 economic development grant to create those jobs, with a \$9 million payroll, according to JobsOhio. Eleven of the eighteen largest projects for 2017, including two new locations, are in West Chester Twp., representing nearly half of the job creation and more than \$38 million in investment. "Successful businesses grow where other successful businesses have planted," the township's community development director told the media, noting West Chester is home to more than 3,500 businesses. "Companies such as Ikea, Topgolf, Duluth Trading Company, Main Event Entertainment and others who are entering the Cincinnati market for the first time are drawn to similar demographics and opportunities."

Fairfield companies that made the list contributed more than \$8.5 million in investment in 2017, creating 170 jobs and retaining 702, accounting for more than half the jobs retained.

Rounding out the large job creation efforts in Butler County is Magnode, a Trenton-based aluminum extrusion company which announced a new \$13 million expansion that will create 50 new jobs while retaining 200.

Three companies are rapidly climbing the list of Hamilton's top employers - ThyssenKrupp Bilstein, Barclaycard, and STARTEK. All are now in the Top 5.

ThyssenKrupp Bilstein, which manufactures highly adjustable shock-absorbers for vehicles, grew from 185 employees in 2010 to 800 by the end of 2017. The company is now the second largest employer in the city behind Fort Hamilton Hospital, which has more than 1,000 employees.

Barclaycard, a customer contact center, grew to 500 employees by the end of 2017. In August 2015 the company announced it was opening a 1,500-person center and reported 250 employees at the site by the end of 2016.

STARTEK, an international call center, announced in February of 2015 its plans to locate a 682-person call center downtown and employed 350 at the end of 2017.

The city says in the past five years, Hamilton's downtown has had more than \$60 million in investment. Officials expect that growth to continue.

The decision of Tennessee-based electromechanical services provider Darana Hybrid Inc. to bring 200 new jobs along with \$46 million in investment was a key development win for the city. Darana agreed to move its office operations to Hamilton and continue operations at its new site for at least 11 years, according to scope of work documents from the Ohio Development Services Agency. They are headquartered on the 5th floor of the City of Hamilton office building at 345 High.

"We're really planning to grow by leaps and bounds there in the next three years," vice president of strategic development Brenda Dane told the media.

Downtown Hamilton also saw the April groundbreaking of Blue Ash-based CMC Properties' new four-story apartment and retail complex just east of the Courtyard by Marriott and south of the new Marcum Park. The property is expected to offer 100 apartments for rent when construction concludes by the end of summer 2018 and features six commercial spaces on the ground floor as well as garages.

MAJOR INITIATIVES

Water System

The water system serves more than 120,000 homes and businesses in the south east portion of Butler County, including West Chester, Liberty, and Fairfield Townships. Additionally, the system serves wholesale water to the City of Monroe. The water system consists of five pump stations, eleven storage facilities and 645 miles of water lines.

Projects during 2017 included the replacement of the failing cast iron water main along Liberty Fairfield Road between Princeton Road to Millikin Road and the design of the cast iron pipe replacement along Jerry Drive in West Chester.

Sewer System

The sewer system consists of 773 miles of sewer mains, 30 pumping stations, four satellite treatment plants, and two regional reclamation facilities (WRF). This system transports and treats wastewater and returns clean water to our rivers and streams.

The Todhunter Sewer Rehabilitation Project was completed in 2017. This project replaced a large deteriorating trunk sewer in Monroe. In addition to that project, other projects completed in 2017 include a newly designed pump station at the Alamo Water Reclamation Facility, and an upgraded aeration system at Upper Mill Creek Water Reclamation Facility.

Recycling Programs

In 2017, Butler County Recycling & Solid Waste District provided residential recycling programs for hard to manage materials such as Freon appliances, household hazardous waste (HHW), and a waste tire amnesty event. Based on consumer demand for outlets to manage unwanted televisions and electronics, the District launched a 3-day/week drop off program during the month of September for “no-fee” e-waste recycling at Cohen’s locations in Middletown and Hamilton. Butler County Recycling provided ongoing education to residents about managing seasonal waste, and latex paint. Information was also made available for managing e-waste, batteries, and other hard to dispose items.

In collaboration with Rumpke and township officials, the District initiated a curbside recycling promotion using direct mail to residents of Madison and Fairfield Townships with the goal of increasing the total number of households participating in curbside recycling. Additional curbside recycling promotions are planned in Liberty and West Chester Townships. In order to remain in compliance with Ohio EPA’s ‘Access to Recycling Goal’, Butler County Recycling provides year round community recycling at no cost to consumers at over (30) public recycling sites which accept common household recyclables - paper, glass, plastic and cardboard.

The Solid Waste Policy Committee completed an update for Butler County’s fifteen year solid waste management plan (2018-2032) as required by O.R.C. A draft of the Plan Update was submitted to Ohio EPA in March 2017 and received preliminary approval from the agency following their review. Butler County completed a 30-day public comment period and public hearing prior to issuing the Solid Waste Plan Update to area officials in 2018 for ratification/approval of the Plan. With regard to funding, the solid waste generation fee is proposed to increase by \$0.18/ton as part of the new Solid Waste Plan. The fee increase will take effect January 1, 2020.

Capital Improvements

The Board of County Commissioners is charged with the responsibility of maintaining the facilities and equipment that serve the primary government offices of the County.

In 2017, development around the Liberty Way I-75 interchange continues to focus on the expansive Liberty Center and medical services. Christ Hospital Medical Center-Liberty Twp. neared completion by the end of 2017 and sits just across I-75 from Cincinnati Children’s Liberty Campus and just up the road from West Chester Hospital.

Also planned for the area is a Tri-Health medical center, a project set to be developed just across the street in West Chester Twp. That development is expected to include a mixed-use of medical buildings, a four-story hotel and various retail components on 57 acres along Cox Road just north of Liberty Way

FINANCIAL INFORMATION

Basis of Accounting

The County’s records are maintained on a cash basis for all funds. At year-end, adjusting entries are prepared for the various funds to convert the cash basis records to the modified accrual basis of accounting for all governmental funds and to the accrual basis for proprietary funds. Modified accrual accounting requires that revenues be recognized when both measurable and available. Expenditures, other than interest and principal on long-term debt, are recorded when fund liabilities are incurred. The accrual basis of accounting used for the proprietary funds recognizes revenues when earned and expenses when incurred.

Internal Control

The County’s system of internal accounting controls is designed to provide reasonable, but not absolute, assurance that (1) financial transactions are processed in accordance with management’s authorization, (2) transactions comply with County policies and Ohio law, and (3) financial records are reliable for preparing financial statements and maintaining accountability for assets and obligations. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived from their implementation and that the evaluation of costs and benefits require estimates and judgments by management.

Budgetary Control

By early January, the Board of County Commissioners adopts the annual appropriation measure for all funds, except for agency funds. All disbursements and transfers of cash between funds other than agency funds require appropriation authority from the Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level. All purchase orders and contracts must be approved by a majority of the Board of County Commissioners except where another board or elected official is given this responsibility by statute.

As contracts and purchase orders are issued to vendors, corresponding amounts of appropriations are reserved by the use of encumbrances to ensure that appropriations are not overspent. Contracts or purchase orders that exceed available appropriations are rejected by the accounting system until additional appropriations are obtained. A description of the various funds and the basis of accounting are included in Note 2 to the basic financial statements.

Cash Balance Level of Reserves Policy

The Board of County Commissioners adopted a reserve policy for the General Fund and Water and Sewer funds. This policy was established to achieve and maintain adequate reserves to ensure adequate cash flow and to minimize the impact on services to citizens during economic ups and downs.

Fund reserves for the General Fund have been defined as the unencumbered year-end cash balance. The level of General Fund reserves is presented as a percentage, based upon the ratio of year-end reserves to the projected general fund budget for the following year. Policy guidelines recommend a reserve level of 15%-20% of the following year's General Fund budget and not drop below 10%.

In 2017, the Board of County Commissioners established a Budget Stabilization reserve funding at an \$8,000,000 level in the General Fund. The Budget Stabilization reserve was established to stabilize against cyclical changes in revenues and expenditures. The Budget Stabilization reserve balance is separate from the 15%-20% unencumbered cash balance recommended for the General Fund reserve.

The 2017 general fund reserve ratio is 19.41% excluding the Budget Stabilization reserve fund. The General Fund reserve level is within the recommended policy guidelines of 15%-20%.

Butler County management recognizes the need to maintain adequate levels of cash in the water and sewer funds, while avoiding the accumulation of unnecessarily high levels of cash over extended periods of time. The policy states the desire of the County to maintain a cash balance equating to not less than one-fourth of the operating and maintenance expenses for the year immediately preceding. The policy reflects management's intentions with regard to minimum cash or fund balances, consistent with covenants contained in the various, currently applicable revenue bond indentures, which covenants essentially refer to cash flows and cash balances when addressing fund requirements, fund balances, and debt service coverage, and other financial matters. According to the policy, the cash balance policy requirement for 2017 was \$11.1 million and the total cash balance of the water and sewer funds was \$62,478,498.

Independent Audit

Included in this report is the Julian & Grube, Incorporated unmodified opinion rendered on the County's basic financial statements as of and for the year ended December 31, 2017. An independent audit of the County's financial statements is part of the annual preparation of the CAFR. This annual independent audit continues to provide a review and comments which strengthen the County's accounting and budgetary controls.

Long-Term Financial Planning

The Commissioners previously established a budget stabilization reserve, permitted by the Ohio Revised Code. The reserve is designed to accumulate currently available resources to stabilize budgets against cyclical changes in revenue and expenditures. The budget stabilization reserve is only an insulator against short-term economic changes and, because of the limitations imposed by the Ohio Revised Code, it could not reasonably protect an entity from long-term economic factors.

GFOA Certificate of Achievement

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

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

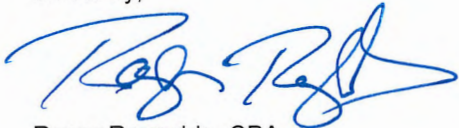
Acknowledgments

I would like to acknowledge the efforts and dedication of the entire Fiscal Services staff for their contributions to this report. My appreciation is also extended to the Local Government Services Section, each of whom was invaluable once again in adding their expertise and dedication to the project.

We would also like to thank all of the elected officials, department heads, and their staff for their support and assistance in this endeavor. It is truly a group effort that would not be possible without the cooperation of all County departments.

It is the mission of the Auditor's office to bring a high level of professionalism to Butler County government and to better inform and educate its citizens. Through the issuance of this Comprehensive Annual Financial Report, the County remains accountable to the public, and the public trust with which we have been provided, is retained. This report provides a fair representation of the financial condition of the County as of and for the year ended December 31, 2017. We ask for your continuing support of this project and in our efforts to best serve the citizens of Butler County.

Sincerely,



Roger Reynolds, CPA
Butler County Auditor



Government Finance Officers Association

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

Presented to

**Butler County
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

BUTLER COUNTY, OHIO
ELECTED OFFICIALS
DECEMBER 31, 2017

Legislative and Executive Elected Officials

Commissioner	Cindy Carpenter
Commissioner	Donald Dixon
Commissioner	T. C. Rogers
Auditor	Roger Reynolds, CPA
Treasurer	Nancy Nix, CPA
Prosecutor	Michael Gmoser
Recorder	Danny Crank

Judicial Elected Officials

Clerk of Courts	Mary Swain
Common Pleas Court:	
General Division Judge	Honorable Charles Pater
General Division Judge	Honorable Noah Powers II
General Division Judge	Honorable Jennifer Muench-McElfresh
General Division Judge	Honorable Michael A Oster Jr
General Division Judge	Honorable Gregory S Stephens
General Division Judge	Honorable Keith Spaeth
General Division Judge	Honorable Gregory Howard
Domestic Relations Division Judge	Honorable Margot Halcomb
Domestic Relations Division Judge	Honorable Barbara Schneider Carter
Juvenile Division Judge	Honorable Ronald Craft
Juvenile Division Judge	Honorable Kathleen Dobrozsi Romans
Probate Division Judge	Honorable Randy Rogers
Area Court I Judge	Honorable Robert Lyons
Area Court II Judge	Honorable Kevin McDonough
Area Court III Judge	Honorable Dan Haughey

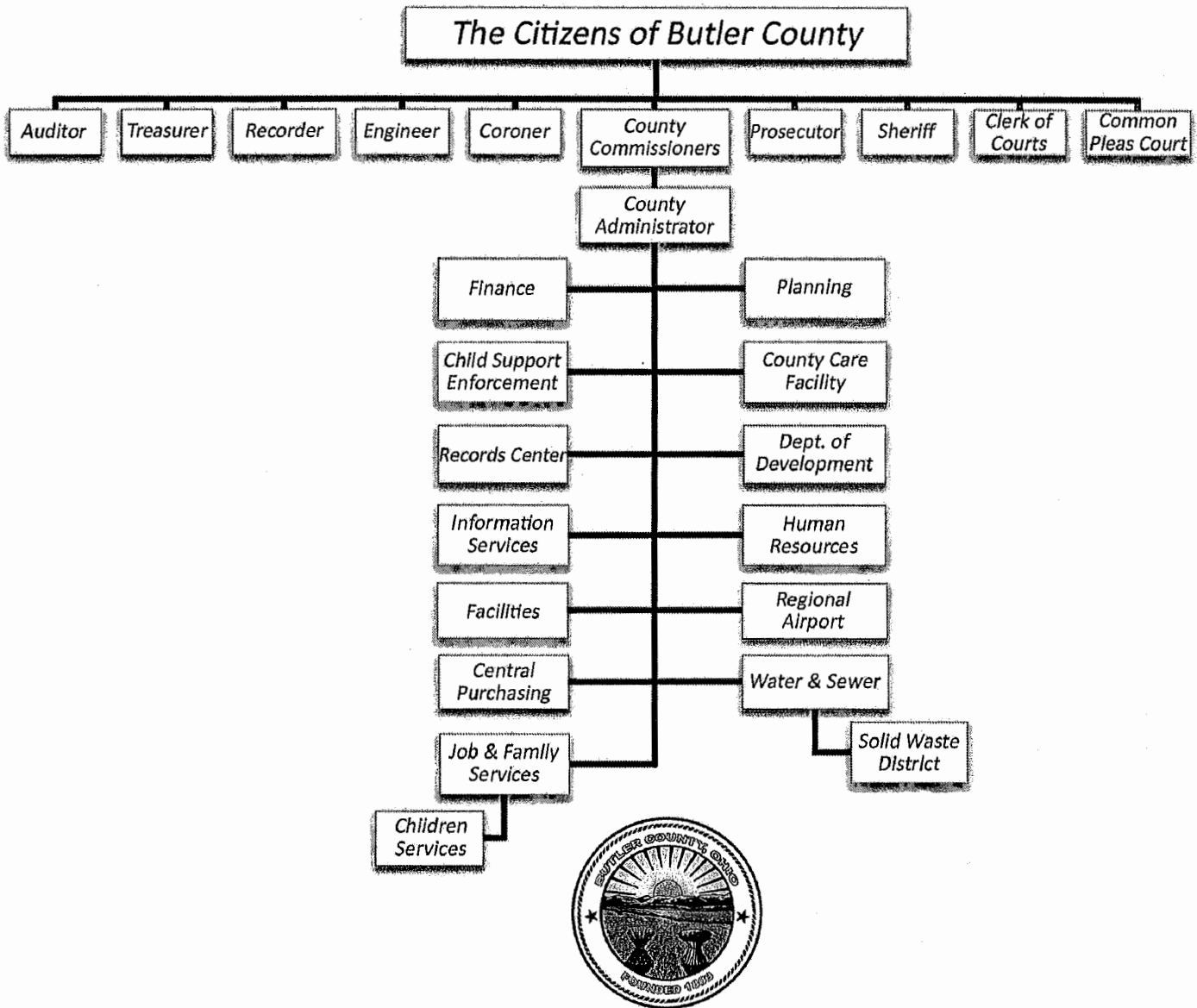
Public Safety Elected Officials

Sheriff	Richard Jones
Coroner	Lisa Mannix MD

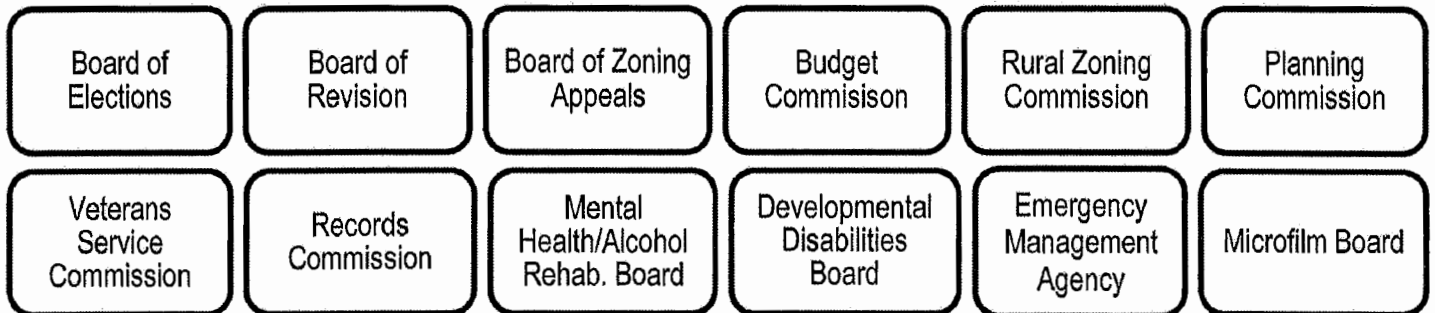
Public Works Elected Officials

Engineer	Gregory Wilkens, PE, PS
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Government of Butler County, Ohio



EX Officio and Appointed Boards



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Financial Section

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

INDEPENDENT AUDITOR'S REPORT

Butler County
130 High Street
Hamilton, Ohio 45011

To the Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Butler County Port Authority, which represent 72.61 percent, 3.52 percent, and 15.72 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Butler County Port Authority, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of December 31, 2017, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Developmental Disabilities, Job and Family Services/Children Services Agency, and Residential Incentive District and Tax Incremental Financing funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Independent Auditor's Report
Butler County

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2018, on our consideration of Butler County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Butler County's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 28, 2018

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

Management's Discussion and Analysis offers an introspective look at the finances of Butler County for the year ended December 31, 2017 and provides a readable overview of the County's financial performance. In addition to the information presented here, readers are also encouraged to review the transmittal letter, found on page iv, and the County's financial statements, beginning on page 15, for a more complete picture of Butler County's financial performance.

Financial Highlights

Key financial highlights for 2017 are as follows:

- The overall financial position for Butler County's operating fund, the General Fund, increased by \$9.3 million in 2017. This increase was primarily due to sales tax revenue, increased investment earnings and building permits.
- At December 31, 2017, governmental funds ending balance of \$186.2 million was higher than the same balance one year ago. Increases can be attributed to an increase in sales tax revenue, license and permits, and payments in lieu of taxes. Total governmental funds expenditures increased in 2017 by \$14.6 million due to higher expense cost for county development and economic development initiatives in 2017.
- At December 31, 2017, Butler County had a total of \$123.7 million (excluding premiums and discounts) in outstanding long-term debt, 10% lower than the prior year. Governmental activities accounted for \$44.5 million, while \$79.2 million helped fund business type activities.

Overview of the Financial Statements

This discussion and analysis introduces you to Butler County's basic financial statements, which are made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Other supplementary information is also contained within this report, including required supplementary information (RSI) on pension and infrastructure, the combining financial statements, individual fund schedules and statistical information.

Government-Wide Financial Statements

Butler County's government-wide financial statements include a Statement of Net Position and a Statement of Activities, which report the financial activities of the Butler County government as a whole, giving the reader a summary of County finances with a view of the bottom-line results of the County's operations. These statements are now prepared using the economic resources measurement focus and the accrual basis of accounting, similar to financial statements prepared in the private sector. As a result, all assets and deferred outflows of resources and liabilities and deferred inflows of resources of the County are accrued, and revenues and expenses are reported in the current year regardless of when the resulting cash flows occur.

The County's financial activities are identified in the government-wide financial statements as governmental activities or business-type activities.

Governmental Activities

Governmental activities constitute the majority of the County's operations and are financed primarily by operating grants, taxes, charges for services, capital grants, and other intergovernmental revenues. Butler County's governmental activities are accounted for in governmental funds and are classified as follows:

Legislative and Executive - general government operations including the offices of the Commissioners, Auditor, Treasurer, Prosecutor, Recorder, department of development, public defender, information services, board of elections, maintenance department, economic development, and records center.

Legislative and Executive-Intergovernmental - compensation agreements related to tax incremental financing and residential incentive districts where the county is paying the various school districts and townships.

Judicial - court related activities including the operations of the common pleas court, probate court, area courts, juvenile court, domestic relations court, municipal court, court services, court of appeals, and clerk of courts.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

Public Safety - activities associated with the protection of the public including the sheriff's operations, juvenile detention center, adult probation department, County paramedics, office of the coroner, and the criminal justice board.

Public Works - activities associated with maintaining county roads and bridges, the Butler County Regional Airport, litter control, and other associated community grant programs.

Health- activities aimed at serving the public health, including activities provided by the Board of Developmental Disabilities, Mental Health Board, and the Alcohol and Drug Addiction Services Board.

Human Services- activities related to the provision of various forms of services and assistance to individuals, children, and families, including services provided or funded by the County Care Facility, Elderly Services Levy, Veterans Service Commission, Children Services Agency, Child Support Enforcement Agency, and the Department of Job and Family Services.

Conservation and Recreation- activities associated with conserving and maintaining the beauty of county lands, including the services provided through the Ohio State Agriculture Program and the Butler County Soil and Water Conservation District.

Interest and Fiscal Charges- activities related to expenditures on County bonds and notes for interest and related costs to issue debt.

Business-type activities

Business-type activities are those activities accounted for in enterprise funds, including the County's Water and Sewer operations. Business-type activities rely on user fees and other charges to wholly, or to a large extent, fund their operations.

Statement of Net Position

The Statement of Net Position reports all assets and deferred outflows of resources, and liabilities and deferred inflows of resources of the County, with net position being the difference between all elements. This statement is useful when evaluating the financial condition of the County. Monitoring the changes to net position over time is one indication of whether the County's financial condition is improving or deteriorating.

Statement of Activities

The Statement of Activities reports, for the current year, the changes to the County's net position, which is the difference between all other elements in a statement of financial position. However, the format of this statement departs from the more traditional "revenues less expenses equal net position" format you may see in the private sector.

Generally, private sector goals are to generate income, or simply put, maximize revenues. As such, private sector operating statements present revenues first. Expenses, which reduce revenue maximization, are presented next as a deduction against those revenues.

Public sector goals are different in that servicing the needs of the citizens, or spending, is what drives the financial activities. Thus, the Statement of Activities is designed to present expenses before revenues in order to emphasize that service activities dictate the level of resources that are required to be generated.

In the County's Statement of Activities, resources used to fund service activities are identified as either program revenues (resources received from people receiving services or in the form of operating and capital grants and contributions and interest) or general revenues (all non-program revenues, including taxes). Butler County operations have also been classified into distinct governmental or business-type service activities.

These activities are reported in a format that allows the reader to see the extent to which each activity is supported or self-financed by program revenues or drawn from the general resources of the County. Therefore, the Statement of Activities is useful in assessing the level of self-sufficiency of the various governmental or business-type activities versus management established performance benchmarks.

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The government-wide financial statements begin on page 15 of this report.

Fund Financial Statements

A fund is an accounting term referring to a segregated group of accounts used to account for and to assist with the management of financial resources received. Various funds may be established to account for specific activities or objectives of the County, and to demonstrate compliance with finance related legal requirements associated with those resources.

Fund financial statements provide additional and more detailed information about the County with an emphasis on major funds. Major funds are those governmental or enterprise funds that have been determined to be the most significant based on a defined set of financial criteria, as well as any other funds deemed to be particularly important to readers because of public interest or to ensure consistency between years. Information is presented separately in the fund financial statements for each of the major funds. Information for all non-major funds is aggregated and presented in a separate column on the fund financial statements. Detailed data for each of the non-major funds is provided in the combining statements and individual fund schedules that follow the basic financial statements.

All funds of Butler County are classified into one of three fund categories: governmental, proprietary or fiduciary.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, but use a different measurement focus. Governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting, a short-term view focusing on the flow of monies into and out of the funds and the year-end balances available for near-future spending. This is in contrast to the government-wide financial statements that incorporate a longer-term focus. The reconciliations included in the governmental fund financial statements compare the governmental funds information to the governmental activities information as reported in the government-wide financial statements.

Butler County maintains numerous individual governmental funds, the following of which are considered major funds: General, Developmental Disabilities, Job and Family Services/Children Services Agency and Residential Incentive Districts and Tax Incremental Financings. The basic governmental fund financial statements begin on page 18 of this report.

Proprietary Funds - The County uses two types of proprietary funds, enterprise funds and internal service funds. Since the proprietary fund financial statements are prepared using the same measurement focus and basis of accounting as the government-wide financial statements, they provide the same type of information, only in greater detail.

Enterprise funds are used to account for the County's water and sewer operations, which are the business-type activities reported in the government-wide financial statements.

Internal service funds are used to account for the financing of services provided by one department to other departments in the county on a cost-reimbursement basis. The County uses internal service funds to account for its health insurance and workers' compensation. Since these programs mostly benefit governmental rather than business functions, they have been included in the governmental activities in the government-wide financial statements. The basic proprietary fund financial statements begin on page 29 of this report.

Fiduciary Funds -Fiduciary funds are used to account for assets held by the County as an agent for outside parties and are accounted for in a manner similar to proprietary funds. Fiduciary funds are not presented in the government-wide financial statements as their resources are not available to support the County's governmental or business-type activities. The basic fiduciary fund financial statements begin on page 33 of this report.

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Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements, providing additional important disclosures essential for a complete understanding of the financial data reported in the government-wide and fund financial statements. The notes to the financial statements begin on page 34 of this report.

To summarize, the government-wide financial statements report the County's activities as a whole, using a long-term, economic resources measurement focus while the fund financial statements report financial activities in more detail, with a shorter-term focus and emphasis on major funds. More simply, the primary focus of government-wide financial statements is demonstrating operational accountability, while the primary focus of the governmental fund financial statements is demonstrating fiscal accountability. Butler County management believes these basic financial statements provide the reader with the best information yet available to assess the level of Butler County's fiscal and operational accountability, both short-term and long-term.

Government-Wide Financial Analysis

The County recorded a \$17.5 million increase in total net position in 2017 due to governmental and business-type activities. Governmental activities increased \$12.2 million while business-type activities increased \$5.3 million. Capital assets are used to provide services to residents and do not represent assets that may be used for future spending.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$ 331,463,396	\$ 303,303,733	\$ 67,092,457	\$ 60,346,777	\$ 398,546,853	\$ 363,650,510
Capital Assets, Net	374,288,818	371,437,913	301,962,835	310,271,486	676,251,653	681,709,399
Total Assets	705,742,214	674,741,646	369,055,292	370,618,263	1,074,797,508	1,045,359,909
Deferred Outflows of Resources						
Deferred Charges on Refunding	613,368	587,435	713,475	620,154	1,326,843	1,207,589
Pension	54,300,377	41,544,099	4,290,103	3,355,120	58,590,480	44,899,219
Total Deferred Outflows on Resources	54,913,745	42,131,534	5,003,578	3,975,274	59,917,323	46,106,808
Liabilities						
Current and Other Liabilities	18,690,796	18,499,506	2,927,022	2,723,017	21,617,818	21,222,523
Long-Term Liabilities:						
Due Within One Year	20,076,732	13,098,398	9,934,399	9,734,314	30,011,131	22,832,710
Due in More than One Year	67,524,675	77,656,163	72,854,494	81,559,843	140,379,169	159,218,006
Net Pension Liability	141,380,866	108,426,966	10,994,734	6,433,207	152,355,600	116,860,173
Total Liabilities	247,653,069	217,681,031	96,710,649	102,450,381	344,363,718	320,131,412
Deferred Inflows of Resources						
Deferred Gain/(Loss) on Refunding	83,394	95,308	-	-	83,394	95,308
Property Taxes	61,416,487	61,002,395	-	-	81,416,487	61,002,395
Payment in Lieu of Taxes	15,949,702	13,761,409	-	-	15,949,702	13,761,409
Pension	1,143,536	2,109,215	88,346	162,946	1,231,882	2,272,161
Total Deferred Inflows	78,593,119	76,968,327	88,346	162,946	78,681,465	77,131,273
Net Position						
Net Investment in Capital Assets	341,618,944	333,939,216	220,744,391	220,397,627	562,363,335	554,336,843
Restricted:						
Capital Projects	2,264,837	265,341	-	-	2,264,837	265,341
Debt Service	2,521,961	3,370,848	-	-	2,521,961	3,370,848
Replacement and Improvement	-	-	5,300,000	5,300,000	5,300,000	5,300,000
Other Purposes	133,938,656	125,224,488	-	-	133,938,656	125,224,488
Unrestricted (Deficit)	(45,924,827)	(40,576,071)	51,215,484	46,282,583	5,290,857	5,706,512
Total Net Position	\$ 434,409,771	\$ 422,223,822	\$ 277,259,875	\$ 271,980,210	\$ 711,669,646	\$ 694,204,032

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The net pension liability (NPL) is one of the largest liabilities reported by the County School District at December 31, 2017, and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions --an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

GASB 68 requires the net pension liability to equal the County's proportionate share of each plan's:

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position. In accordance with GASB 68, the County's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

Total assets increased \$29.4 million in 2017 as shown in table 1. Current and other assets increased \$14.9 million in 2017, while capital assets net, saw a decrease of \$3.4 million as accumulated depreciation continues to exceed new asset acquisitions. Total liabilities increased \$24.2 million primarily due to an increase in net pension liability. Total deferred inflows of resources increased \$1.6 million due to an increase in the difference between expected an actual experience related to the net pension liability, also due to the New Pension Deferred Inflow from GASB 68, as well as increase in real estate tax receivables and payments in lieu of taxes in 2017.

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Governmental Activities: Total governmental assets increased \$31.0 million in 2017. Current and other assets were increased \$28.2 million due primarily to an increase in the overall cash and cash equivalents in governmental activities. Capital assets net, saw an increase of \$2.9 million due to asset acquisitions exceeding accumulated depreciation from capital projects. Total liabilities saw an increase of \$30.0 million due primarily to an increase in net pension liability related to GASB 68.

The County's governmental program expenses exceeded program revenues in 2017 by \$130.4 million, and with an infusion of \$142.6 million of general revenues. Program revenues supporting governmental activities increased overall during 2017 to \$124.5 million. Charges for services increased \$1.3 million while operating grants, contributions, and interest were up \$4.2 due to increased intergovernmental revenues primarily related to County Engineer programs. Capital grants, contributions, and interest program revenue decreased \$1.5 million due primarily to a slight decrease in federal dollars from the Ohio Department of Transportation for road projects.

In addition, expenses increased \$23.9 million in 2017, with the largest areas of increase being in public works. These expense lines represent dollars contributed by the County for infrastructure construction projects where the County will not own the asset upon completion and maintenance costs for county roads, bridges and culverts, according to the modified approach for infrastructure.

General revenues increased \$12.0 million in 2017. Payments in lieu of taxes had the largest increase at \$5.9 million. In addition, property taxes, other local taxes, grants and entitlements and payments in lieu of taxes, and investment earnings all saw increases in 2017.

The significant increase in total deferred outflow of resources in 2017 was due to the change in assumptions used in the latest actuarial valuation related to the County's net pension liability for OPERS. The net pension liability increase represents the County's proportionate share of the OPERS traditional plan's unfunded benefits. As indicated above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services	\$ 50,274,089	\$ 48,967,731	\$ 38,975,386	\$ 40,793,065	\$ 89,249,475	\$ 89,760,796
Operating Grants, Contributions and Interest	58,772,155	54,606,204	-	-	58,772,155	54,606,204
Capital Grants, Contributions and Interest	15,441,220	16,896,910	11,601,256	13,643,007	27,042,476	30,539,917
Program Revenues Subtotal	124,487,464	120,470,845	50,576,642	54,436,072	175,064,106	174,906,917
General Revenues:						
Property Taxes	63,329,031	61,367,819	-	-	63,329,031	61,367,819
Sales Taxes	43,778,910	43,916,843	-	-	43,778,910	43,916,843
Local Taxes	2,743,165	2,690,577	-	-	2,743,165	2,690,577
Payments in Lieu of Taxes	14,653,948	8,796,701	-	-	14,653,948	8,796,701
Grants and Entitlements Not Restricted to Specific Programs	11,204,395	9,903,298	-	-	11,204,395	9,903,298
Investment Earnings	3,398,291	1,937,439	-	270	3,398,291	1,937,709
Other	3,465,689	1,943,208	306,565	472,884	3,772,254	2,416,092
General Revenues Subtotal	142,573,429	130,555,885	306,565	473,154	142,879,994	131,029,039
Total Revenues	\$ 267,060,893	\$ 251,026,730	\$ 50,883,207	\$ 54,909,226	\$ 317,944,100	\$ 305,935,956

(Continued)

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Table 2 (Continued)
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program Expenses						
General Government:						
Legislative and Executive	\$ 32,051,178	\$ 29,065,148	\$ -	\$ -	\$ 32,051,178	\$ 29,065,148
Legislative and Executive - Intergovernmental	11,286,641	9,140,959	-	-	11,286,641	9,140,959
Judicial	17,347,557	15,551,668	-	-	17,347,557	15,551,668
Public Safety	58,545,508	54,284,890	-	-	58,545,508	54,284,890
Public Works	23,020,838	14,593,918	-	-	23,020,838	14,593,918
Health	43,256,011	43,102,788	-	-	43,256,011	43,102,788
Human Services	66,966,915	62,614,766	-	-	66,966,915	62,614,766
Conservation and Recreation	491,626	417,809	-	-	491,626	417,809
Interest and Fiscal Charges	1,908,670	2,184,394	-	-	1,908,670	2,184,394
Sewer	-	-	23,465,211	22,774,378	23,465,211	22,774,378
Water	-	-	22,138,331	23,263,227	22,138,331	23,263,227
Total Expenses	254,874,944	230,956,340	45,603,542	46,037,605	300,478,486	276,993,945
Change in Net Position	12,185,949	20,070,390	5,279,665	8,871,621	17,465,614	28,942,011
Net Position at Beginning of Year	422,223,822	402,153,432	271,980,210	263,108,589	694,204,032	665,262,021
Net Positions at End of Year	\$ 434,409,771	\$ 422,223,822	\$ 277,259,875	\$ 271,980,210	\$ 711,669,646	\$ 694,204,032

Business-Type Activities: The County's sewer and water operations constitute the business-type activities. In 2017, the Water and Sewer combined funds net position increased \$5.3 million from 2016.

Fund Analysis

As mentioned above, various funds have been established to account for specific County activities or objectives. A summary of the most significant fiscal activity in the County's funds follows.

Governmental Funds: Governmental funds report County financial activity focusing on the near-term flow of expendable resources and assists in demonstrating fiscal accountability. Thus, fund balances provide us with a snapshot of what resources are available at year-end for near-term spending, and the analysis of changes to fund balances over time, assists in evaluating the degree to which a specific program, or a group of activities, is "living within its means."

At year-end, the governmental funds combined ending fund balance of \$186.2 million was higher than the same balance just one year ago, a \$23.4 million increase overall. Total governmental fund expenditures increased from \$231.9 million in 2016 to \$246.5 million in 2017.

The overall financial position for Butler County's operating fund, the General Fund, increased by \$9.3 million in 2017 primarily due to sales tax revenue, and increased investment earnings. General Fund expenditures increased \$3.3 million in 2017 primarily due to public safety expenses for contracts and upgrades to the current dispatch services as well as juvenile detention center costs. Legislative and Executive and Judicial expenses increased slightly from 2016. Transfers out increase of \$3.6 million as the General Fund contributed money to other funds primarily for matching grant dollars.

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The Butler County Developmental Disabilities (BCDD) Fund increased \$1.0 million in fund balance during 2017. Revenues and expenditures remained fairly consistent in 2017.

The Job and Family Services/Children Services Agency Fund experienced an increase to expenditures in 2017 of \$1.4 million. Revenues remained flat at \$39.3 million in 2017. Job and Family Services/Children Services Agency Fund decreased expenditures in personnel costs in 2017. Expenditures were short of Revenue amounts by \$2.4 million in 2017.

The Residential Incentive Districts and Tax Incremental Financing Fund, revenues came in at \$16.7 million for 2017. Expenditures were \$11.9 million for 2017.

Only a portion of the \$186.2 million fund balance in the governmental funds is available for spending in next year's budget. The funds that are not available to spend are referred to as restricted, committed and assigned fund balance, and at December 31, 2017, the restricted, committed, and assigned fund balances for the governmental funds had increased to \$141.7 million.

The nonspendable fund balance of \$4.2 million includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact such as prepaid items, materials and supplies inventory, loans receivable, trust funds and interfund loans. The assigned fund balance of \$2.7 million, consisting of encumbrances is intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed.

Proprietary Funds: The proprietary funds financial statements provide the same information as seen in the government-wide financial statements, only in more detail. A summary of financial activity occurring in the Sewer and Water Enterprise Funds follows.

Sewer Fund: The Sewer Fund's \$39.4 million in current assets at the end of 2017, which is principally comprised of \$37 million in equity in pooled cash and cash equivalents, as compared with current liabilities of \$5.8 million at year-end, leaving a \$33.6 million safety margin of working capital (current assets less current liabilities) for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2017 were \$18.1 million, while operating expenses were \$22.2 million resulting in an operating loss of \$4.1 million for 2017. In comparing 2017 to 2016, depreciation and amortization expense continues to be the largest category and, for 2017, at \$10.1 million, remained fairly consistent. The next-largest category, personal services, comprising employees' salaries and fringe benefits, increased slightly in 2017 from \$5.5 million in 2016 to \$6.6 million. Contractual services increased slightly from \$3.4 million in 2016 to \$3.6 million in 2017, materials and supplies remained fairly consistent as well at \$1.3 million for 2017.

Water Fund: The Water Fund's current assets of \$22.3 million consisted largely of equity in pooled cash and cash equivalents at \$20.1 million. The current assets of \$22.3 million compared to current liabilities of \$6.8 million which leaves a safety margin of working capital of \$15.5 million for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2017 were \$20.9 million. Operating expenses were \$20.7 million resulting in an operating income of \$.2 million for 2017. Contractual services made up the largest category of operating expenses at \$9.3 million for 2017. Depreciation and amortization expense remained flat at \$7.6 million. Personal services, comprised of employees' salaries and fringe benefits, increased slightly to \$2.9 million in 2017. Overall net position increased \$3.3 million as expenses were short of revenues in 2017.

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General Fund Budget Analysis

Several events influenced the budgetary process and actual results for the year of 2017. The General Fund's final 2017 appropriation budget, at \$85.9 million excluding other financing uses, was 8.0% higher than the original appropriation budget. The final budget included an additional \$3.0 million for legislative and executive and an additional \$2.3 million for public safety. The increases in budget were due primarily to unexpected maintenance items, legal fees, a telephone system upgrade, the establishment of a centralized human resources department and negotiated salary and benefit increases. The remaining County General Fund final budget and actual items remained fairly consistent with original and final budget estimates.

Capital Asset and Debt Administration

Capital Assets

Capital assets include County owned land and easements, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, infrastructure, water rights, water and sewer mains, and construction in progress. Butler County's total investment in capital assets for governmental and business-type activities (net of accumulated depreciation) amounts to \$676.3 million as of December 31, 2017. Table 3 contains a summary of capital assets as of December 31, 2017, compared to assets owned by the County at year-end 2016.

Table 3
Butler County Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land and Easements	\$ 17,344,637	\$ 17,344,637	\$ 1,544,056	\$ 1,544,056	\$ 18,888,693	\$ 18,888,693
Land Improvements	6,976,695	7,262,630	563,441	688,196	7,540,136	7,950,826
Buildings and Improvements	57,818,394	60,990,129	76,043,162	79,116,605	133,861,556	140,106,734
Furniture, Fixtures and Equipment	35,928,393	33,403,124	23,367,053	26,047,014	59,295,446	59,450,138
Vehicles	3,304,557	2,927,951	183,940	207,053	3,488,497	3,135,004
Infrastructure	250,000,118	247,443,684	-	-	250,000,118	247,443,684
Water Rights	-	-	10,422,936	12,378,504	10,422,936	12,378,504
Water and Sewer Mains	-	-	182,129,807	181,497,026	182,129,807	181,497,026
Construction in Progress	2,916,024	2,065,758	7,708,440	8,793,032	10,624,464	10,858,790
Total	\$ 374,288,818	\$ 371,437,913	\$ 301,962,835	\$ 310,271,486	\$ 676,251,653	\$ 681,709,399

Significant capital asset activity (See Note 10) occurring during 2017 included the following:

Governmental activities capital assets increased \$2.9 million from 2016 to 2017. Land and Easements remained the same as reported in 2016. Furniture Fixtures and Equipment increased in 2017. Infrastructure saw an increase due to activity in 2017 related to a variety of construction projects including new roundabout construction, bridge replacements, and improvements to various County roads.

Business-Type Activities capital assets decreased \$8.3 million in 2017. All asset categories other than Land, and Water & Sewer mains, Water Rights decreased in 2017. Construction in progress decreased \$1.1 million with the completion of projects such as the Williamsdale and Carthel Sewer projects. In addition, water projects include Polybutylene Service Line replacements.

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Infrastructure Assets: Infrastructure assets refer to county roads, bridges, and culverts, and are reported in the governmental activities. Butler County, through the Engineer's Office, maintains an infrastructure asset system that incorporates the "modified approach" method of reporting infrastructure as provided for in Governmental Accounting Standards Board Statement No. 34. Under the modified approach, the County does not use historical cost-based depreciation as a measure of the cost of use for infrastructure assets. Instead, all expenditures made for infrastructure assets that preserve the useful life of the assets are expensed during the year incurred. Expenditures that increase the capacity or efficiency of the infrastructure assets (additions or improvements) are capitalized. The County ensures that infrastructure assets are being preserved at, or above, previously established condition-levels by performing periodic conditional assessments of the infrastructure. Based on these assessment findings, a budget is prepared for the maintenance and repair of these assets. During 2017, the County budgeted \$6.2 million for roads, \$1.4 million for bridges and \$225k for culvert improvements.

Butler County manages its roadway system through the performance of three year conditional assessments, using factors such as age of pavement, surface condition and traffic volume and type. Roads are assigned a pavement rating based on a scale of one to four, with one being excellent and four being poor. It is the County's policy to maintain the county roadway system where at least 90% of the roads have a rating of three (3) or better. A seventeen-year paving plan is developed in order to keep the County's roads at condition levels established per policy. Actual maintenance spending on county roads in 2017 was \$6.2 million and the most recent roadway system assessment (2017) indicates that 95% of county roads are currently assessed at a rating of three or better.

The County manages its bridges using a General Appraisal and Operational Status condition coding system as developed by the Federal Highway Administration. The condition of a bridge is rated from zero to nine, with nine being excellent condition and zero meaning the bridge is in a failed or closed condition. Bridges are inspected on an annual basis as required by Ohio law and rated for infrastructure GAAP reporting every three years.

It is the policy of the County Engineer to maintain the bridges such that 85% of the structures have a General Appraisal rating of five (5 - Fair) or better. The County spent \$1.4 million in 2017 to maintain the bridges and the most recent bridge system assessment (2017) indicates that 94.3% of County bridges are currently assessed at a rating of five or better.

The Engineer inspects culverts on a three year basis, and conditional assessments are given based on a rating scale of one to four, with one meaning the culvert is in good condition and does not require repair, while a four rating means the culvert is in critical condition and is no longer functioning as designed. It is the policy of the County Engineer to maintain 75% of the culverts in a condition of two (2 - Fair) or better. The County spent \$225k in 2017 to maintain culverts and the most recent culvert system assessment (2017) indicates that 83% of the culverts are currently assessed at a rating of two or better. Additional information regarding capital assets can be found in Note 10 to the financial statements and the Required Supplementary Information on page 99 for additional infrastructure information.

Long-Term Debt

At December 31, 2017, Butler County had a total of \$123.7 million (excluding premiums and discounts) in outstanding long-term debt, 10% lower than the prior year. Funded governmental activities accounted for \$44.5 million, while \$79.2 million helped fund business type activities. Governmental activities long-term debt dropped \$5.1 million due to scheduled maturities and various purpose refundings in 2017. Business-type activities long-term debt decreased by \$8.9 million during 2017 due to the difference between scheduled maturity payments, as well as the refunding of various water debt issues. See Note 17 for additional debt disclosure related to refundings.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

Table 4
Butler County Outstanding Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$ 33,975,000	\$ 42,445,000	\$ 4,893,580	\$ 5,710,420	\$ 38,868,580	\$ 48,155,420
Special Assessment debt with governmental commitment	4,772,110	5,745,340	-	-	4,772,110	5,745,340
Long-term Loans	1,279,168	1,403,456	27,762,446	28,950,821	29,041,614	30,354,277
Revenue Bonds	-	-	28,206,910	32,869,190	28,206,910	32,869,190
Water Judgment Bonds	-	-	18,365,000	20,595,000	18,365,000	20,595,000
Capital Leases	4,500,000	-	-	-	4,500,000	-
Total	\$ 44,526,278	\$ 49,593,796	\$ 79,227,936	\$ 88,125,431	\$ 123,754,214	\$ 137,719,227

The County's long-term debt consisted of \$62.1 million in obligations backed by the full faith and credit of Butler County, including \$38.9 million in general obligation bonds, \$18.4 million in water judgment bonds, and \$4.8 million in special assessment bonds, for which Butler County is liable in case of default of the property owners subject to the assessment. A total of \$57.2 million of the total outstanding debt represent bonds secured by specified revenue sources, including water and sewer revenues, and sales tax revenues.

Ohio law, through its direct and indirect debt limitations, restricts the amount of debt the County may issue. The County's total direct debt limit at December 31, 2017 was \$186.5 million and the legal debt margin (debt limit minus net debt) was \$172.3 million. The County's unvoted direct debt limit was \$75.2 million and the unvoted direct debt margin was \$61.0 million. The debt margins for total debt and unvoted debt reflect a slight increase over the previous year due to reductions in general obligation bonds and notes.

Ohio's indirect debt limitation, referred to as the ten-mill limitation, further limits the total unvoted general obligation debt that may be issued among overlapping subdivisions to a maximum of 10 mills per dollar of assessed valuation. Since the 10 mills must be shared by the overlapping subdivisions, and is available on a first-come, first serve basis, the level of debt issued by any overlapping political subdivision thus affects the County's ability to issue unvoted general obligation debt.

For example, depending on how much room is available under the 10-mill limitation, a relatively small debt issuance by an overlapping subdivision with a low assessed valuation could significantly hinder, or temporarily lock out, the County's ability to issue unvoted general obligation debt. This limitation would continue until unvoted general obligation debt was retired by either subdivision, or until the total assessed value of the subdivision or the County increased, which occurs around December of each year. The County continues to monitor the debt activity of all overlapping subdivisions for the potential effect on future financings.

Butler County's general obligation bond issues are rated at Aa1 and the sales tax bonds are Aa2 by Moody's Investors Services. The water and sewer district currently maintains a credit rating from Moody's of Aa3.

Besides the long-term bonds outstanding, the County also is liable for other long-term obligations in the form of capital leases payable, claims payable, compensated absences payable and long term contracts payable. Governmental activities capital leases increased \$4.5 million due to a new lease for County radio and communication equipment. Claims payable at year-end was \$5.4 million representing outstanding workers' compensation claims against the County. Compensated absences payable at year-end was \$9.4 million for governmental activities and \$0.9 million for business-type activities. The total liability for capital leases, claims, and compensated absences payable for governmental and business-type activities was \$20.2 million at December 31, 2017.

Contracts payable represent long term agreements for the payment of bonds issued by the Butler County Transportation Improvement District and the Butler County Port Authority for economic growth. The County has pledged revenues from the Voice of America TIF as one of the primary sources of revenue for these securities. The liability remaining at the end of 2017 for these contracts is \$26.5 million. Additional information about the County's long-term obligations can be found in Note 17 to the financial statements.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

Economic and Other Potentially Significant Matters

In 2017, development around the Liberty Way I-75 interchange continues to focus on the expansive Liberty Center and medical services. Christ Hospital Medical Center-Liberty Twp. neared completion by the end of 2017 and sits just across I-75 from Cincinnati Children's Liberty Campus and just up the road from West Chester Hospital.

Also planned for the area is a Tri-Health medical center, a project set to be developed just across the street in West Chester Twp. That development is expected to include a mixed-use of medical buildings, a four-story hotel and various retail components on 57 acres along Cox Road just north of Liberty Way.

Requests for Information

The Management's Discussion and Analysis is intended to provide a general overview of Butler County's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Butler County Auditor, 130 High Street, Hamilton, Ohio, 45011.

Butler County, Ohio
Statement of Net Position
December 31, 2017

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 191,853,069	\$ 62,448,193	\$ 254,301,262	\$ 996,771
Cash and Cash Equivalents:				
In Segregated Accounts	5,139	500	5,639	-
With Fiscal Agents	310,536	-	310,536	1,531,776
Accounts Receivable	1,092,035	3,651,792	4,743,827	49,946
Facility Charges Receivable	-	-	-	92,191
Due from Other Governments	34,377,054	-	34,377,054	206,281
Accrued Interest Receivable	1,072,084	-	1,072,084	-
Prepaid Items	1,930,790	174,535	2,105,325	19,299
Internal Balances	1,775	(1,775)	-	-
Materials and Supplies Inventory	1,330,248	239,028	1,569,276	-
Property Taxes Receivable	63,207,212	-	63,207,212	-
Sales Tax Receivable	11,185,636	-	11,185,636	-
Other Local Taxes Receivable	319,196	-	319,196	-
Payments in Lieu of Taxes Receivable	16,235,765	-	16,235,765	-
Loans Receivable	642,731	-	642,731	-
Special Assessments Receivable	7,890,126	580,184	8,470,310	-
Receivables from Conduit Debt Recipients	-	-	-	117,633,522
Assets Held for Resale	-	-	-	535,124
Capital Assets:				
Nondepreciable Capital Assets	270,260,779	9,252,496	279,513,275	2,333,662
Depreciable Capital Assets, net	104,028,039	292,710,339	396,738,378	39,055,940
Total Assets	705,742,214	369,055,292	1,074,797,506	162,454,512
Deferred Outflows of Resources				
Deferred Charge on Refunding	613,368	713,475	1,326,843	-
Pension	54,300,377	4,290,103	58,590,480	-
Total Deferred Outflows of Resources	54,913,745	5,003,578	59,917,323	-
Liabilities				
Accounts Payable	321,455	157,444	478,899	327
Contracts Payable	5,435,645	606,497	6,042,142	-
Accrued Wages and Benefits	2,641,760	166,961	2,808,721	-
Due to Other Governments	572,399	1,226,017	1,798,416	-
Matured Bonds Payable	13,250	-	13,250	-
Matured Interest Payable	5,543	-	5,543	-
Accrued Interest Payable	860,744	634,618	1,495,362	248,289
Notes Payable	8,840,000	-	8,840,000	-
Refundable Deposits	-	135,485	135,485	-
Unearned Revenue	-	-	-	198,980
Long-Term Liabilities:				
Due Within One Year	20,076,732	9,934,399	30,011,131	1,063,993
Due in More Than One Year:				
Net Pension Liability (See Note 12)	141,360,866	10,994,734	152,355,600	-
Other Amounts	67,524,675	72,854,494	140,379,169	-
Total Liabilities	247,653,069	96,710,649	344,363,718	153,450,655
Deferred Inflows of Resources				
Deferred Gain on Refunding	83,394	-	83,394	-
Property Taxes not Levied to Finance Current Year Operations	61,416,487	-	61,416,487	-
Payment in Lieu of Taxes not Intended to Finance Current Year Operations	15,949,702	-	15,949,702	-
Pension	1,143,536	88,346	1,231,882	-
Total Deferred Inflows of Resources	78,593,119	88,346	78,681,465	-
Net Position				
Net Investment in Capital Assets	341,618,944	220,744,391	562,363,335	11,015,292
Restricted for:				
Capital Outlay	2,254,837	-	2,254,837	-
Debt Service	2,521,961	-	2,521,961	-
Replacement and Improvement	-	5,300,000	5,300,000	-
Developmental Disabilities	35,407,957	-	35,407,957	-
Nonexpendable	974,879	-	974,879	-
Expendable	90,658	-	90,658	-
Job and Family/Children Services Agency	19,017,262	-	19,017,262	-
Elderly Services Levy	11,773,819	-	11,773,819	-
Mental Health and Addiction Recovery Services	20,413,775	-	20,413,775	-
Motor Vehicle	19,188,079	-	19,188,079	-
All Other Public Works	16,271,387	-	16,271,387	-
Other Purposes	10,800,840	-	10,800,840	-
Unrestricted (Deficit)	(45,924,627)	51,215,484	5,290,857	(2,011,435)
Total Net Position	\$ 434,409,771	\$ 277,259,875	\$ 711,669,646	\$ 9,003,857

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Activities
For the Year Ended December 31, 2017

	Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest
Governmental Activities			
General Government:			
Legislative and Executive	\$ 32,051,178	\$ 20,973,188	\$ -
Legislative and Executive - Intergovernmental	11,286,641	-	-
Judicial	17,347,557	5,192,643	1,865,830
Public Safety	58,545,508	16,759,698	5,293,708
Public Works	23,020,838	1,599,057	3,716,798
Health	43,256,011	372,153	14,516,281
Human Services	66,966,915	5,306,514	33,379,538
Conservation and Recreation	491,626	70,836	-
Interest and Fiscal Charges	1,908,670	-	-
Total Governmental Activities	254,874,944	50,274,089	58,772,155
Business-Type Activities			
Sewer	23,465,211	18,061,031	-
Water	22,138,331	20,914,355	-
Total Business-Type Activities	45,603,542	38,975,386	-
Total Primary Government	\$ 300,478,486	\$ 89,249,475	\$ 58,772,155
Component Units	\$ 3,655,938	\$ 427,903	\$ 1,894,805

General Revenues
Taxes Levied for:
 General Purposes
 Developmental Disabilities
 Children Services Agency
 Mental Health
 Elderly Services Levy
Sales Tax
Local Taxes
Payments in Lieu of Taxes
Grants and Entitlements not Restricted
 to Specific Programs
Investment Earnings
Other
Total General Revenues

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Capital Grants, Contributions, and Interest	Governmental Activities	Business-Type Activities	Total	Component Units
\$ -	\$ (11,077,990)	\$ -	\$ (11,077,990)	\$ -
-	(11,286,641)	-	(11,286,641)	-
-	(10,289,084)	-	(10,289,084)	-
374,424	(36,117,678)	-	(36,117,678)	-
15,066,796	(2,638,187)	-	(2,638,187)	-
-	(28,367,577)	-	(28,367,577)	-
-	(28,280,863)	-	(28,280,863)	-
-	(420,790)	-	(420,790)	-
-	(1,908,670)	-	(1,908,670)	-
15,441,220	(130,387,480)	-	(130,387,480)	-
7,209,332	-	1,805,152	1,805,152	-
4,391,924	-	3,167,948	3,167,948	-
11,601,256	-	4,973,100	4,973,100	-
\$ 27,042,476	(130,387,480)	4,973,100	(125,414,380)	-
\$ -	-	-	1,805,152	(1,332,830)
	13,175,271	-	13,175,271	-
	18,875,869	-	18,875,869	-
	13,651,562	-	13,651,562	-
	8,752,816	-	8,752,816	-
	8,873,513	-	8,873,513	-
	43,778,910	-	43,778,910	-
	2,743,165	-	2,743,165	-
	14,653,948	-	14,653,948	-
	11,204,395	-	11,204,395	-
	3,398,291	-	3,398,291	-
	3,465,689	306,565	3,772,254	400,824
	142,573,429	306,565	142,879,994	400,824
	12,185,949	5,279,665	17,465,614	(932,006)
	422,223,822	271,980,210	694,204,032	9,935,863
\$	434,409,771	\$ 277,259,875	\$ 711,669,646	\$ 9,003,857

Butler County, Ohio
Balance Sheet
Governmental Funds
December 31, 2017

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Residential Incentive Districts and Tax Incremental Financings
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 46,474,690	\$ 32,742,504	\$ 10,350,515	\$ 15,057,524
Cash and Cash Equivalents:				
In Segregated Accounts	1,599	-	-	-
With Fiscal Agents	-	114,815	-	-
Receivables:				
Property Taxes	13,701,649	18,657,326	13,443,233	-
Sales Taxes	11,185,636	-	-	-
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	16,235,765
Accounts	43,256	-	-	-
Due from Other Governments	5,994,148	2,894,142	11,274,190	-
Accrued Interest	1,072,084	-	-	-
Special Assessments	-	-	-	-
Loans	124,422	-	-	-
Due from Other Funds	534,180	-	-	-
Prepaid Items	596,531	27,043	37,110	-
Materials and Supplies Inventory	139,520	22,059	11,124	-
Advances to Other Funds	872,006	-	-	-
Total Assets	\$ 80,739,721	\$ 54,457,889	\$ 35,116,172	\$ 31,293,289
Liabilities				
Accounts Payable	\$ 231,479	\$ 35,737	\$ 23,662	\$ -
Contracts Payable	836,030	133,280	1,619,059	-
Accrued Wages and Benefits Payable	1,261,360	221,882	331,533	-
Due to Other Funds	-	-	64,419	-
Due to Other Governments	146,918	13,275	1,060	-
Advances from Other Funds	-	-	-	-
Matured Bonds Payable	-	-	-	-
Matured Interest Payable	-	-	-	-
Accrued Interest Payable	-	-	-	-
Notes Payable	-	-	-	-
Total Liabilities	2,475,787	404,174	2,039,733	-
Deferred Inflows of Resources				
Property Taxes not Levied to Finance the Current Year Operations	13,347,926	18,104,633	13,074,771	-
Payment in Lieu of Taxes not Levied to Finance the Current Year Operations	-	-	-	15,949,702
Unavailable Revenue	13,322,424	2,961,763	7,995,745	286,063
Total Deferred Inflows of Resources	26,670,350	21,066,396	21,070,516	16,235,765
Fund Balances				
Nonspendable	1,732,479	49,102	48,234	-
Restricted	-	32,938,217	11,957,689	15,057,524
Assigned	2,680,105	-	-	-
Unassigned (Deficit)	47,181,000	-	-	-
Total Fund Balances	51,593,584	32,987,319	12,005,923	15,057,524
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 80,739,721	\$ 54,457,889	\$ 35,116,172	\$ 31,293,289

See accompanying notes to the basic financial statements

Non Major Governmental Funds	Total Governmental Funds
\$ 82,588,509	\$ 187,213,742
3,540	5,139
-	114,815
17,405,004	63,207,212
-	11,185,636
319,196	319,196
-	16,235,765
391,159	434,415
14,214,574	34,377,054
-	1,072,084
7,890,126	7,890,126
518,309	642,731
-	534,180
255,738	916,422
1,157,545	1,330,248
-	872,006
<u>\$ 124,743,700</u>	<u>\$ 326,350,771</u>

\$ 30,577	\$ 321,455
2,847,276	5,435,645
822,213	2,636,988
467,986	532,405
411,146	572,399
872,006	872,006
13,250	13,250
5,543	5,543
32,353	32,353
8,840,000	8,840,000
<u>14,342,350</u>	<u>19,262,044</u>

16,889,157	61,416,487
-	15,949,702
18,967,290	43,533,285
<u>35,856,447</u>	<u>120,899,474</u>

2,388,162	4,217,977
79,101,368	139,054,798
-	2,680,105
<u>(6,944,627)</u>	<u>40,236,373</u>

<u>74,544,903</u>	<u>186,189,253</u>
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<u>\$ 124,743,700</u>	<u>\$ 326,350,771</u>
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Butler County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2017

Total Governmental Fund Balances \$186,189,253

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	17,344,637	
Infrastructure	250,000,118	
Construction in progress	2,916,024	
Depreciable capital assets	234,568,409	
Accumulated depreciation	<u>(130,540,370)</u>	
Total capital assets		374,288,818

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 1,122,155

Some of the County's revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds:

Delinquent Property Taxes	1,790,725	
Delinquent Revenue in Lieu of Taxes	286,063	
Sales Taxes	7,648,013	
Special Assessments	7,890,126	
Due From Other Governments	23,590,353	
Charges for Services	1,110,274	
Interest Revenue	929,695	
Other	<u>288,036</u>	
Total		43,533,285

Deferred Outflows of Resources represent deferred charges on refundings which do not provide current financial resources and therefore are not reported in the funds. 613,368

Deferred Inflows of Resources represent deferred gains on refundings which do not provide current financial resources and therefore are not reported in the funds. (83,394)

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	54,300,377	
Deferred Intflows - Pension	(1,143,536)	
Net Pension Liability	<u>(141,360,866)</u>	
		(88,204,025)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued interest on bonds	(828,391)	
Capital leases	(4,500,000)	
Bonds	(40,568,052)	
Loans	(1,279,168)	
Long Term Contracts Payable	(26,473,256)	
Compensated absences	<u>(9,400,822)</u>	
Total		<u>(83,049,689)</u>

Net Position of Governmental Activities \$434,409,771

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Residential Incentive Districts and Tax Incremental Financings
Revenues				
Property Taxes	\$ 13,208,749	\$ 18,928,178	\$ 13,686,435	\$ -
Sales Taxes	44,033,304	-	-	-
Other Local Taxes	-	-	-	-
Charges for Services	23,013,866	8,028	-	-
Licenses and Permits	2,415,964	-	-	-
Fines and Forfeitures	1,069,839	-	-	-
Intergovernmental	10,423,744	8,273,758	25,343,651	2,218,799
Special Assessments	-	-	-	-
Payments in Lieu of Taxes	-	-	-	14,460,243
Investment Earnings	2,538,664	-	-	-
Other	1,371,279	729,701	229,633	-
Total Revenues	98,075,409	27,939,665	39,259,719	16,679,042
Expenditures				
Current:				
General Government:				
Legislative and Executive	21,638,295	-	-	-
Legislative and Executive - Intergovernmental	-	-	-	11,881,178
Judicial	11,981,314	-	-	-
Public Safety	39,318,729	-	-	-
Public Works	214,741	-	-	-
Health	483,051	26,892,785	-	-
Human Services	1,882,403	-	37,700,583	-
Conservation and Recreation	450,890	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Payment to Bond Escrow Agent	-	-	-	-
Total Expenditures	75,969,423	26,892,785	37,700,583	11,881,178
Excess of Revenues Over (Under) Expenditures	22,105,986	1,046,880	1,559,136	4,797,864
Other Financing Sources (Uses):				
Premium on Debt Issued	-	-	-	-
Refunding Bonds Issued	-	-	-	-
Inception of Capital Lease	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Transfers - In	1,276,516	-	829,525	-
Transfers - Out	(14,127,487)	-	-	(1,611,611)
Total Other Financing Sources (Uses)	(12,850,971)	-	829,525	(1,611,611)
Net Change in Fund Balance	9,255,015	1,046,880	2,388,661	3,186,253
Fund Balances at Beginning of Year	42,338,569	31,940,439	9,617,262	11,871,271
Fund Balances at End of Year	\$ 51,593,584	\$ 32,987,319	\$ 12,005,923	\$ 15,057,524

See accompanying notes to the basic financial statements

Non Major Governmental Funds	Total Governmental Funds
\$ 17,675,151	\$ 63,498,513
-	44,033,304
2,743,165	2,743,165
22,783,150	45,805,044
957,151	3,373,115
772,255	1,842,094
34,990,038	81,249,990
2,126,945	2,126,945
-	14,460,243
238,476	2,777,140
1,135,076	3,465,689
<u>83,421,407</u>	<u>265,375,242</u>

5,592,619	27,230,914
-	11,881,178
2,198,489	14,179,803
12,534,639	51,853,368
22,870,797	23,085,538
13,152,380	40,528,216
20,968,399	60,551,385
40,736	491,626
4,935,080	4,935,080
7,322,518	7,322,518
2,055,013	2,055,013
2,432,047	2,432,047
<u>94,102,717</u>	<u>246,546,686</u>
<u>(10,681,310)</u>	<u>18,828,556</u>

275,570	275,570
3,865,000	3,865,000
4,500,000	4,500,000
(4,095,113)	(4,095,113)
14,909,573	17,015,614
(1,276,516)	(17,015,614)
<u>18,178,514</u>	<u>4,545,457</u>
7,497,204	23,374,013
<u>67,047,699</u>	<u>162,815,240</u>
<u>\$ 74,544,903</u>	<u>\$ 186,189,253</u>

Butler County, Ohio
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds		\$23,374,013
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Asset Additions	11,430,255	
Current Year Depreciation	<u>(7,613,416)</u>	3,816,839
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
Loss on Disposal of Capital Assets		(965,934)
Because some revenues will not be collected for several months after the County's year end, they are not considered "available" revenues and are deferred in the governmental funds.		
Delinquent Property Taxes	(169,482)	
Sales Taxes	(254,394)	
Payment in Lieu of Taxes	193,705	
Due From Other Governments	2,439,296	
Special Assessments	(398,461)	
Charges for Services	(746,164)	
Interest Revenue	<u>619,426</u>	1,683,926
Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position, the lease obligation is reported as a liability.		
		(4,500,000)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond principal retirement	6,225,000	
Special assessment principal retirement	973,230	
Payment to Refunded Bond Escrow Agent	4,095,113	
Payment to Bond Escrow Agent	2,432,047	
Loan principal retirement	<u>124,288</u>	
Total long-term debt repayment		13,849,678
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest	(142,089)	
Amortization of Gain/Loss on Refunding	(105,886)	
Amortization of Bond Premiums/Discounts	<u>394,318</u>	
Total		146,343
Bond Proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.		
Bond Proceeds	(3,865,000)	
Premium on Bonds	<u>(275,570)</u>	(4,140,570)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		10,635,315
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(29,847,258)
Some items reported in the statement of activities do not require the expenditures in governmental funds. These activities consist of:		
Compensated Absences	(1,179,024)	
Long Term Contracts Payable	<u>594,537</u>	(584,487)
The internal service funds used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.		
		(1,281,916)
Change in Net Position of Governmental Activities		<u>\$12,185,949</u>

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 12,679,500	\$ 12,679,500	\$ 12,923,151	\$ 243,651
Sales Taxes	44,028,366	44,028,366	44,033,304	4,938
Charges for Services	19,388,896	19,388,896	23,173,077	3,784,181
Licenses and Permits	2,513,050	2,513,050	2,415,964	(97,086)
Fines and Forfeitures	1,249,300	1,249,300	1,076,042	(173,258)
Intergovernmental	10,026,659	10,026,659	10,367,264	340,605
Interest	1,700,000	1,700,000	3,153,919	1,453,919
Other	495,550	495,550	1,201,587	706,037
Total Revenues	92,081,321	92,081,321	98,344,308	6,262,987
Expenditures:				
Current:				
General Government:				
Legislative and Executive	23,037,883	26,029,945	24,868,196	1,161,749
Judicial	13,360,639	13,883,325	13,035,289	848,036
Public Safety	39,793,984	42,090,833	40,866,792	1,224,041
Public Works	234,290	238,790	213,986	24,804
Health	756,250	883,406	643,471	239,935
Human Services	2,156,541	2,338,199	2,184,895	153,304
Conservation and Recreation	395,817	452,687	452,181	506
Total Expenditures	79,735,404	85,917,185	82,264,810	3,652,375
Excess of Revenues Over Expenditures	12,345,917	6,164,136	16,079,498	9,915,362
Other Financing Sources (Uses):				
Other Financing Sources	2,651,615	2,651,615	3,007,191	355,576
Advances - In	50,000	50,000	728,273	678,273
Advances - Out	(150,000)	(535,000)	(345,726)	189,274
Transfers - In	1,200,000	1,200,000	1,276,516	76,516
Transfers - Out	(16,094,533)	(14,855,493)	(14,127,487)	728,006
Total Other Financing Sources (Uses)	(12,342,918)	(11,488,878)	(9,461,233)	2,027,645
Net Change in Fund Balance	2,999	(5,324,742)	6,618,265	11,943,007
Fund Balance at Beginning of Year	36,121,567	36,121,567	36,121,567	-
Prior Year Encumbrances Appropriated	2,222,785	2,222,785	2,222,785	-
Fund Balance at End of Year	\$ 38,347,351	\$ 33,019,610	\$ 44,962,617	\$ 11,943,007

See accompanying notes to the basic financial statements.

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
Developmental Disabilities Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 18,000,000	\$ 18,000,000	\$ 18,577,442	\$ 577,442
Charges for Services	11,500	11,500	8,028	(3,472)
Intergovernmental	7,020,528	7,008,678	8,275,250	1,266,572
Other	-	21,850	729,701	707,851
Total Revenues	<u>25,032,028</u>	<u>25,042,028</u>	<u>27,590,421</u>	<u>2,548,393</u>
Expenditures:				
Current:				
Health	<u>29,519,478</u>	<u>30,012,067</u>	<u>27,933,928</u>	<u>2,078,139</u>
Excess of Revenues Under Expenditures	(4,487,450)	(4,970,039)	(343,507)	4,626,532
Other Financing Sources:				
Other Financing Sources	<u>60,000</u>	<u>50,000</u>	<u>68,827</u>	<u>18,827</u>
Net Change in Fund Balance	(4,427,450)	(4,920,039)	(274,680)	4,645,359
Fund Balance at Beginning of Year	30,946,230	30,946,230	30,946,230	-
Prior Year Encumbrances Appropriated	<u>590,071</u>	<u>590,071</u>	<u>590,071</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 27,108,851</u>	<u>\$ 26,616,262</u>	<u>\$ 31,261,621</u>	<u>\$ 4,645,359</u>

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
Job and Family Services/Children Services Agency Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 13,200,000	\$ 12,971,076	\$ 13,428,924	\$ 457,848
Intergovernmental	26,084,962	23,877,962	24,547,022	669,060
Other	620,000	620,000	229,633	(390,367)
Total Revenues	39,904,962	37,469,038	38,205,579	736,541
Expenditures:				
Current:				
Human Services	43,204,444	40,900,737	39,313,162	1,587,575
Excess of Revenues Over (Under) Expenditures	(3,299,482)	(3,431,699)	(1,107,583)	2,324,116
Other Financing Sources:				
Other Financing Sources	465,000	465,000	442,061	(22,939)
Transfers - In	809,292	809,292	829,525	20,233
Total Other Financing Sources	1,274,292	1,274,292	1,271,586	(2,706)
Net Change in Fund Balance	(2,025,190)	(2,157,407)	164,003	2,321,410
Fund Balance at Beginning of Year	4,815,714	4,815,714	4,815,714	-
Prior Year Encumbrances Appropriated	2,635,890	2,635,890	2,635,890	-
Fund Balance at End of Year	\$ 5,426,414	\$ 5,294,197	\$ 7,615,607	\$ 2,321,410

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
Residential Incentive Districts and Tax Incremental Financings Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 8,746,000	\$ 9,962,083	\$ 14,460,243	\$ 4,498,160
Expenditures:				
Current:				
Intergovernmental	9,316,565	12,710,980	11,910,033	800,947
Excess of Revenues Over (Under) Expenditures	(570,565)	(2,748,897)	2,550,210	5,299,107
Other Financing Sources (Uses):				
Other Financing Sources	-	-	2,215,839	2,215,839
Transfers - Out	(1,676,187)	(1,746,775)	(1,611,611)	135,164
Total Other Financing Sources (Uses)	(1,676,187)	(1,746,775)	604,228	2,351,003
Net Change in Fund Balance	(2,246,752)	(4,495,672)	3,154,438	7,650,110
Fund Balance at Beginning of Year	11,497,836	11,497,836	11,497,836	-
Prior Year Encumbrances Appropriated	376,397	376,397	376,397	-
Fund Balance at End of Year	<u>\$ 9,627,481</u>	<u>\$ 7,378,561</u>	<u>\$ 15,028,671</u>	<u>\$ 7,650,110</u>

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2017

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Total	
Assets				
Current Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 36,909,096	\$ 20,103,612	\$ 57,012,708	\$ 4,639,327
Cash and Cash Equivalents in Segregated Accounts	250	250	500	-
Cash and Cash Equivalents with Fiscal Agent	-	-	-	195,721
Receivables:				
Accounts	1,828,206	1,823,586	3,651,792	657,620
Special Assessments	424,963	155,221	580,184	-
Prepaid Items	90,446	84,089	174,535	1,014,368
Materials and Supplies Inventory	124,857	114,171	239,028	-
Total Current Assets	39,377,818	22,280,929	61,658,747	6,507,036
Noncurrent Assets				
Non-Depreciable Capital Assets	5,484,077	3,768,419	9,252,496	-
Depreciable Capital Assets	180,494,448	112,215,891	292,710,339	-
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	4,000,000	1,435,485	5,435,485	-
Total Noncurrent Assets	189,978,525	117,419,795	307,398,320	-
Total Assets	229,356,343	139,700,724	369,057,067	6,507,036
Deferred Outflows of Resources				
Deferred Charges on Refunding Pension	145,010	568,465	713,475	-
	3,064,359	1,225,744	4,290,103	-
Total Deferred Outflows of Resources	3,209,369	1,794,209	5,003,578	-
Liabilities				
Current Liabilities				
Accounts Payable	125,732	31,712	157,444	-
Contracts Payable	262,477	344,020	606,497	-
Accrued Wages and Benefits Payable	115,810	51,151	166,961	4,772
Due to Other Funds	1,065	710	1,775	-
Due to Other Governments	148,571	1,077,446	1,226,017	-
Accrued Interest Payable	391,873	242,745	634,618	-
General Obligation Bonds Payable	54,539	794,751	849,290	-
Revenue Bonds Payable	3,713,610	1,840,000	5,553,610	-
Judgement Bonds Payable	-	1,755,000	1,755,000	-
Loans Payable	831,864	672,818	1,504,682	-
Claims Payable	-	-	-	4,544,184
Compensated Absences Payable	187,894	83,923	271,817	3,017
Total Current Liabilities	5,833,435	6,894,276	12,727,711	4,551,973
Noncurrent Liabilities				
Refundable Deposits	-	135,485	135,485	-
Claims Payable	-	-	-	824,162
Compensated Absences Payable	373,485	211,672	585,157	8,746
General Obligation Bonds Payable	3,226,596	852,150	4,078,746	-
Revenue Bonds Payable	14,539,326	10,142,269	24,681,595	-
Judgement Bonds Payable	-	17,251,233	17,251,233	-
Loans Payable	17,129,842	9,127,921	26,257,763	-
Net Pension Liability	7,853,381	3,141,353	10,994,734	-
Total Noncurrent Liabilities	43,122,630	40,862,083	83,984,713	832,908
Total Liabilities	48,956,065	47,756,359	96,712,424	5,384,881
Deferred Inflows of Resources				
Pension	63,104	25,242	88,346	-
Net Position				
Net Investment in Capital Assets	146,627,758	74,116,633	220,744,391	-
Restricted for:				
Replacement and Improvement	4,000,000	1,300,000	5,300,000	-
Unrestricted	32,918,785	18,296,699	51,215,484	1,122,155
Total Net Position	\$ 183,546,543	\$ 93,713,332	\$ 277,259,875	\$ 1,122,155

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Total	
Operating Revenues:				
Charges for Services	\$ 18,061,031	\$ 20,914,355	\$ 38,975,386	\$ 22,278,786
Other Operating Revenues	27,067	2,537	29,604	852,287
Total Operating Revenues	18,088,098	20,916,892	39,004,990	23,131,073
Operating Expenses:				
Personal Services	6,589,433	2,913,903	9,503,336	422,254
Contractual Services	3,680,046	9,276,607	12,956,653	5,484,019
Claims and Judgments	-	-	-	18,555,849
Materials and Supplies	1,273,637	541,495	1,815,132	17,052
Depreciation and Amortization Expense	10,143,432	7,616,016	17,759,448	-
Other	482,685	356,087	838,772	-
Total Operating Expenses	22,169,233	20,704,108	42,873,341	24,479,174
Operating Income (Loss)	(4,081,135)	212,784	(3,868,351)	(1,348,101)
Non-Operating Revenues (Expenses)				
Other Non-Operating Revenues	147,276	129,685	276,961	64,460
Interest	-	-	-	1,725
Interest and Fiscal Charges	(1,295,978)	(1,434,223)	(2,730,201)	-
Total Non-Operating Revenues (Expenses)	(1,148,702)	(1,304,538)	(2,453,240)	66,185
Income (Loss) Before Contributions	(5,229,837)	(1,091,754)	(6,321,591)	(1,281,916)
Capital Contributions	7,209,332	4,391,924	11,601,256	-
Change in Net Position	1,979,495	3,300,170	5,279,665	(1,281,916)
Net Position at Beginning of Year	181,567,048	90,413,162	271,980,210	2,404,071
Net Position at End of Year	\$ 183,546,543	\$ 93,713,332	\$ 277,259,875	\$ 1,122,155

See accompanying notes to the basic financial statements

Butler County
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Totals	
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$ 18,751,588	\$ 21,372,163	\$ 40,123,751	\$ -
Cash Received from Other Operating Sources	-	-	-	194,667
Cash Paid to Suppliers	(4,813,069)	(9,624,906)	(14,437,975)	(5,351,676)
Cash Paid to Employees	(5,422,101)	(2,459,672)	(7,881,773)	(444,916)
Cash Received from Interfund Services Provided	-	-	-	22,278,786
Other Operating Revenues	27,067	2,537	29,604	-
Other Operating Expenses	(482,685)	(356,087)	(838,772)	-
Other Non-Operating Revenues	147,276	129,685	276,961	64,460
Cash Paid for Claims	-	-	-	(16,811,502)
Net Cash Provided by(used for) Operating Activities	<u>8,208,076</u>	<u>9,063,720</u>	<u>17,271,796</u>	<u>(70,181)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Proceeds from Sale of Refunding Bonds	-	7,370,000	7,370,000	-
Proceeds from Sale of Revenue Bonds	895,000	-	895,000	-
Premium from Refunding Bonds	-	769,479	769,479	-
Proceeds from Loans	-	265,975	265,975	-
Principal Paid on Loans	(810,018)	(644,332)	(1,454,350)	-
Interest Paid on Loans	(544,405)	(175,140)	(719,545)	-
Interest Paid on General Obligation Bonds	(144,852)	(89,025)	(233,877)	-
Principal Paid on General Obligation Bonds	(56,840)	(760,000)	(816,840)	-
Interest and Fiscal Charges on Revenue Bonds	(848,491)	(446,479)	(1,294,970)	-
Principal Paid on Revenue Bonds	(3,712,280)	(1,845,000)	(5,557,280)	-
Interest Paid on Judgement Bonds	-	(916,581)	(916,581)	-
Principal Paid on Judgement Bonds	-	(1,780,000)	(1,780,000)	-
Payment to Refunded Bond Escrow Agent	-	(8,055,109)	(8,055,109)	-
Acquisition and Construction of Capital Assets	(2,518,484)	(3,412,144)	(5,930,628)	-
Cash Received from Special Assessments	57,931	53,474	111,405	-
Capital Contributions by Customers	5,378,103	2,714,524	8,092,627	-
Net Cash Used for Capital and Related Financing Activities	<u>(2,304,336)</u>	<u>(6,950,358)</u>	<u>(9,254,694)</u>	<u>-</u>
<u>Cash Flows from Investing Activities:</u>				
Interest and Dividends on Investments	-	-	-	1,725
Net Increase (Decrease) in Cash and Cash Equivalents	5,903,740	2,113,362	8,017,102	(68,456)
Cash and Cash Equivalents at Beginning of Year	35,005,606	19,425,985	54,431,591	4,903,504
Cash and Cash Equivalents at End of Year	<u>\$ 40,909,346</u>	<u>\$ 21,539,347</u>	<u>\$ 62,448,693</u>	<u>\$ 4,835,048</u>

(continued)

Butler County
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017 (Continued)

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Totals	
Reconciliation of Operating Income (Loss) to Net Income				
<u>Cash Provided by Operating Activities:</u>				
Operating Income (Loss)	\$ (4,081,135)	\$ 212,784	\$ (3,868,351)	\$ (1,348,101)
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
<u>Provided by Operating Activities:</u>				
Depreciation and Amortization	10,143,432	7,616,016	17,759,448	-
Other Non-Operating Revenues	147,276	129,685	276,961	64,460
<u>(Increase)Decrease in Assets</u>				
Accounts Receivable	690,557	457,808	1,148,365	(657,620)
Prepaid Items	-	-	-	149,395
Deferred Outflows Pension	1,043,861	417,545	1,461,406	-
<u>Increase(Decrease) in Liabilities</u>				
Accounts Payable	(12,793)	(8,059)	(20,852)	-
Contracts Payable	158,360	295,407	453,767	-
Accrued Wages and Benefits Payable	9,690	3,099	12,789	(369)
Compensated Absences Payable	49,111	7,719	56,830	(22,293)
Due to Other Funds	67	45	112	-
Due to Other Governments	(5,020)	(94,197)	(99,217)	-
Deferred Inflows Pension	(111,135)	(44,454)	(155,589)	-
Net Pension Liability	175,805	70,322	246,127	-
Claims Payable	-	-	-	1,744,347
Total Adjustments	12,289,211	8,850,936	21,140,147	1,277,920
Net Cash Provided(used for) by Operating Activities	\$ 8,208,076	\$ 9,063,720	\$ 17,271,796	\$ (70,181)

Non-Cash capital and related financing activities:
Capital Contributions from Customers of \$360,062 for the Sewer Fund
Capital Contributions from Customers of \$293,355 for the Water Fund
Developers during the year donated \$2,136,124 of sewer lines to the Sewer fund.
Developers during the year donated \$1,384,045 of water lines to the Water fund.

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2017

	<u>Total</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 33,353,608
Cash and Cash Equivalents in Segregated Accounts	5,058,778
Property Taxes Receivable	462,408,049
Revenue in Lieu of Taxes Receivable	101,101,776
Special Assessments Receivable	9,127,030
Due from Other Governments	<u>8,146,335</u>
Total Assets	<u><u>\$ 619,195,576</u></u>
 Liabilities	
Undistributed Monies	\$ 19,278,278
Deposits Held and Due to Others	272,142
Due to Other Governments	599,519,920
Loans Payable	<u>125,236</u>
Total Liabilities	<u><u>\$ 619,195,576</u></u>

See accompanying notes to the basic financial statements

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – REPORTING ENTITY

REPORTING ENTITY

Butler County, Ohio (The County) was created in 1803. The County is governed by a board of three commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other elected officials include the Auditor, Treasurer, Recorder, Sheriff, Coroner, Clerk of Courts, Prosecutor, Engineer, twelve Common Pleas Court Judges and three County Court Judges.

The services provided by the above officials and their departments comprise the primary governmental unit of the County. They have therefore been included as part of the reporting entity.

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

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

Discretely Presented Component Units

The component units column in the entity-wide financial statements identify the financial data of the County's component units, Butler County Land Reutilization Corporation, Liberty Community Authority and the Butler County Port Authority. They are reported separately to emphasize that they are legally separate from the County.

Butler County Land Reutilization Corporation

The Butler County Land Reutilization Corporation was created by resolution of the County Commissioners and organized under chapter 1724 of the Revised Code to act on behalf and cooperate with the county in exercising the powers and performing the duties of the county under chapter 5722 of the Ohio Revised Code. The purpose of the organization is to reduce the existence of nonproductive land within Butler County. The corporation takes title of nonproductive properties and gives them to the requesting cities participating in the program. The cities will improve the properties and return them to a revenue generating status or devote them to public purpose.

The Butler County Commissioners and Butler County Treasurer comprise the voting majority of the land reutilization corporation. Because the County makes up a voting majority of the board, the County is able to impose its will on the operations of the Land Bank. The component unit column of the financial statements identifies the financial data of the discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County. Separately issued financial statements can be obtained from the Butler County Treasurer, 315 High Street, 10th floor, Hamilton, Ohio 45011. Disclosures can be found in NOTE 25.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Liberty Community Authority

The Liberty Community Authority (the "Authority") is a community authority created pursuant to Chapter 349 of the Ohio Revised Code (ORC). Liberty Center Holdings, LLC (the Developer) filed a petition for creation of the Authority with the Butler County Commissioners. The petition was accepted on August 22, 2013. The Authority was organized as a body corporate for the purpose of fostering development of a mixed use retail space known as Liberty Center located in Butler County.

The Butler County Commissioners appoint four of the seven voting members of the Liberty Community trustees. In addition, Butler County has agreed to pledge remaining TIF dollars to the repayment of the Liberty community issued OWDA loans. This pledge is a secondary source and will only be used if the Authority does not have sufficient revenues for payment. Because the County appoints a voting majority of the board and a financial benefit/burden relationship exists the Liberty Community Authority is being disclosed as a discretely presented component unit. Separately issued financial statements can be obtained from the Authority's Treasurer, 4016 Townsfair Way, Suite 201, Columbus, Ohio 43219. Disclosures can be found in NOTE 26.

Butler County Port Authority

The Butler County Commissioners established the Butler County Port Authority pursuant to section 4582.22 of the Ohio Revised code in September of 2004. The Port authority is a body corporate and politic established to undertake various projects that would create or preserve jobs and employment opportunities within the County. The Port Authority Board consists of seven voting members of which four members must have businesses or places of employment within Butler County. The remaining three members of the board need not possess either of the preceding qualifications.

The Butler County Commissioners appoint four of the seven voting members of the Butler County Port Authority Board. In addition, Butler County entered into a contractual agreement to be the primary payee on the Port Authority issued \$11,085,000 Liberty Center Project Series A bonds. These bonds are being paid from Butler County TIF revenues. Because the County appoints a voting majority of the board and a financial benefit/burden relationship exists the Butler County Port Authority is being disclosed as a discretely presented component unit. Separately issued financial statements can be obtained from the Butler County Port Authority, 315 High Street, Hamilton, Ohio 45011. Disclosures can be found in NOTE 27.

The County participates in the following jointly governed organizations, risk sharing pool, insurance purchasing pool and related organizations. These organizations are presented in NOTE 21 to the basic financial statements and are excluded from the accompanying financial statements except as noted.

Transportation Improvement District of Butler County
Ohio Kentucky Indiana Regional Council of Governments
Butler/Clermont/Warren Workforce Policy Board
Community-Based Correctional Facility
Southwest Ohio Council of Governments
County Risk Sharing Authority (CORSA)
Jefferson Health Plan
Regional Transit Authority (RTA)
Butler County Convention and Visitor Bureau
Metroparks of Butler County

As the custodian of public funds, the County Treasurer invests all public moneys held on deposit in the County Treasury. In the case of the legally separate agencies, boards and commissions listed below, the County serves as fiscal agent, but the organizations are not considered a part of Butler County. Accordingly, the activity of the following districts and agencies are presented as agency funds within the County's financial statements:

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Butler County General Health District

The Board of Health is elected by a District Advisory Council comprised of a township trustees, mayors of participating municipalities, and a representative of the county commissioners which oversee the operation of the Health District. The Board adopts its own budget, which is subject to a compliance oriented review by the County. The District hires and fires its own staff, and operates autonomously from the County.

Butler County Soil and Water Conservation District

The Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the state. The supervisors of the Soil and Water Conservation District are elected officials authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, and do not tax or issue debt.

Metroparks of Butler County

The District Commissioners are appointed by the Probate Judge of the County. The Commissioners adopt their own budget, authorize expenditures, hire and fire staff, and do not rely on the County to finance deficits. The County is not financially accountable for the District nor is the District fiscally dependent on the County. The District serves as its own taxing and debt issuance authority and is a related organization of the County.

Twelfth District Court of Appeals

The State of Ohio is divided into twelve district courts of appeals. The twelfth district includes the counties of Brown, Clermont, Butler, Warren, Clinton, Fayette, Madison, and Preble. The district court is a separate entity from the County. The three judges who are responsible for the court system are elected in the general election by the populous of the above listed counties. The court system sets its own budget, appoints staff, and relies on the County for only the County's proportionate contribution for operations as required by state statute.

Butler/Clermont/Warren Workforce Policy Board (Area 12)

The Workforce Investment Area (WIA) Twelve is made up of Butler, Clermont and Warren counties. Butler County is currently the fiscal agent for the WIA area which is reported in an agency fund. The duties of the fiscal agent include budgeting, reporting and disbursing grant funding to Clermont and Warren counties as well as Butler County Job and Family Services Agency from the Ohio Department of Job and Family Services.

The State of Ohio required Area Twelve to form a board to set goals, agendas, and come up with a plan to best meet the needs of the program. The board is made up of representatives from the local communities and a commissioner from each County. All expenses involved with the operation of the board are paid by Butler, Clermont, or Warren County as part of the administration cost allotted in the WIA program. The board is a jointly governed organization.

Community-Based Correctional Facility

The Community-Based Correctional Facility serves Butler, Clermont, and Warren Counties. The Judicial Advisory Board includes at least one common pleas court judge from each county. The Community-Based Correctional Facility provides a wide range of programs addressing offender needs such as chemical dependency, education, employment, and family relationships.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

BASIS OF PRESENTATION

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources.

Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities plus deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

General - This fund accounts for and reports the general operating revenues and expenditures of the County not recorded elsewhere. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

Developmental Disabilities - This fund accounts for and reports the countywide tax levy, federal and State grants restricted to pay the costs of services provided to local citizens with developmental disabilities.

Job and Family Services/Children Services Agency – This fund accounts for and reports the countywide tax levy along with various federal and State grants restricted to support children's services, provide services to the local community for child adoption and foster care needs, provide public assistance to general relief recipients, pay their providers of medical assistance, and pay for certain public social services.

Residential Incentive Districts and Tax Incremental Financing – This fund accounts for and reports the countywide TIF/RID revenues and expenses restricted for development, construction, and maintenance of various development projects within Butler County.

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

Proprietary Funds

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

Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County maintains the following enterprise funds:

Sewer - This fund accounts and reports fees collected by Butler County Water and Sewer for the processing and disposal of sewage.

Water - This fund accounts and reports fees collected by Butler County Water and Sewer for providing water services to Butler County residents.

Internal Service Funds

Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis. The County's internal service funds report on health insurance programs for medical, dental and vision coverage, and workers compensation.

Fiduciary Funds

The County's only fiduciary funds are agency funds. Agency funds are used to report resources held by the County in a purely custodial capacity. The County's agency funds are primarily established to account for the collection and distribution of various taxes, receipts and fees to other local governments and to account for funds of the, General Health District, Soil and Water Conservation District, Metroparks, Twelfth District Court of Appeals, and the Community-Based Correctional Facility.

MEASUREMENT FOCUS

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the County are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationships between the government-wide statements and the fund financial statements.

Like the government-wide statements, all proprietary fund types are accounted for using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

BASIS OF ACCOUNTING

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

Revenues – Exchange and Non-Exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the sources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within 31 days of year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, includes sales tax, property taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the sale occurs (see Note 8). On an accrual basis, revenue from property taxes/revenue in lieu of taxes is recognized in the year for which the taxes are levied or would have been levied (see NOTE 7). Revenue from grants, entitlements, and donations are recognized in the year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: sales tax, state levied locally shared taxes (including gasoline tax and motor vehicle license tax), charges for services, licenses and permits, fines and forfeitures, grants, interest.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Payments in Lieu of Taxes

The County has entered into several Tax Increment Financing Agreements with developers. In order to encourage improvements, companies and home owners were granted a 100 percent, 30 year exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the County in an amount equal to the real property taxes that otherwise would have been due in that current year. Payments in lieu of taxes are collected through the real estate tax collection cycle. These payments are being used to finance public infrastructure improvements. Additional payments are made to Fairfield City School District, Lakota Local School District, and Ross Local School District since they are impacted by the exemption. A receivable for the amount of the payments estimated to be received in the next tax collection year has been recorded in the respective TIF funds with a corresponding credit to deferred inflows of resources – revenue in lieu of taxes. On a full accrual basis, the portion of collections relating to delinquencies will be reported as Payments in Lieu of Taxes revenue. While on the modified accrual basis, the revenue has been reported as deferred inflows – unavailable revenue.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources include a deferred charge on refunding and pension reported in the government-wide statement of net position. The deferred outflows of resources related to pension are explained in Note 12. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the County, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, and unavailable revenue. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables that will not be collected within the available period. For the County, unavailable revenue includes delinquent property taxes, delinquent revenue in lieu of taxes, sales taxes, special assessments, due from other governments, charges for services, interest revenue and other. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 21. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 12)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Cash and Cash Equivalents

Cash resources of the majority of individual funds are combined to form a pool of cash and investments, which is managed by the County Treasurer. Individual fund integrity is maintained through the County's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

During 2017, investments were limited to, Fifth Third Institutional Government Money Market Mutual Fund, a U.S. Treasury Note, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds, Federal National Mortgage Association Bonds, Government Sponsored Enterprises Fannie Mae/Freddie Mac, and Commercial Paper. Investments, except for commercial paper, are reported at fair value which is based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price. The County's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. NOTE 6 provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

Interest earned on investments is distributed to the General Fund, except as stipulated by the Ohio Constitution or State statute. Interest revenue credited to the General Fund during 2017 amounted to \$2,538,664, which includes \$954,600 assigned from other County funds.

Statement of Cash Flows

Funds included within the Treasurer's cash management pool and investments in segregated accounts with original maturities of three months or less when purchased are considered to be cash equivalents.

Cash and Cash Equivalents in Segregated Accounts

The County has segregated bank accounts for monies held separate from the County's central bank account. These depository accounts are presented as "Cash and cash equivalents in segregated accounts".

Cash and Cash Equivalents with Fiscal Agents

The Southwest Ohio Council of Governments is currently holding deposits that belong to the County which are represented by "Cash and cash equivalents with fiscal agents" on the statement of net position- government wide and also found on the fund financial statements in the developmental disabilities major fund.

Inventories and Prepaid Items

On the government-wide financial statements inventories are presented at the lower of cost or market, on a first-in, first-out (FIFO) basis, and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in first-out basis. The cost of inventory items is recorded as expenditures in the governmental fund types when consumed. Inventories of the enterprise funds are expensed when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items by using the consumption method.

Interfund Transactions

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered, are classified as "due from other funds/due to other funds". Long-term interfund loans are classified as "advances to/from other funds" and are classified as non-spendable fund balance which indicates that they are not in spendable form even though it is a component of net current assets. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business type activities which are presented as internal balances.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Restricted Assets

Restricted equity in pooled cash and cash equivalents consist of Replacement and Improvement (R&I) Funds held by the Department of Water and Sewer that are restricted by bond covenants. The covenants state that transfers must be made into the R&I Funds monthly from the Water and Sewer operating funds until the time that the minimum cash balance of \$1,300,000 in the Water Fund and \$4,000,000 in the Sewer Fund is achieved. These dollars may be used to pay for replacements and improvements to assets in the Water and Sewer systems. In addition, water customer deposits are presented as Restricted Assets: Equity in pooled cash and cash equivalents.

Capital Assets

Capital assets, which include intangible assets (e.g. water rights, easements and internally generated software) property, plant equipment and infrastructure assets (e.g. roads, bridges and culverts), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets used by the enterprise funds are also reported in the respective funds. The County defines capital assets as assets with an initial individual cost of more than \$15,000 (amount not rounded) and an estimated useful life of one year or any asset with an estimated useful life in excess of ten or more years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed.

Donated capital assets are recorded at estimated acquisition value at the date of donation. For certain assets estimates were calculated by indexing estimated current costs back to the year of acquisition. The costs of normal maintenance and repairs that do not add to the value of the asset, or do not materially extend the useful life of the asset are not capitalized.

All reported capital assets except for land and easements, construction in process, and infrastructure are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Useful Lives</u>
Land and Building Improvements	10 - 60 years
Furniture, Fixtures and Equipment	3 - 30 years
Vehicles	7 - 10 years
Water Right Contracts	20 years
Water and Sewer Mains	40 years

Infrastructure assets under GASB Statement No. 34 do not need to be depreciated. The County has chosen to apply the modified approach for reporting infrastructure assets. All infrastructure items including roads, bridges, and culverts are reported. Under the modified approach, the County has developed an asset management system that:

1. Keeps an up-to-date inventory of eligible infrastructure assets,
2. Performs a conditional assessment of those eligible infrastructure assets at least every three years, using a consistent measurement scale and,
3. Estimates each year the annual amount to maintain and preserve those assets at the condition level established and disclosed by the government.

The County documents that the eligible infrastructure assets are being maintained at a level equal to or above the condition level established by the County. Condition appraisals are performed every three years for bridges, roads, and culverts in accordance with the Butler County capital asset policy.

When using the modified approach, expenditures to extend the life of infrastructure assets are charged to expense, while expenditures for additions and improvements to infrastructure assets are capitalized.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Capitalization of Interest

It is the County's policy to capitalize net interest on proprietary fund construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project and the interest earned from temporary investment of the debt proceeds. Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset.

Compensated Absences

Vacation and compensatory benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued as a liability based on the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements, The non-current portion of the liability is not reported in governmental funds. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-term Obligations

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

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

Pensions

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

Fund Balance

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

Non-spendable- The non-spendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The non-spendable fund balances include long term loans receivable, prepaid items, materials and supplies inventory, long-term interfund loans, and developmental disabilities trust.

Restricted- The restricted fund balance classification includes amounts that have constraints placed on the use of resources that are either externally imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Committed- The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners remove or change the specified use by taking the same type of action (resolution) it employed to commit these amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned- The assigned fund balance classification is intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned amounts represent intended uses established by the County Commissioners or a County Official delegated that authority by resolution or by State Statute. In the general fund, assigned amounts represent encumbered amounts for outstanding obligations. State statute authorizes the fiscal officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws or regulations of non major governments.

Net position restricted for other purposes primarily include funds for the operation of recording fees, tax assessment and collections; services provided by Butler County courts; law enforcement and other public safety services; animal licensing and control; and human services to support victim assistance programs.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available. The County's sewer and water enterprise funds have restricted net position relative to those resources necessary to comply with various covenants of bond financing agreements.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for wastewater treatment, water distribution, and self-insurance. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses that do not meet these criteria are considered non-operating revenues and expenses and are reported as such. All revenues of the department of Water and Sewer are used as security for revenue bonds issued.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, from grants, outside contributions of resources restricted to capital acquisition and construction, and system capacity charges.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources or uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements.

Bond Premiums and Discounts

On the government-wide financial statements (and in the enterprise funds), bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. On the governmental fund financial statements, premiums and discounts are recognized in the period in which the debt is issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Estimates

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

Budgets

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level.

Estimated Resources

The certificate of estimated resources may be amended during the year if the County Auditor identifies projected increases or decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources that was in effect at the time the final appropriations were passed by the County Commissioners.

Appropriations

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year including all supplemental appropriations.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The statement of revenues, expenditures, and changes in fund balance – budget and actual (budget basis) for the general and major special revenue funds are presented on the budget basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are as follows:

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

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the GAAP basis are as follows:

	Net Change in Fund Balance			
	General	Developmental Disabilities	Job and Family Services/Children Services	Residential Incentive Districts and Tax Incremental Financing
GAAP Basis	\$ 9,255,015	\$ 1,046,880	\$ 2,388,661	\$ 3,186,253
Revenue Accruals	2,951,686	70,317	(354,571)	(2,960)
Expenditure Accruals	(3,753,309)	(387,023)	519,412	-
Encumbrances	(2,542,078)	(654,120)	(2,131,991)	(28,855)
2016 Increase in Fair Value of Investments	(1,039,763)	-	-	-
2017 Increase in Fair Value of Investments	1,650,019	-	-	-
2016 Agency Fund Allocation	334,172	476,035	345,414	-
2017 Agency Fund Allocation	(620,024)	(826,769)	(602,922)	-
Advances	382,547	-	-	-
Budget Basis	<u>\$ 6,618,265</u>	<u>\$ (274,680)</u>	<u>\$ 164,003</u>	<u>\$ 3,154,438</u>

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

For 2017, the County implemented the Governmental Accounting Standards Board's (GASB) Implementation Guide No. 2016-1. These changes were incorporated in the County's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

For 2017, the County implemented the Governmental Accounting Standards Board's (GASB) Statement No. 86, "Certain Debt Extinguishment Issues." GASB Statement No. 86 establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with on extising resources—that is, resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the purpose of extinguishing debt. These changes were incorporated in the County's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

NOTE 4 – FUND BALANCE

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

Fund Balances	General	Developmental Disabilities	Job and Family / Children Services Agency	Residential Incentive Districts and Tax Incremental Financings	Non Major Governmental Funds	Total
Nonspendable						
Prepaid Items	\$ 596,531	\$ 27,043	\$ 37,110	\$ -	\$ 255,738	\$ 916,422
Materials and Supplies	139,520	22,059	11,124	-	1,157,545	1,330,248
Loans Receivable	124,422	-	-	-	-	124,422
Interfund Loans	872,006	-	-	-	-	872,006
Developmental Disabilities Trust	-	-	-	-	974,879	974,879
Total Nonspendable	1,732,479	49,102	48,234	-	2,388,162	4,217,977
Restricted for						
Developmental Disabilities	-	32,938,217	-	-	-	32,938,217
Job and Family/Children Services	-	-	11,957,689	-	-	11,957,689
Residential Incentive Districts and Tax Incremental Financing	-	-	-	15,057,524	-	15,057,524
Mental Health and Addiction Recovery Services	-	-	-	-	18,056,544	18,056,544
Elderly Services	-	-	-	-	10,967,441	10,967,441
Motor Vehicle	-	-	-	-	14,662,838	14,662,838
Public Works	-	-	-	-	13,917,184	13,917,184
Real Estate Assessment	-	-	-	-	3,141,008	3,141,008
Legislative and Executive	-	-	-	-	3,604,189	3,604,189
Public Safety	-	-	-	-	5,764,312	5,764,312
Judicial	-	-	-	-	5,244,604	5,244,604
Other Purposes	-	-	-	-	3,743,248	3,743,248
Total Restricted	-	32,938,217	11,957,689	15,057,524	79,101,368	139,054,798
Assigned						
Purchases on Order - Material/Supplies	708,045	-	-	-	-	708,045
Purchases on Order - Contract Services	1,636,518	-	-	-	-	1,636,518
Purchases on Order - Other	335,542	-	-	-	-	335,542
Total Assigned	2,680,105	-	-	-	-	2,680,105
Unassigned (Deficit)	47,181,000	-	-	-	(6,944,627)	40,236,373
Total Fund Balance	\$ 51,593,584	\$ 32,987,319	\$ 12,005,923	\$ 15,057,524	\$ 74,544,903	\$ 186,189,253

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

In addition to the above fund balance constraints, the County has a General Fund budget stabilization arrangement that does not meet the criteria to be classified as restricted or committed. Pursuant to Ohio Revised Code 5705.13, the County established a budget stabilization by resolution to provide options to stabilize against cyclical changes in revenues and expenditures. Expenditures of a recurring nature are not addressed as through the use of this arrangement. The balance in the reserve at December 31, 2017 is \$8,000,000.

NOTE 5- ACCOUNTABILITY

At year-end, All Other Human Services non-major special revenue fund, Other Capital Improvements, Road Improvements, and Building & Construction and Renovations funds non-major capital projects funds, Health Insurance and Jefferson Health Plan had deficit fund balances of \$45,412, \$113,272, \$2,422,128, \$4,363,815, \$988,087, and \$112,742 respectfully.

The deficit in the All Other Human Services funds and Other Capital Improvements arise from cash advances from the General Fund in anticipation of receivables. This deficit will be alleviated when the revenues are received and the advances are repaid to the General Fund. The deficits in the Road Improvements and Buildings Construction and Renovations funds arise from the issuance of short-term bond anticipation notes, which are used to finance the projects until bonds are issued. These deficits will be alleviated when the bonds are issued or when the notes are paid. The deficit in the Health Insurance, and Jefferson Health Plan was due to the continual increase of claims payable expense and escalating health care costs. The County will continue to monitor the funds.

NOTE 6- DEPOSITS AND INVESTMENTS

CASH

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demands upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested with certain limitations in the following securities provided the County has filed a written investment policy with the Ohio Auditor of State:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts, in eligible institutions pursuant to ORC sections 135.32;
6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in (1) or (2) above; commercial paper as described in ORC section 135.143 (6); and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value;
9. Up to forty percent of the County's average portfolio in either of the following
 - a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other State, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation and which mature within 270 days after purchase.
 - b. Bankers acceptances eligible for purchases by the Federal Reserve System and which mature within 180 days after purchase.
10. Up to fifteen percent of the County's average portfolio in notes issued by U.S. corporations or by depository institutions doing business under authority granted by the U.S. provided the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;
11. A current unpaid or delinquent tax line of credit, provided certain conditions are met related to a County land reutilization corporation organized under ORC Chapter 1724; and,
12. Up to two percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government. All interest and principal shall be denominated and payable in United States funds.

Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Bankers' acceptances must mature within 180 days. Commercial paper and corporate notes must mature within 270 days. All other investments must mature within five years from the date of settlement unless matched to a specific obligation or debt of the County. Investments must be purchased with the expectation that they will be held to maturity.

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

DEPOSITS

The County has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the County and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

INVESTMENTS

As of December 31, 2017, the County had the following investments:

<u>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Maturity</u>	<u>Standard & Poors Rating</u>	<u>Percent of Total Investments</u>
Amortized Cost Commercial Paper	<u>\$ 21,862,461</u>	Less than one year	A-1	11%
Fair Value-Level One Inputs Money Market Mutual Fund	<u>47,812</u>	Less than three years	AA+	
Fair Value-Level Two Inputs				
U.S. Treasury Note	13,896,604	Less than three years	AA+	7%
Federal Farm Credit Bank Bonds	28,754,701	Less than five years	AA+	15%
Federal National Mortgage Association Bonds	492,435	Less than five years	AA+	1%
Federal Home Loan Mortgage Corporation Bonds	447,075	Less than five years	AA+	0%
Federal Home Loan Bank Bonds	34,020,044	Less than five years	AA+	18%
Government Sponsored Enterprises Fannie Mae/Freddie Mac	<u>92,049,977</u>	Less than five years	AA+	48%
Total Fair Value - Level Two Inputs	<u>169,660,836</u>			
Total Investments	<u>\$ 191,571,109</u>			

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2017. The Money Market Mutual Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The County's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest rate risk arises because fixed-income securities will increase or decrease in market value as interest rates fluctuate during the life of such securities. If held to maturity, fixed income securities, owned by Butler County, will pay the face value (par value). The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific future obligation of the County, and approved by the Investment Advisory Committee.

Credit risk refers to the risk of default of principal or interest. Investment assets currently owned by Butler County consist of Fifth Third Institutional Government Money Market Mutual Fund, a U.S. Treasury Note, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds, Federal National Mortgage Association Bonds, Government Sponsored Enterprises Fannie Mae/Freddie Mac, and Commercial Paper. All issues are currently rated AA+ by Standards and Poor's and Aaa by Moody's with the exception of the commercial paper. All commercial paper issues have a minimum credit rating of A-1 by Standard and Poor's and P-1 by Moody's. The County's investment policy limits investments to those authorized by the State statute.

NOTE 7- PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Property tax revenue received during 2017 for real and public utility property taxes represents collections of 2016 taxes.

2017 real property taxes are levied after October 1, 2017, on the assessed value as of January 1, 2017, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2017 real property taxes are collected in and intended to finance 2018.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2017 public utility property taxes which became a lien December 31, 2016, are levied after October 1, 2017, and are collected in 2018 with real property taxes.

The full tax rate for all County operations for the year ended December 31, 2017, was \$9.72 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2017 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 7,055,572,920
Public Utility Personal Property	463,682,630
Total	<u>\$ 7,519,255,550</u>

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 1.92 mills of this 10-mill limit. In addition to the 1.92 mills, voted levies in the amount of 7.80 mills have been approved for the Developmental Disabilities Board, Mental Health & Addition Recovery Services Board, Children Services Agency, and Senior Citizens Services. A summary of voted levies follows:

Purpose	Voter Levy Date	Authorized Rate	Rate Levied for			Final Levy Year
			Current Year	R/A	C/I	
Developmental Disabilities Board	2004	1.00	0.99	1.00		Continuing
Developmental Disabilities Board	2000	2.00	1.67	2.00		Continuing
Mental Health Board	1985	0.50	0.24	0.35		2024
Mental Health Board	2006	1.00	1.00	1.00		2020
Children Services Agency	2008	2.00	1.99	2.00		2017
Senior Citizens	2010	1.30	1.30	1.30		2019
Total		<u>7.80</u>	<u>7.19</u>	<u>7.65</u>		

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from a reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount of property taxes on carry-over property as in the year in which the levy was approved. Increases to voted levy revenues are restricted to assessments for new construction. The reduction factors are computed annually and applied separately for (R/A) residential/agricultural property and (C/I) commercial/industrial property.

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. The collections and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds. Property taxes receivable represents real, public utility taxes, and outstanding delinquencies which were measurable as of December 31, 2017, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources – property taxes.

On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 8- PERMISSIVE SALES TAX

Vendor collections of the permissive sales tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the Office of Budget Management the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

In 2017, \$44,033,304 of permissive sales tax revenue was recognized in the General Fund. The County's total sales tax rate was three-quarters of one percent (.75%).

NOTE 9- RECEIVABLES

Receivables at December 31, 2017, consisted of taxes, payments in lieu of taxes, accounts including unpaid utilities, intergovernmental receivables arising from grants, entitlements, and shared revenues, accrued interest, special assessments, loans, and interfund receivables. Loans receivable represent General Fund advances to agency funds, and low-interest loans for development projects and home improvements granted to eligible County residents and businesses under the Federal Community Development Block Grant Program. The Block Grant loans bear interest at annual rates between two and five percent. These loans are to be repaid over periods ranging from two to five years. The payments in lieu of taxes amount relates to dollars collected through real estate taxes that are marked for capital improvements in Butler County and tax incremental financing agreements. All receivables are considered collectible in full, including water and sewer accounts receivable, which, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. Delinquent special assessments at December 31, 2017 totaled \$162,419. The following are receivables expected to be collected in more than one year: Special Assessments \$6,620,650.

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BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

A summary of intergovernmental receivables follows:

Governmental Activities:	Amount
Public Assistance	\$ 7,355,669
Property Tax Rollbacks	4,029,164
Motor Vehicle License Tax	3,335,985
All Children Services Grants	2,702,263
Child Support Grants	1,640,478
Various Policing Services	690,887
All MHARS Board Grants	1,937,571
Reclaim Ohio Youth Services	1,416,207
General Miscellaneous Receivables	541,202
Developmental Disability Grants	1,731,652
Boarding of Prisoners	994,199
CDBG/Home Grants	1,054,157
Casino Tax	1,076,809
Undivided Local Government	1,245,009
Gasoline Tax	1,149,349
Jail/Prison Diversion	522,834
Workforce Development Allocation	346,799
Election Expenses	388,696
Drug Prevention Grants	325,000
Indigent Attorney Reimbursement	408,812
Local Government Safety Grant	155,068
All Prosecutor Grants	152,004
Shelter Care Plus	182,104
Twelfth District Court of Appeals Reimbursement	212,320
Road Project Grants	270,233
Other	512,583
Total Governmental Activities	<u>\$ 34,377,054</u>

Agency Activities	Amount
Local Government	\$ 6,178,195
Motor Vehicle License Tax	916,724
Gasoline Tax	852,013
Permissive Tax	198,071
All Other	1,332
Total Agency Activities	<u>\$ 8,146,335</u>

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 10- CAPITAL ASSETS

Primary government capital asset activity for the year ended December 31, 2017, was as follows:

	Balance At 12/31/2016	Additions	Deletions	Balance At 12/31/2017
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Easements	\$ 17,344,637	\$ -	\$ -	\$ 17,344,637
Infrastructure:				
Roads	169,464,182	799,343	-	170,263,525
Bridges	69,201,599	2,379,131	(149,960)	71,430,770
Culverts	8,777,903	343,894	(815,974)	8,305,823
Construction in Progress	2,065,758	860,304	(10,038)	2,916,024
Total Capital Assets, Not Being Depreciated	266,854,079	4,382,672	(975,972)	270,260,779
Depreciable Capital Assets:				
Land Improvements	11,248,516	-	-	11,248,516
Buildings and Improvements	128,349,115	563,250	-	128,912,365
Furniture, Fixtures and Equipment	79,557,104	5,882,331	-	85,439,435
Vehicles	9,232,186	612,040	(876,133)	8,968,093
Total Depreciable Capital Assets	228,386,921	7,057,621	(876,133)	234,568,409
Total Capital Assets At Historical Cost	495,241,000	11,440,293	(1,852,105)	504,829,188
Less Accumulated Depreciation:				
Land Improvements	(3,985,886)	(285,935)	-	(4,271,821)
Buildings and Improvements	(67,358,986)	(3,734,985)	-	(71,093,971)
Furniture, Fixtures and Equipment	(46,153,980)	(3,357,062)	-	(49,511,042)
Vehicles	(6,304,235)	(235,434)	876,133	(5,663,536)
Total Accumulated Depreciation	(123,803,087)	(7,613,416)	876,133	(130,540,370)
Total Depreciable Capital Assets, Net	104,583,834	(555,795)	-	104,028,039
Total Governmental Activities Capital Assets, Net	\$ 371,437,913	\$ 3,826,877	\$ (975,972)	\$ 374,288,818

Depreciation expense was charged to governmental functions as follows:

General Government:	
Legislative and Executive	\$ 2,145,239
Judicial	333,120
Public Safety	3,484,155
Public Works	744,051
Health	684,185
Human Services	222,666
Total Depreciation Expense	\$ 7,613,416

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Business Type capital asset activity for the year ended December 31, 2017, was as follows:

	Balance At 12/31/2016	Additions	Deletions	Balance 12/31/2017
Business Type Activities				
Capital Assets Not Being Depreciated				
Land	\$ 1,544,056	\$ -	\$ -	\$ 1,544,056
Construction in Progress	8,793,032	5,762,580	(6,847,172)	7,708,440
Total Capital Assets Not Being Depreciated	10,337,088	5,762,580	(6,847,172)	9,252,496
Depreciable Capital Assets:				
Land Improvements	2,716,307	-	-	2,716,307
Building and Improvements	121,527,135	210,320	-	121,737,455
Furniture, Fixtures and Equipment	90,031,514	1,235,911	(560,690)	90,706,735
Vehicles	1,398,119	28,807	(18,571)	1,408,355
Water Rights	38,896,324	-	-	38,896,324
Water and Sewer Main	337,659,595	9,060,351	-	346,719,946
Total Depreciable Capital Assets	592,228,994	10,535,389	(579,261)	602,185,122
Total Capital Assets At Historical Cost	602,566,082	16,297,969	(7,426,433)	611,437,618
Less Accumulated Depreciation for:				
Land Improvements	(2,028,111)	(124,755)	-	(2,152,866)
Building and Improvements	(42,410,530)	(3,283,763)	-	(45,694,293)
Furniture, Fixtures and Equipment	(63,984,500)	(3,915,872)	560,690	(67,339,682)
Vehicles	(1,191,066)	(51,920)	18,571	(1,224,415)
Water Rights	(26,517,820)	(1,955,568)	-	(28,473,388)
Water and Sewer Main	(156,162,569)	(8,427,570)	-	(164,590,139)
Total Accumulated Depreciation	(292,294,596)	(17,759,448)	579,261	(309,474,783)
Total Depreciable Capital Assets, Net	299,934,398	(7,224,059)	-	292,710,339
Total Business Activities Capital Assets, Net	\$ 310,271,486	\$ (1,461,479)	\$ (6,847,172)	\$ 301,962,835

Additions to business-type capital assets being depreciated include \$3,520,169 in assets donated by property developers.

BUTLER COUNTY, OHIO
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NOTE 11– RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; damage to, theft of, or destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2017 the County contracted with County Risk Sharing Authority Inc. (CORSA) (a risk-sharing pool - see NOTE 21) for liability, property, and crime damage. Coverage provided by the pool is as follows:

<u>Category</u>	<u>Amount (Each Occurrence)</u>
Property Coverage:	
Building Contents and Equipment	\$623,970,909
Flood	100,000,000
Earthquake	100,000,000
Liability Coverage:	
Automobile Liability	1,000,000
Uninsured Motorist	250,000
General Liability	1,000,000
Stop Gap Liability	1,000,000
Law Enforcement Liability	1,000,000
Errors and Omissions Liability	1,000,000
Medical Professional Liability	3,000,000
Medical Professional Liability-(County Home)	3,000,000
Cyber Liability	1,000,000
Crime:	
Employee Dishonesty/Faithful Performance	1,000,000
Money and Securities (Inside)	1,000,000
Money and Securities (Outside)	1,000,000
Money Orders and Counterfeit Currency	1,000,000
Depositor's Forgery	1,000,000
Boiler and Machinery	100,000,000
Business Interruption	2,500,000
Deductible:	
Auto Liability, General, Law Enforcement, Cyber, Medial Profession and Error and Omissions	100,000
Property Coverage, Auto Physical Damage, Crimes, Boiler and Machinery	100,000

Settled claims have not exceeded coverage in any of the last three years. The County had no significant decrease in coverage in 2017.

The County has workers' compensation coverage for all employees. The County Commissioners and Butler County Developmental Disabilities Board provides medical coverage for their employees through self-insurance plans. The claims liabilities reported in the Health Insurance, Workers' Compensation and Jefferson Health Plan internal service funds at December 31, 2017, are based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The County maintains a retrospective rating plan for workers' compensation insurance.

BUTLER COUNTY, OHIO
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The historical changes in claims payable (based on 12/31/17 maximum premium) during years December 31, 2016 and 2017 are as follows:

Health Insurance					
	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance	
2016	\$ -	\$ -	\$ -	\$ -	
2017	-	18,131,340	14,305,923	3,825,417	

Workers Compensation					
	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance	
2016	\$ 2,612,811	\$ 843,079	\$ 783,754	\$ 2,672,136	
2017	2,672,136	(473,842)	963,828	1,234,466	

Jefferson Health Plan					
	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance	
2016	\$ 354,703	\$ 2,216,908	\$ 1,619,748	\$ 951,863	
2017	951,863	898,351	1,541,751	308,463	

NOTE 12 - DEFINED BENEFIT PENSION PLANS

NET PENSION LIABILITY

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

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

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

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

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

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

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

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

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

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

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

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

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$11,462,506 for 2017. Of this amount, \$295,252 is reported as a due to other governments.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>
Proportion of the Net Pension Liability:	
Current Measurement Date	0.67092475%
Prior Measurement Date	<u>0.67466323%</u>
Change in Proportionate Share	<u><u>-0.00373848%</u></u>
Proportionate Share of the Net Pension Liability	\$ 152,355,600
Pension Expense	\$ 32,226,393

At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>
Deferred Outflows of Resources	
Differences between expected and actual experience	\$ 206,507
Changes in assumptions	24,165,463
Net difference between projected and actual earnings on pension plan investments	22,689,264
Changes in proportion and differences between County contributions and proportionate share of contributions	66,740
County contributions subsequent to the measurement date	<u>11,462,506</u>
Total Deferred Outflows of Resources	<u><u>\$ 58,590,480</u></u>
Deferred Inflows of Resources	
Differences between expected and actual experience	\$ 906,744
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>325,138</u>
Total Deferred Inflows of Resources	<u><u>\$ 1,231,882</u></u>

\$11,462,506 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>
Year Ending December 31:	
2018	\$ 18,936,269
2019	19,572,385
2020	8,052,519
2021	<u>(665,081)</u>
Total	<u>\$ 45,896,092</u>

ACTUARIAL ASSUMPTIONS - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the OPERS' actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2016, compared with December 31, 2015, are presented below.

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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For 2015, mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2015. The prior experience study was completed for the five year period ended December 31, 2010.

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

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

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

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

Discount Rate

The discount rate used to measure the total pension liability for 2016 was 7.5 percent. The discount rate for 2015 was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

BUTLER COUNTY, OHIO
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SENSITIVITY OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET POSITION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
County's proportionate share of the net pension liability	\$232,757,214	\$152,355,600	\$85,355,047

NOTE 13 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0 percent during calendar year 2017. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2017 was 4.0 percent.

Substantially all of the County's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2017, 2016, and 2015 was \$876,947, \$1,760,805, and \$1,694,719, respectively. For 2017, 96.13 percent has been contributed with the balance being reported as due to other governments. The full amount has been contributed for 2015 and 2016.

NOTE 14- LEASES

Operating Leases

The County leases equipment and buildings for County services under non-cancelable operating leases. The total costs in 2017 were \$546,981 in the governmental funds. The future minimum lease payments for these leases are as follows:

Year	Amount
2018	\$ 391,208
2019	152,447
2020	147,192
2021	139,788
2022	31,500
2023 - 2024	63,000
	<u>\$ 925,135</u>

Capital Leases

In September 2017, the County entered into a capital lease with Motorola Solutions Inc, for the purchase of equipment to upgrade the County-wide communications system. The lease was issued for \$4.5 million at an interest rate of 0% for the first 4 months and an interest rate of 2.49% for the remainder of the term. \$2,691,000 will be payable in 2018 with the remaining balance of \$1,809,000 payable in 2019. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as program expenditures or principal and interest in the budgetary statements.

General capital assets consisting of miscellaneous radios, control stations, and service monitors have been capitalized in the amount of \$4,500,000 in the governmental funds. This amount represents the present value of the minimum lease payments at the time of acquisition.

Capital Assets	Net Book Value	
	Governmental Funds	
Furniture, Fixtures, and Equipment	\$	4,500,000
Less: Accumulated depreciation		(78,611)
Total Net Book Value	<u>\$</u>	<u>4,421,389</u>

BUTLER COUNTY, OHIO
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NOTE 15- OTHER EMPLOYEE BENEFITS

COMPENSATED ABSENCES

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County. Unused vacation time may be accumulated, with the approval of the appointing authority, to a maximum of three one-year accruals. All accumulated, unused compensatory time is paid upon separation. Accumulated, unused sick leave is paid at varying rates depending on length of service to employees who retire.

HEALTH CARE BENEFITS

The County has elected to provide a self insurance plan for employee medical/surgical benefits through Meritain Health. Dental insurance is provided to all employees as a function of the health care plan through Dental Care Plus. Butler County Developmental Disabilities has chosen to provide employee medical/surgical benefits along with dental insurance through the Jefferson Health Plan.

The Commissioners provided both a high deductible health care plans (HDHP) and a preferred provider organization (PPO) plan for health benefits in 2017. The chart below identifies the dollars contributed by the Commissioners and the employees per month.

Level	Employee Contribution	County Contribution	Total Contribution
High Deductible Plan 1			
Employee	\$ 113.68	\$ 367.74	\$ 481.42
Employee plus Spouse	230.94	829.56	1,060.50
Employee plus Children	156.48	708.57	865.05
Family	292.80	1,151.38	1,444.18
High Deductible Plan 2			
Employee	136.56	368.18	504.74
Employee plus Spouse	281.36	830.57	1,111.93
Employee plus Children	197.60	709.41	907.01
Family	361.46	1,152.75	1,514.21
Preferred Provider Organization			
Employee	147.38	402.55	549.93
Employee plus Spouse	305.18	906.33	1,211.51
Employee plus Children	217.04	771.19	988.23
Family	393.88	1,255.93	1,649.81

The Butler County Board Development Disabilities (BCBDD) participated in the Jefferson Health Plan during 2017. BCBDD provides health insurance to its employees through a self-insurance plan. BCBDD pays \$522.92 per month for employees enrolled in a single plan and \$1,446.10 per month for employees enrolled in a family plan, with the employees paying \$64.62 per month for single coverage, and \$178.72 per month for family coverage.

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 NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 16 – PRIOR YEAR DEFEASANCE OF BONDS

In prior years, the County has defeased various bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2017, the bonds listed were unmatured and unpaid.

<u>Refunded Bond Issues</u>	<u>Original Issue</u>	<u>Unmatured and Unpaid at 12/31/17</u>
Water Revenue		
Dated April 1, 1996	\$ 14,075,000	\$ 4,485,000
Sewer		
Dated June 1, 1996	16,645,000	4,280,000
Sales Tax Revenue Bonds		
Dated 1997	23,810,000	4,245,000
Government Services Center		
Dated 1997	7,375,000	1,305,000
Sewer		
Dated June 1, 1998	5,490,000	2,690,000
Sewer		
Dated March 1, 1999	12,790,000	4,120,000
Mulhauser Road		
Dated October 1, 2000	6,860,000	565,000
Lakota Drive		
Dated October 1, 2000	395,000	80,000
Union Centre Phase 2		
Dated October 1, 2000	1,045,000	230,000
Water Judgement Bonds		
Dated July 23, 2002	35,030,000	19,340,000
Adult Detention Facility		
Dated October 1, 2002	29,875,000	10,225,000
Fiber Optic Ring		
Dated October 1, 2002	2,745,000	935,000

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 17- LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the County during 2017 were as follows:

Debt Issue	Balance as of 12/31/16	Increases	Decreases	Balance as of 12/31/17	Due Within One Year
General Obligation Bonds					
2007 4.00-5.25% \$12,305,000					
Various Purpose	\$ 7,620,000	\$ -	\$ 5,755,000	\$ 1,865,000	\$ 1,865,000
Premium on Debt Issued	202,851	-	69,525	133,326	-
2009 2.38-6.50% \$1,935,000					
By-Pass 4	1,615,000	-	90,000	1,525,000	90,000
Premium on Debt Issued	21,978	-	1,691	20,287	-
2010 2.00-5.00% \$1,870,000					
Airport Improvement	1,500,000	-	90,000	1,410,000	90,000
Discount on Debt Issued	(15,169)	-	(1,167)	(14,002)	-
2010 2.00-4.25% \$9,540,000					
Various Purpose	8,215,000	-	260,000	7,955,000	270,000
Premium on Debt Issued	12,513	-	894	11,619	-
Discount on Debt Issued	(19,407)	-	(1,386)	(18,021)	-
2010 2.25-5.00% \$7,200,000					
Various Purpose	7,200,000	-	2,305,000	4,895,000	2,420,000
Premium on Debt Issued	221,625	-	73,874	147,751	-
2012 1.00-5.00% \$7,100,000					
Adult Detention Facility	4,190,000	-	2,135,000	2,055,000	-
Premium on Debt Issued	479,769	-	283,863	195,906	-
2014 1.50-5.00% \$7,520,000					
Various Purpose	5,160,000	-	595,000	4,565,000	620,000
Premium on Debt Issued	506,908	-	63,363	443,545	-
2015 2.00-5.00% \$10,015,000					
Various Purpose	6,945,000	-	1,050,000	5,895,000	1,090,000
Premium on Debt Issued	701,590	-	116,932	584,658	-
2017 2.00-4.00% \$3,865,000					
Various Purpose	-	3,865,000	55,000	3,810,000	-
Premium on Debt Issued	-	275,570	45,928	229,642	-
Total General Obligation Bonds	\$ 44,557,658	\$ 4,140,570	\$ 12,988,517	\$ 35,709,711	\$ 6,445,000

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Debt Issue	Balance as of 12/31/16	Increases	Decreases	Balance as of 12/31/17	Due Within One Year
Special Assessment Bonds					
2005 4.125% \$1,144,000 Venice Gardens Sewer	\$ 985,340	\$ -	\$ 18,230	\$ 967,110	\$ 18,990
2007 4.00-5.00% \$4,790,000 Various Purpose	1,460,000	-	625,000	835,000	655,000
2008 3.00-5.50% \$3,315,000 Various Purpose	2,340,000	-	150,000	2,190,000	155,000
Premium on Debt Issued	50,248	-	4,187	46,061	-
2012 1.00-4.00% \$1,785,000 2001 Union Ctr I and III	960,000	-	180,000	780,000	190,000
Premium on Debt Issued	50,211	-	10,041	40,170	-
Total Special Assessment Bonds	5,845,799	-	987,458	4,858,341	1,018,990
Long-Term Loans					
2005 0.00% \$789,748 OPWC Cincinnati Dayton Rd.	315,900	-	39,487	276,413	39,487
2009 0.00% \$329,549 OPWC Tylersville Rd.	205,971	-	16,477	189,494	16,477
2009 0.00% \$157,188 OPWC Hamilton Eaton Slip	106,104	-	7,859	98,245	7,859
2010 0.00% \$305,000 OPWC Reily Millville Slip Phase I	213,500	-	15,250	198,250	15,250
2010 0.00% \$416,498 OPWC Reily Millville Slip Phase II	291,547	-	27,767	263,780	27,767
2011 0.00% \$348,950 OPWC Trenton and Busenbark Rd.	270,434	-	17,448	252,986	17,448
Total Long-Term Loans	1,403,456	-	124,288	1,279,168	124,288

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Debt Issue	Balance as of 12/31/16	Increases	Decreases	Balance as of 12/31/17	Due Within One Year
Other Long-Term Obligations					
Capital Leases	-	4,500,000	-	4,500,000	2,691,000
Claims Payable	3,623,999	20,300,196	18,555,849	5,368,346	4,544,184
Compensated Absences Payable	8,255,855	4,349,049	3,192,319	9,412,585	3,956,545
Contracts Payable - TID	16,427,793	-	134,537	16,293,256	816,725
Contracts Payable - Port Authority	10,640,000	-	460,000	10,180,000	480,000
Net Pension Liability-OPERS	108,426,966	32,933,901	-	141,360,866	-
Total Other Long-Term Obligations	147,374,613	62,083,146	22,342,705	187,115,054	12,488,454
Total Governmental Activities	\$ 199,181,525	\$ 66,223,716	\$ 36,442,968	\$ 228,962,273	\$ 20,076,732

GENERAL OBLIGATION BONDS

All governmental activities general obligation bonded debt are general obligations supported by the full faith and credit of the County. All unvoted general obligation bonds will be retired using unvoted general property tax revenues. The County currently retires all general obligation bonds from the bond retirement fund which is funded through general fund transfers.

In April 2007, the County issued \$12,305,000 in various purpose general obligation bonds for the purpose of advance refunding \$10,820,000 of the 2002 Adult Detention Facility bonds and \$995,000 of the 2002 Fiber Optic Bonds. The bonds were originally issued for a fourteen-year period, with final maturity in December 2020. In December of 2014, the remaining portion of the Fiber Optic bonds was defeased. The County sent \$1,109,858 to an escrow agent to be held for payment on the bonds as they come due. These bonds were partially advance refunded during 2017. The remaining portion of the bonds mature in December 2018.

In November 2009, the County issued \$1,935,000 in general obligation bonds for the purpose of assisting the Transportation Improvement District in widening the State Route 4 Bypass. The bonds were issued for a twenty-year period, with a final maturity in December 2029.

In August 2010, the County issued \$1,870,000 in general obligation bonds for the construction and improvement of the Butler County Regional Airport. The bonds were issued for a twenty-year period, with a final maturity in December 2029.

In August 2010, the County issued \$9,540,000 in general obligation bonds to bond short-term bond anticipation notes. The \$9,540,000 in new bond proceeds along with existing Butler County funds were used to pay the bond anticipation notes that included the Yankee Road TIF Improvement, Cincinnati-Dayton Road TIF Improvement and the Cincinnati-Dayton Road Widening. The bonds were issued for a twenty five-year period, with a maturity in December 2034.

In September 2010, the County issued \$7,200,000 in general obligation bonds for the purpose of current refunding of the 2005 Sales Tax Bonds. The County used \$190,174 in trust accounts to assist in the refunding. The bonds were issued for a ten-year period, with a final maturity in December 2019.

In June 2012, the County issued \$13,095,000 in general obligation bonds for the purpose of advance refunding \$7,100,000, the remaining portion of the 2002 general obligation bonds, as well as current refunding \$1,785,000 of special assessment bonds issued in 2001, and advance refunding \$4,210,000 of water judgment bonds issued in 2002. The 2002 refunded portion of the general obligation bonds were issued for an eleven-year period, with the final maturity in December 2022. In December 2017, the County chose to defease the final bond payment by placing \$2,432,047 of County funds with an escrow agent. As a result, \$2,135,000 of the 2012 Adult Detention Facility Bonds were considered defeased and the liability for the bonds has been removed from the County's financial statements. The County also incurred an accounting loss of \$93,145 (difference between amount paid to escrow agent and the net carrying amount), which is shown in the following table:

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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2012 Adult Detention Facility Bonds

Bonds	\$2,135,000
Premium	244,682
Amortization	<u>(40,780)</u>
Net Carrying Amount of Bonds	2,338,902
Payment to Bond Escrow Agent - Debt Service	<u>(2,432,047)</u>
Accounting Loss	<u>\$ (93,145)</u>

At December 31, 2017, \$2,055,000 of the bonds are still outstanding.

In September 2014, the County issued \$7,520,000 in general obligation bonds for the purpose of current refunding \$8,030,000 of 2004 various purpose bonds, in order to take advantage of lower interest rates. These bonds will mature in December 2024.

In May 2015, the County issued \$10,015,000 in general obligation bonds for the purpose of advance refunding \$10,180,000 of 2006 various purpose bonds, in order to take advantage of lower interest rates. These bonds are paid from the bond retirement fund and will mature in December 2022.

In October 2017, the County issued \$3,865,000 in general obligation bonds for the purpose of current refunding \$3,975,000 of the 2007 various purpose bonds, in order to take advantage of lower interest rates. These bonds are paid from the bond retirement fund and will mature in December 2020. As a result, \$3,975,000 of the 2007 Various Purpose Bonds were considered defeased and the liability for the refunded bonds have been removed from the County's financial statements. The County decreased its total debt service payments by \$215,689 as a result of the refunding. The County also incurred an economic gain (difference between present value of the old and new debt service payments) of \$209,340, and incurred an accounting loss of \$50,588 (difference between amount paid to bond escrow agent and the refunding amount), which is shown in the following table:

2007 Various Purpose Bonds	
Bonds	\$ 5,755,000
Premium on Bonds	<u>69,525</u>
Total 2007 Various Purpose Bonds Outstanding	5,824,525
Principal Payment Prior to Refunding	(1,780,000)
Payment to Refunded Bond Escrow Agent-Other Financing Use	<u>(4,095,113)</u>
2017 Various Purpose Bond Refunding Accounting Loss	<u>\$ (50,588)</u>

The bonds were sold at a premium of \$275,570. Proceeds of \$4,095,113 were deposited into a trust account with an escrow agent where the bonds were called in December 2017.

SPECIAL ASSESSMENT BONDS WITH GOVERNMENTAL COMMITMENT

Special assessment debt will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner defaults on an assessment, the County would be responsible for the debt payments. Special assessment bonds are retired from the Bond Retirement Fund using special assessment revenues.

In August 2005, the County issued a \$1,144,000 special assessment bond for the purpose of bonding short-term bond anticipation notes for the Venice Gardens Sewer project. The bonds were issued for a forty-year period with final maturity in August 2045.

In April 2007, the County issued \$4,790,000 in special assessment bonds for the purpose of advance refunding \$220,000 of the 2000 Lakota Drive Bonds, \$650,000 of the 2000 Union Center Phase II Bonds and \$3,815,000 of the 2000 Muhlhauser Road Bonds. The bonds were issued for a fourteen-year period, with final maturity in December 2020.

In August 2008, the County issued \$3,315,000 in special assessment bonds for the purpose of bonding short-term bond anticipation notes for the University Pointe Landscaping and the Liberty Interchange (Cox Road Extension). The bonds were issued for a twenty-year period, with a final maturity in December 2028.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

In June 2012, the County issued \$13,095,000 in general obligation bonds, \$1,785,000 for the purpose of current refunding \$1,835,000 of the 2001 special assessment bonds for phase one and three at Union Centre. Bonds were issued for a ten-year period with final maturity in December 2021.

The total interest and principal remaining on the bonds is \$6,423,868 payable through 2045. The purpose, terms and balances outstanding are identified above. For the current year, principal and interest paid and special assessment revenues were \$973,230 and \$683,242 respectively.

LONG-TERM LOANS

In 2005, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$789,748 to make improvements to Cincinnati Dayton Road using proceeds from the loan. The loan was issued for twenty-years with the final payment due in July 2024. The loan will be repaid from Motor Vehicle Fund revenues.

In 2009, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$329,549 for the widening of Tylersville Road between Cincinnati Dayton and Wetherington Drive, including the replacement of an existing bridge using proceeds from the loan. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid from Motor Vehicle Fund revenues.

In 2009, the County entered into a loan with the OPWC for \$157,188 for the restoration of the Hamilton Eaton Slip located at the intersection of State Road and Hamilton Eaton Road where Seven Mile Creek has eroded into the roadway area. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid from Motor Vehicle Fund revenues.

In 2010, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$305,000 for phase one of the restoration of the Reily Millville Road Slip. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid from Motor Vehicle Fund revenues.

In 2010, The County entered into a loan with OPWC for phase two of the restoration of the Reily Millville Road Slip not to exceed \$416,498. The loan was issued for fifteen-years with the final payment due in 2027. The loan will be repaid from Motor Vehicle Fund revenues.

In 2011, the County entered into a loan with OPWC not to exceed \$348,950 for the construction of new left turns lanes on Trenton and Busenbark Road. The loan was issued for twenty-years with the final payment due in 2032. The loan will be repaid from Motor Vehicle Fund revenues.

OTHER PAYABLES

The Capital Lease is for the acquisition and installation of software and equipment involved with the County Communications system upgrade.

Claims payable represent the County's liability for self insurance and workers compensation as well as Butler County Developmental Disabilities liability for all employees. Claims liabilities and expenses are estimated through a case by case review of all claims. The claims liability will be paid from the Health Insurance, Workers' Compensation, and Jefferson Health Plan Internal Service Funds.

Compensated absences will be paid from the General Fund, Developmental Disabilities, Mental Health and Addiction Recovery Service, Children Services and Elderly Services Funds. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the following funds: General Fund, Developmental Disabilities, Job and Family Services, Children Services, Road Improvement, Real Estate Assessment, Motor Vehicle, Mental Health and Addiction Recovery Service, County Care Facility, Child Support Enforcement and Elderly Services. For additional information related to the net pension liability see Note 12.

Contracts payable represent long-term contractual agreements for the payment of bonds issued by the Butler County Transportation Improvement District (TID) and the Butler County Port Authority.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

The County pledged the Voice of America net TIF revenues (collections less debt service and school district payments) as a primary source to the Transportation Improvement District (TID) to assist in paying for the \$41,130,000 of 2007 Butler County Transportation Improvement District Highway Improvement Bonds. There is no set amortization schedule reflecting the amount sent to the TID. The County has recorded a long term obligation in the amount of \$16,293,256, the estimated portion of the bonds to be paid by the net TIF revenues. The County paid \$134,537 on the bonds in 2017.

Excess dollars paid to the TID from the TIF revenues will be returned to the County each year once debt service coverage is met. In the event the dollars are not sufficient to cover the debt requirements the County has pledged one-quarter of its Non-Tax Revenues of the General Fund as a secondary pledge. The TID Bonds have three pledged receipts for payment, which include Butler County along with pledges from Liberty Township and West Chester Township.

During 2014, the County partnered with Liberty Township and the Liberty Community Authority for the construction of public parking garages and infrastructure for the Liberty Center project, also known as the Steiner Development. When the project is complete, the assets will belong to the Liberty Community Authority. The parties entered into a funding agreement and issued \$37,310,000 in bonds for capital financing through the Butler County Port Authority. The bonds were issued November 14, 2014, and will be paid solely from the pledged amounts identified in the funding agreement: the Port Authority shall never be required to use its own funds to make such payments. The County pledged the excess dollars remaining on the Voice of America net TIF revenues for the \$11,085,000 Series A bonds. The series A bonds were issued to assist in constructing public parking garages. In the event the net TIF revenues are not sufficient to cover the debt requirements, the County has pledged one-quarter of its Non-Tax Revenues of the General Fund as a secondary pledge. The Series B bonds in the amount of \$6,045,000 will be paid by Liberty Township and the Series C bonds of \$20,180,000 will be paid by the Liberty Community Authority. In the event the Liberty Community Authority is unable to meet their debt obligation, the County has pledged any remaining dollars in the TIF related to the parcels in the Liberty Center Project as a secondary pledge. The bonds mature in 2032.

The Liberty Community Authority, a component unit of the County, has issued \$11,504,727 in OWDA loans. The County has pledged remaining TIF dollars for the repayment of these loans. These loans have annual principal payments through 2037 with semiannual interest payments. In the event the LCA is unable to make a payment, the County will be required to make that payment.

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BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Annual debt service requirements to maturity for general obligation bonds, special assessment bonds and loans for all governmental activities are as follows:

Year	General Obligation Bonds		Loans	
	Principal	Interest	Principal	
2018	\$ 6,445,000	\$ 1,440,567	\$ 124,288	
2019	4,490,000	1,232,927	124,288	
2020	4,485,000	974,210	124,288	
2021	4,575,000	832,294	124,288	
2022	4,730,000	646,288	124,288	
2023-2027	5,530,000	1,506,625	489,095	
2028-2032	3,210,000	429,538	168,633	
2033-2034	510,000	32,725	-	
Total	\$ 33,975,000	\$ 7,095,174	\$ 1,279,168	

Year	Special Assessment Bonds	
	Principal	Interest
2018	\$ 1,018,990	\$ 250,708
2019	458,770	200,507
2020	480,580	174,677
2021	401,430	147,411
2022	208,320	118,772
2023-2027	1,211,180	423,690
2028-2032	409,440	153,979
2033-2037	189,020	105,362
2038-2042	231,370	63,023
2043-2045	163,010	13,629
Total	\$ 4,772,110	\$ 1,651,758

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Changes in long-term obligations reported in the business-type activities of the County during 2017 were as follows:

Debt Issue	Balance as of 12/31/2016	Increases	Decreases	Balance as of 12/31/2017	Due Within One Year
General Obligation Bonds					
2005 4.125% \$600,000					
Venice Garden Sewer	\$ 516,790	\$ -	\$ 9,570	\$ 507,220	\$ 9,950
2006 4.375% \$3,200,000					
USDA New Miami Sewer	2,823,630	-	47,270	2,776,360	49,340
2009 2.00-4.00% \$10,695,000					
1999 Water and Sewer Revenue	2,370,000	-	760,000	1,610,000	790,000
Premium on Debt Issued	51,684	-	17,228	34,456	-
Total General Obligation Bonds	\$ 5,762,104	\$ -	834,068	4,928,036	\$ 849,290
Water Judgment Bonds					
2007 4.00-5.25% \$24,135,000					
Water Judgment	\$ 20,595,000	\$ -	\$ 9,490,000	\$ 11,105,000	\$ -
2017 2.00-5.00% \$7,370,000					
Premium on Debt Issued	-	7,370,000	110,000	7,260,000	1,755,000
		769,479	128,246	641,233	\$ -
Total Judgement Bonds	\$ 20,595,000	\$ 8,139,479	9,728,246	19,006,233	\$ 1,755,000

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BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Debt Issue	Balance as of 12/31/16	Increases	Decreases	Balance as of 12/31/17	Due Within One Year
Revenue Bonds					
2005 3.20-5.10% \$19,575,000					
Sewer	9,030,000	-	2,450,000	6,580,000	2,375,000
Premium on Debt Issued	732,921	-	104,704	628,217	-
2006 3.50-5.00% \$4,000,000					
USDA Sewer	3,504,190	-	62,280	3,441,910	65,000
2014 2.00-4.00% \$9,640,000					
Sewer	7,410,000	-	1,200,000	6,210,000	1,250,000
Premium on Debt Issued	568,924	-	71,115	497,809	-
2014 0.30-3.00% \$7,335,000					
Water	5,170,000	-	1,100,000	4,070,000	1,065,000
2014 1.50-5.00% \$9,345,000					
Water	7,755,000	-	745,000	7,010,000	775,000
Premium on Debt Issued	1,015,053	-	112,784	902,269	-
2017 2.00 % \$1,400,000					
Sewer -Williamsdale	-	895,000	-	895,000	23,610
Total Revenue Bonds	\$ 35,186,088	\$ 895,000	\$ 5,845,883	\$ 30,235,205	\$ 5,553,610

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BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Debt Issue	Balance as of 12/31/16	Increases	Decreases	Balance as of 12/31/17	Due Within One Year
Long-Term Loans					
2005 4.19% \$4,634,892					
Cincinnati Waterworks	\$ 2,507,145	\$ -	\$ 241,394	\$ 2,265,751	\$ 251,705
2006 0.00% \$700,871					
OPWC Cast Iron Watermain	438,041	-	35,043	402,998	35,045
2006 0.00% \$874,581					
OPWC Watermain Improvements	502,884	-	43,729	459,155	43,729
2009 0.00% \$470,318					
OPWC Cast Iron Watermain	376,255	-	15,677	360,578	15,677
2009 3.52% \$3,158,694					
OWDA Polybutylene Water Line	2,496,689	-	134,619	2,362,070	139,399
2009 3.42% \$849,987					
OWDA Shaker Creek Sewer	615,305	-	38,308	576,997	36,630
2009 3.42% \$1,153,728					
OWDA Big Monroe Sewer	836,445	-	51,999	784,446	53,791
2009 2.65% \$1,587,221 (ARRA)					
OWDA Lesourdsville Sewer	75,717	-	4,899	70,818	5,029
2010 0.00% \$2,466,203 (ARRA)					
OWDA Liberty-Fairfield Water Tank	992,035	-	70,859	921,176	70,859
2010 0.00% \$510,468					
OPWC Sharon Creek Sewer	416,880	-	17,016	399,864	17,016
2010 0.00% \$600,000					
OPWC Cast Iron Watermain	510,000	-	20,000	490,000	20,000
2011 3.71% \$35,500,000					
OWDA Lesourdsville Phase 2	16,823,423	-	697,797	16,125,626	723,925

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Debt Issue	Balance as of 12/31/16	Increases	Decreases	Balance as of 12/31/17	Due Within One Year
2011 0.00% \$201,000 OPWC West Chester Road Watermain Replacement	116,018	-	5,231	110,787	5,231
2011 0.00% \$580,000 OPWC Polybutylene	531,666	-	19,333	512,333	19,333
2012 0.00% \$169,873 OPWC Liberty-Fairfield Watermain Replacement	150,056	-	5,662	144,394	5,662
2013 0.00% \$1,275,000 OPWC Polybutylene	1,253,750	-	42,500	1,211,250	42,500
2014 0.00% \$308,512 OPWC Liberty-FF WM Replace	308,512		10,284	298,228	10,284
2017 0.00% \$265,975 OPWC Polybutylene	-	265,975	-	265,975	8,866
Total Long-Term Loans	\$ 28,950,821	\$ 265,975	\$ 1,454,350	\$ 27,762,446	\$ 1,504,682
Other Long-Term Obligations					
Compensated Absences	800,144	293,441	236,611	856,974	271,817
Net Pension Liability-OPERS	8,433,207	2,561,527	-	10,994,734	
Total Other Long-Term Obligations	9,233,351	2,854,968	236,611	11,851,708	271,817
Total Business-Type Activities	\$ 99,727,364	\$ 12,155,422	\$ 18,099,159	\$ 93,783,627	\$ 9,934,399

GENERAL OBLIGATION BONDS

All business-type activities general obligation bonded debt is supported by the full faith and credit of the County. Enterprise supported general obligation bonds are being paid by Enterprise Funds.

In August 2005, the County issued a \$600,000 general obligation bond for the purpose of bonding short-term bond anticipation notes for the Venice Gardens Sewer project. The bonds were issued for a forty-year period, with final maturity in August 2045.

In September 2006, the County issued a \$3,200,000 general obligation bond for the purpose of bonding short-term bond anticipation notes for the New Miami Sewer Improvement project. These bonds are registered with the United States Department of Agriculture Rural Development (USDA). The bonds were issued for a forty-year period, with maximum maturity in August 2046.

In November 2009, the County issued \$10,695,000 in general obligation bonds for the purpose of current refunding \$10,245,000 of the 1999 Water Revenue bonds and \$5,605,000 of the 1999 Sewer Revenue Bonds. The County used \$2,971,790 in trust accounts to assist in the refunding. The bonds were issued for a ten-year period, with a final maturity in December 2019.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

WATER JUDGMENT BONDS

The 2007 and 2017 Water Judgment Bonds are general obligation bonds that were court ordered to settle the water contract dispute between Butler County and the City of Hamilton. The principal and interest are paid from the Water fund.

In April 2007, the County issued \$24,135,000 in water judgment bonds for the purpose of advance refunding \$24,000,000 of the 2002 Water Judgment Bonds. The bonds were issued for a twenty year period, with final maturity in December 2026.

In October 2017, the County issued \$7,370,000 in general obligation bonds for the purpose of current refunding \$7,820,000 of the 2007 water judgment bonds, in order to take advantage of lower interest rates. These bonds are paid from the water fund and will mature in December 2022. As a result, \$7,820,000 of the 2007 Water Judgment Bonds were considered defeased and the liability for the refunded bonds have been removed from the County's financial statements. The County decreased its total debt service payments by \$619,856 as a result of the refunding. The County also incurred an economic gain (difference between present value of the old and new debt service payments) of \$593,130, and incurred an accounting loss of \$235,109 (difference between amount paid to bond escrow agent and the refunding amount), which is shown in the following table:

2007 Water Judgment Bonds	
Bonds	\$7,820,000
Payment to Refunded Bond Escrow Agent	<u>(8,055,109)</u>
2017 Water Refunding Accounting Loss	<u>(\$235,109)</u>

The bonds were sold at a premium of \$769,479. Proceeds of \$8,055,109 were deposited into a trust account with an escrow agent where the bonds were called in December 2017.

REVENUE BONDS

Revenue bonds are supported by user charges and are not backed by the full faith and credit of the County. These bonds have been issued to pay for water and sewer projects.

In June 2005 the County issued a \$19,575,000 Sewer Revenue bond for the purpose of partially advance refunding \$1,485,000 of existing 1997, \$5,490,000 of existing 1998, and \$12,790,000 of existing 1999 Sewer bonds. The bonds were issued for an eighteen year period, with final maturity in December 2023.

In September 2006, the County issued a \$4,000,000 Sewer Revenue bond for the purpose of bonding short-term bond anticipation notes for the New Miami Sewer Improvement project. These bonds are registered to the United States Department of Agriculture, Rural Development. The bonds were issued for a forty-year period, with the final maturity in December 2045.

In September 2014, the County issued \$9,640,000 of Sewer Revenue Bonds for the purpose of current refunding \$10,150,000 of 2004 Sewer Revenue Bonds, in order to take advantage of lower interest rates. These bonds are paid from the Sewer Fund and will mature in December 2024. As a result, \$10,150,000 of the 2004 sewer revenue bonds were considered defeased and the liability for the refunded bonds have been removed from the County's financial statements. All refunded bonds have been repaid.

In September 2014, the County issued \$7,335,000 of water revenue bonds for the purpose of advance refunding \$7,320,000 of 2005 Water Revenue Bonds, in order to take advantage of lower interest rates. These bonds are paid from the Water Fund and will mature in December 2021. As a result, \$7,320,000 of the 2005 Water Revenue Bonds were considered defeased and the liability for the refunded bonds have been removed from the county's financial statements. All refunded bonds have been repaid.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

In September 2014, the County issued \$9,345,000 of Water Revenue Bonds for the purpose of advance refunding \$10,275,000 of 2005 Water Revenue Bonds, in order to take advantage of lower interest rates. These bonds are paid from the Water Fund and will mature in December 2025. As a result, \$10,275,000 of the 2005 Water Revenue Bonds were considered defeased and the liability for the refunded bonds have been removed from the County's financial statements. All refunded bonds have been repaid,

In September 2017, the County issued \$1,400,000 of Sewer System Taxable Revenue Bonds for the purpose of financing the extension of the public sewer service to the Williamsdale area of the county. The \$895,000 received in 2017 represents the amount issued as of that date and the difference may be issued in subsequent years.

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds, Cincinnati Waterworks Loans, OPWC, and OWDA loans in the Water fund. The debt is payable solely from water customer net revenues and are payable through 2046. The purpose, terms and balances outstanding are identified above. Annual Principal and Interest payments on debt are expected to require 29% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$23,464,487. Of this total \$12,919,771 is for the revenue bonds, \$2,683,956 for the Cincinnati Waterworks, and \$7,860,760 for the OPWC/OWDA loans.

Principal and interest paid for the current year and total net revenues were \$3,110,951 and \$10,673,009 respectively. Principal and interest and fiscal charges paid for the current year for Revenue Bonds was \$2,291,479, \$342,634 for the Cincinnati Waterworks loan and \$476,838 for the remaining OPWC/OWDA loans.

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds and OWDA loans in the Sewer fund. The debt is payable solely from sewer customer net revenues and are payable through 2046. The purpose, terms and balances outstanding are identified above. Annual Principal and interest payments on debt are expected to require 51% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$45,417,505. Of this total \$21,113,677 is for the revenue bonds and \$24,303,828 is for the OPWC/OWDA loans.

Principal and interest paid for the current year and total net revenues were \$5,915,194 and \$11,587,676 respectively. Principal and interest and fiscal charges paid for the current year for Revenue Bonds was \$4,560,771 and \$1,354,423 for the OPWC/OWDA loans.

LONG-TERM LOANS

In 2005, Butler County entered into a contractual agreement with the City of Cincinnati for \$4,634,892 to assist in financing the construction of water lines and a master meter that runs from International Boulevard to Mulhauser Road. This expansion will allow Butler County a secondary water source and provide access to water for future development. Approximately \$549,623 of Butler County water lines were added while intangible assets of \$4,085,629 were recorded as depreciable capital assets, net. The balance owed to the City of Cincinnati at December 31, 2017 as a result of this project is \$2,265,751. This amount has been recorded on the County's books as a long-term liability in the Water Enterprise Fund.

In 2006, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$700,871 and \$874,581 to make improvements to watermains in Butler County using proceeds from OPWC loans. The 2006 cast iron watermain loan was issued for twenty-years with the first payment starting in July 2009 and a final payment due in January 2029. The 2006 watermain improvements loan was issued for twenty-years with the first payment starting in July 2008 and a final payment due in January 2028. Both OPWC loans will be repaid by Water fund user charges.

In 2009, the County entered into a loan with Ohio Public Works Commission (OPWC) for \$470,318 to replace watermains using proceeds from the loan. The loan was issued for thirty-years with the final payment due in 2040. The loan will be repaid by Water Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$3,158,694 to replace over 7,000 failing polybutylene service lines in Butler County. The loan was issued for thirty-years with the final payment due in 2031. The loan will be repaid by Water Fund revenues.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$849,987 to restore and stabilize eroding stream banks of Shaker Creek. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid by Sewer Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$1,153,728 to reduce erosion, sedimentation and nutrient enrichment for the Big Monroe project located at Mill Creek. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid by Sewer Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$1,587,221 to construct a new sewage receiving facility, a new vector truck unloading facility, and install a second sludge-dewatering centrifuge. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid by Sewer Fund revenues.

In 2010, the County entered into a loan with Ohio Water Development Authority (OWDA) for \$2,466,203 to design and construct a 2.0 million gallon ground-level storage tank that will serve as a buffer, isolating the pump station from other systems that are surrounding the area. In addition, control valves will be included to smooth out flow rates going into the tank and insuring that pressures are not drawn below acceptable levels. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid by Water Fund revenues.

In 2010, the County entered into a loan with Ohio Public Works Commission (OPWC) for \$510,468 to replace and improve an existing sanitary force main with a new sanitary force main and gravity sewer. The loan proceeds also were used to increase the height of a cascade wall approximately two feet to prevent overflows that occur during heavy storm events. The loan was issued for thirty-years with the final payment due in 2041. The loan will be repaid by Sewer Fund revenues.

In 2010, the County entered into a loan with Ohio Public Works Commission (OPWC) for \$600,000 to replace over 15,000 feet of failing cast iron watermains for the subdivision of Dalewood located in West Chester Township. The loan was issued for thirty-years with the final payment due in 2042. The loan will be repaid by Water Fund revenues.

In 2011, the County entered into a loan with Ohio Water Development Authority (OWDA) for an amount not to exceed \$35,500,000 to upgrade and improve the LeSourdsville Wastewater Treatment Plant. The project includes upgrading existing systems and equipment at the plant. The loan was issued for twenty-years with the final payment due in 2034. The loan will be repaid by Sewer Fund revenues.

In 2011, the County entered into a loan with Ohio Public Works Commission (OPWC) for an amount not to exceed \$201,000 to replace the aging cast iron water main along West Chester Road from Barret Road to John Street in West Chester Twp. The loan was issued for thirty-years with the final payment due 2042. The loan will be repaid by Water Fund revenues.

In 2011, the County entered into a loan with Ohio Public Works Commission (OPWC) for an amount not to exceed \$580,000 to replace polybutylene water lines in at various locations including Fairfield Township, Liberty Township, and West Chester Township. The loan was issued for thirty-years with the final payment due thirty years after completion of the project. The loan will be repaid by Water Fund revenues.

In 2012, the County entered into a loan with Ohio Public Works Commission (OPWC) for an amount not to exceed \$169,873 to replace a watermain in Liberty-Fairfield Township. The loan was issued for thirty-years with the final payment due 2043. The loan will be repaid by Water Fund revenues.

In 2013, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$1,275,000 for polybutylene water line replacement. The 2013 project was completed in 2015 with an estimated loan payoff date in 2045. The loan will be paid from the Water Fund revenues.

In 2014, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$308,512 for Liberty Fairfield Rd water main replacement. The 2014 project was completed in 2016 with an estimated loan payoff date in 2035. The loan will be paid from the Water Fund revenues.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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In 2017, the County entered into a loan with the Ohio Public Works Commission(OPWC) for \$265,975 for Polybutylene water line services . The loan will be paid from the Water Fund Revenues. The loan matures in 2047.

OTHER PAYABLES

Compensated absences will be paid from the Water and Sewer enterprise funds. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the following funds: Water, Sewer, Health Insurance, Workers Compensation, and Jefferson Health Plan. For additional information related to the net pension liability see Note 12.

Annual debt service requirements to maturity for general obligation bonds, judgment bonds, revenue bonds and revenue bonds and loans are as follow:

Year	General Obligation Bonds		Judgment Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 849,290	\$ 204,814	\$ 1,755,000	\$ 899,400
2019	881,870	172,620	1,835,000	820,425
2020	64,550	137,139	1,915,000	737,850
2021	67,350	134,342	1,990,000	661,250
2022	70,250	131,423	2,080,000	576,675
2023-2027	399,720	608,719	8,790,000	1,258,688
2028-2032	494,180	514,264	-	-
2033-2037	610,950	397,478	-	-
2038-2042	755,360	253,078	-	-
2043-2046	700,060	75,805	-	-
Total	\$ 4,893,580	\$ 2,629,682	\$ 18,365,000	\$ 4,954,288

Year	Revenue Bonds		Loans	
	Principal	Interest	Principal	Interest
2018	\$ 5,553,610	\$ 1,076,531	\$ 1,504,682	\$ 838,465
2019	5,658,735	872,545	1,565,780	796,394
2020	3,595,810	679,922	1,592,601	752,712
2021	3,663,910	563,324	1,642,442	660,270
2022	1,772,150	413,590	1,694,126	861,230
2023-2027	5,314,885	990,923	8,542,111	1,591,511
2028-2032	544,300	533,619	7,594,074	1,282,312
2033-2037	674,250	400,670	2,824,186	303,204
2038-2042	835,230	242,694	601,957	-
2043-2047	594,030	52,720	200,487	-
Total	\$ 28,206,910	\$ 5,826,538	\$ 27,762,446	\$ 7,086,098

MULTIFAMILY HOUSING

The County has served as the issuer of Multifamily Housing bonds. The proceeds were used to acquire, construct, improve, and equip multifamily housing. The Multifamily Housing revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2017 was \$93,255,000.

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The County has served as the issuer of industrial revenue bonds. The proceeds were used for facilities used by private corporations or other entities. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents. The principal balance outstanding at December 31, 2017 is \$4,000,000.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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HOSPITAL REVENUE BONDS

The County has served as the issuer of hospital revenue bonds. The proceeds were used to acquire, construct, improve, and equip hospital facilities. The hospital revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2017 was \$666,345,000.

CAPITAL FUNDING REVENUE BONDS

The capital funding revenue bonds were issued on behalf of the County Commissioners Association of Ohio for their low cost capital pooled financing program. Butler County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. The principal payments will begin in 2035. The principal balance outstanding at December 31, 2017 was \$47,325,000.

LEGAL DEBT MARGIN

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed one percent of the total assessed valuation of the County. The Code further provides that the total voted and unvoted net debt of the County, less the same exempt debt, shall never exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

The effects of the debt limitations described above at December 31, 2017 are an overall debt margin of \$172,260,264 and unvoted debt margin of \$60,971,431.

NOTE 18- SHORT-TERM OBLIGATIONS

A summary of the short-term bond anticipation notes for all governmental funds are as follows:

Fund Type	Balance 12/31/16	Increase	Decrease	Balance 12/31/17
Capital Projects				
0.30% Courts Remodeling and Expansion	\$ 1,655,000	\$ 1,548,000	\$ 1,648,000	\$ 1,555,000
0.30% Hutsepiller Hamilton Mason TIF	2,535,000	2,460,000	2,535,000	2,460,000
0.30% Princeton Road Admin Building	5,725,000	4,832,000	5,732,000	4,825,000
Total Governmental Funds	\$ 9,915,000	\$ 8,840,000	\$ 9,915,000	\$ 8,840,000

The notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued. They are backed by the full faith and credit of the County and will mature within one year. The liability for the notes is presented in the fund that received the note proceeds. The notes were issued in July 2017, and will mature in July 2018.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 19- INTERFUND BALANCES AND ACTIVITY

Transfers In/Transfers Out activity for 2017 consisted of the following:

Transfers To	Transfers From			Total
	General	Residential Incentive Districts and Tax Incremental Financings	Non Major Governmental	
General	\$ -	\$ -	\$ 1,276,516	\$ 1,276,516
Job and Family Services / Children Services Agency	\$ 829,525	\$ -	\$ -	\$ 829,525
Non Major Governmental	\$ 13,297,962	\$ 1,611,611	\$ -	\$ 14,909,573
Total	\$ 14,127,487	\$ 1,611,611	\$ 1,276,516	\$ 17,015,614

Due From/Due To balances at December 31, 2017 consist of the following individual fund receivables and payables:

Due From (Receivable)	
Due To (Payable)	General
Job and Family Services / Children Services Agency	\$ 64,419
Non Major Governmental	467,986
Sewer	1,065
Water	710
Total	\$ 534,180

Advances From/Advances To balances at December 31, 2017 consist of the following individual fund receivables and payables:

Advances To	
	Advances From General
Non Major Governmental	\$ 872,006

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In addition, the General Fund received transfers in during 2017 from a surplus declaration from the Clerk of Courts. Non-major governmental funds received transfers from the General Fund and the Residential Incentive Districts and Tax Incremental Financings Fund to pay principal and interest on various County issued notes and bonds.

All balances in the Due From/Due To schedule resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The balance of \$872,006 due to the General Fund from Non Major Governmental Funds results from cash flow issues in those funds. The amounts reported as Due From/Due to Other Funds are expected to be repaid within one year; the advances are not.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 20- CONTINGENT LIABILITIES

The County has received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for any expenses disallowed under terms of the grant. Based on prior experience the County believes such disallowances, if any, will be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County the resolution of these matters will not have a material adverse effect on the financial condition of the County.

NOTE 21 -JOINTLY GOVERNED ORGANIZATIONS/RISK SHARING POOL/INSURANCE PURCHASING POOL/RELATED ORGANIZATIONS

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY

The Transportation Improvement District, a jointly governed organization, provides the opportunity to construct roads, bridges and accompanying improvements within the County. The Transportation Improvement District Board, which consists of representatives from each of the participating governments, including the County, oversees the operation of the District. Complete financial statements can be obtained from the Transportation Improvement District, 315 High St. 6th Floor Hamilton, OH 45011.

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

The Ohio Kentucky Indiana Regional Council of Governments (OKI), a jointly governed organization, was formed in 1964. OKI is a council of local governments, business organizations and community groups that work together to improve the economic development of the Tri-State.

BUTLER/CLERMONT/WARREN WORKFORCE POLICY BOARD (AREA 12)

The Butler/Clermont/Warren Workforce Policy Board is a jointly governed organization with thirty-one board members consisting of representatives from business, education, labor and government. The Butler County Commissioners appoint two of the members of the board. The Policy Board is a regional organization developed as a result of the Workforce Investment Act. The role of the Policy Board is to assess the workforce needs of area employers, assess the employment and training needs of job seekers and to identify fiscal and other available resources to meet current and future workforce needs in the region.

COMMUNITY-BASED CORRECTIONAL FACILITY

The Community-Based Correctional Facility is a jointly governed organization that provides an alternative to prison incarceration for felony offenders. The Facility is the last step in the continuum of increasing punishment before prison incarceration. The Facility is a minimum-security operation. The Facility's governing board oversees the operations of the organization. Common Pleas Judges from the participating counties comprise a Judicial Advisory Board. The Judicial Advisory Board appoints two-thirds of the members of the Facility Governing Board and advises the Facility's Governing Board regarding Facility matters. The Board includes at least one Common Pleas Court Judge from each participating county. The Facility serves Butler, Clermont, and Warren County.

The Facility's Governing Board has contracted with Talbert House for daily operational functions, a non-profit organization. Talbert House is responsible for essentially all management decisions related to the Facility, subject to the Facility Governing Board's oversight. Complete financial statements can be obtained from the Community-Based Correctional Facility, 5234 State Route 63, Lebanon, OH 45036.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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SOUTHWEST OHIO COUNCIL OF GOVERNMENTS

The Southwest Ohio Council of Governments was created by the Board of Developmental Disabilities of Butler, Hamilton, Clermont and Warren Counties. The Council consists of four members representing each of the four counties. Any other County Board of Developmental Disabilities may petition for membership to the Council however membership must be approved by two-thirds vote of the Council members. The role of the Council is to coordinate the powers and duties of the member Boards to better serve and benefit persons with developmental disabilities within the four counties. The Council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2017, Butler County contributed \$5,000 to the Council. Financial information for the Southwest Ohio Council of Governments may be obtained at 1910 Fairgrove Avenue Suite E, Hamilton Ohio 45011.

COUNTY RISK SHARING AUTHORITY (CORSA)

The County Risk Sharing Authority (CORSA) is a risk sharing pool made up of sixty-five counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County's payment for insurance to CORSA in 2017 was \$627,224.

JEFFERSON HEALTH PLAN

The Butler County Board Development Disabilities (BCBDD) participated in the Jefferson Health Plan during 2017. BCBDD provides health insurance to its employees through a self-insurance plan. BCBDD pays \$522.92 per month for employees enrolled in a single plan and \$1,446 per month for employees enrolled in a family plan, with the employees paying \$64.62 per month for single coverage, and \$178.72 per month for family coverage.

REGIONAL TRANSIT AUTHORITY (RTA)

The Regional Transit Authority (RTA) is a related organization to the County. The County Commissioners are responsible for appointing the board of directors of the RTA; however, the County Commissioners cannot influence the RTA's operations, nor does the RTA represent a potential financial benefit or burden to the County. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the RTA, its role is limited to a ministerial function. Once the RTA determines to present a levy to the voters, including the determination of the rate and duration, the County must place the levy on the ballot. The RTA may issue debt and determine its own budget. Financial information for the RTA may be obtained at 3045 Moser Ct. Hamilton, OH 45011.

BUTLER COUNTY CONVENTION AND VISITOR BUREAU

The Butler County Convention and Visitor Bureau is a related organization established to promote economic activity and development through tourism. The County Commissioners appoint fifteen members to serve on the Convention and Visitor Bureau Board. Nine of the Board members represent local community interests. Three members include representatives from existing Convention and Visitor Bureaus already established in the County. The remaining board members consist of a member from Butler County Metroparks, Butler County Chamber Caucus and a board member recommended by the Commissioners.

BUTLER COUNTY, OHIO
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The County Commissioners passed a three-percent hotel excise tax in August of 2003 pursuant to the regulations in Ohio Revised Code 5739.09. The hotel tax collections are collected by Butler County and can only be distributed to a Convention and Visitor Bureau according to the statute. The County is not required to contribute any of their own resources to the Convention and Visitor Bureau in the event of fiscal stress, nor would Butler County benefit from any significant financial resources of the Butler County Visitor and Convention Bureau. Complete financial statements can be obtained from the Butler County Convention and Visitor Bureau, 315 High Street, Hamilton, OH 45011.

METROPARKS OF BUTLER COUNTY

The Park District Commissioners are appointed by the Probate Judge of the County. The Commissioners adopt their own budget, authorize expenditures, hire and fire staff, and do not rely on the County to finance deficits. Metroparks provides educational programs along with recreational opportunities throughout the year. The County is not financially accountable for the District nor is the District fiscally dependent on the County. The District serves as its own taxing and debt issuance authority and is a related organization of the County. Financial information for the Metroparks of Butler County may be obtained at 2051 Timberman Road, Hamilton, OH 45013.

NOTE 22- CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrances accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Governmental Funds:	
General	\$ 2,542,078
Developmental Disabilities	654,120
Job and Family Services/Children Services	2,131,991
Residential Incentive Districts and Tax Incremental Financing	28,855
Nonmajor Governmental Funds	<u>6,067,101</u>
Total Governmental Funds	<u>\$ 11,424,145</u>
Proprietary Funds:	
Sewer	\$ 2,806,181
Water	<u>\$ 1,937,140</u>
Total Proprietary Funds	<u>\$ 4,743,321</u>

BUTLER COUNTY, OHIO
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The County has several outstanding contracts for construction and professional services. The following amounts remain on these contracts as of December 31, 2017.

HAZEN AND SAWYER PC	\$	130,753
HOWELL CONTRACTORS INC		117,783
WATER AND SEWER SERVICE CONST. INC		57,434
FISHBECK THOMPSON CARR & HUBER INC		37,175
LAKE ERIE ELECTRIC INC		60,886
PCS TECHNOLOGIES LLC		37,718
J AND K COMMUNICATIONS INC		21,408
ARCADIS US INC		18,301
ATR DISTRIBUTING CO, INC		7,675
JAMAL A ADHAMI		2,500
KLEINGERS AND ASSOCIATES		813
BAYER AND BECKINER, INC		260
TOTAL	\$	<u>492,706</u>

NOTE 23 – TAX ABATEMENTS

For 2017, County property taxes were reduced by \$418,200 under community reinvestment areas and enterprise tax zone exemption agreements entered into by various municipalities as summarized below.

<u>Overlapping Government</u>	<u>Amount of 2017 Taxes Abated</u>
<i>Community Reinvestment Areas:</i>	
City of Fairfield	\$136,389
City of Hamilton	3,802
City of Monroe	<u>148,426</u>
Total Community Reinvestment Areas	288,617
 <i>Enterprise Zone Exemptions:</i>	
City of Hamilton	79,961
City of Middletown	<u>49,622</u>
Total Enterprise Zone Exemptions	<u>129,583</u>
 Total Abatements	 <u><u>\$418,200</u></u>

NOTE 24- SUBSEQUENT EVENT NOTE

In January 2018, the County issued \$7,000,000 in bond anticipation notes at an interest rate of 3%. The proceeds were used to retire a portion of the Capital lease. The notes will mature in January of 2019.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 25- BUTLER COUNTY LAND REUTILIZATION CORPORATION

Reporting Entity

The Butler County Land Reutilization Corporation (the "Corporation") is a county land reutilization corporation that was formed on June 15, 2012, when the Butler County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The Corporation is a component unit of Butler County. The purpose of the Corporation is to strengthen neighborhoods in Butler County (the "County") by returning vacant and abandoned properties to productive use. The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Basis of Accounting

The basic financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Land Reutilizations' accounting policies are described below:

General Fund - The general fund is the Corporation's only governmental fund. This fund accounts for all financial resources that are received from the County Treasurer from penalties collected on delinquent property taxes and interest on those delinquencies. The general fund receives 1% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund. The general fund balance is available to the Corporation for any purpose provided it is expended or transferred according to the general laws of Ohio. In addition, the fund receives State grant revenues.

Measurement Focus

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of the Corporation are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. There were no deferred outflows of resources at December 31, 2017.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Corporation, deferred inflows of resources include unavailable revenue. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Corporation, unavailable revenue includes intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. There were no deferred inflows of resources at December 31, 2017.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Budgetary Process

The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities.

Federal Income Tax

The Corporation is exempt from federal income tax under Section 115(1) of the Internal Revenue Code.

Cash and Cash Equivalents

All monies received by the Corporation are deposited in a demand deposit account. The Corporation had no investments during the year or at the end of the year. Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

Assets Held for Resale

Assets held for resale represent properties purchased by or donated to the Corporation. These properties are valued based upon the purchase price plus any costs of maintenance, rehabilitation, or demolition of homes on the properties. For donated or forfeited properties, the asset is reported at fair value. The Corporation holds the properties until the home is either sold to a new homeowner, sold to an individual who will rehabilitate the home, or the home on the property is demolished. Properties with demolished homes could be transferred to the city or township they are in after demolition, until those parcels may be merged with adjacent parcels for development or green space projects, or the Corporation may sell other lots to the owners of adjacent parcels for a nominal cost.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation had no restricted net position at December 31, 2017.

Intergovernmental Revenue

The Corporation receives operating income through Butler County. This money represents the penalties and interest on current unpaid and delinquent property taxes once these taxes are paid. Pursuant to ORC 321.263, these penalty and interest monies are collected by the County when taxes are paid and then are paid to the Corporation upon the Corporation's written request. In addition, the Corporation receives State grant funding.

Estimates

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

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria has been satisfied. The unearned revenue for the Corporation is from the City of Hamilton and City of Middletown for future acquisition costs.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Deposits and Investments

At December 31, 2017, the carrying amount of all Corporation deposits was \$522,077. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2017, \$365,423 of the Corporation's bank balance of \$615,423 was exposed to custodial credit risk as described below while \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC) and \$365,423 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the Corporation will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Corporation has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Corporation and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State.

Transactions with Butler County

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Butler County Board of Commissioners to receive 1% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund and will be available for appropriation by the Corporation to fund operations. At December 31, 2017, the Corporation recognized revenues of \$145,255 for these fees that were collected by the County in 2017. The Corporation also received \$1,859 in various other revenues.

During 2017, the Corporation paid \$66,394 in various costs to various Butler County departments.

NOTE 26- LIBERTY COMMUNITY AUTHORITY

Reporting Entity

The Liberty Community Authority, Butler County, Ohio (the "Authority") is a community authority created pursuant to Chapter 349 of the Ohio Revised Code (ORC) and is a component unit of Butler County. Liberty Center Holdings, LLC (the Developer) filed a petition (the Petition) for creation of the Authority with the Board of County Commissioners of Butler County, Ohio, and the Petition was accepted by Resolution No. 13-08-03783 of the Board of County Commissioners of Butler County on August 22, 2013. The Petition, which may be subject to amendment or change, defines the boundaries of the Authority and allows the Authority to finance the costs of publicly owned and operated improvements and community facilities with Community Development Charges.

The Authority includes approximately 65 acres of land located in Liberty Township, Butler County, Ohio with a mixed use commercial project known as Liberty Center including retail space, office space, hospitality components and residential units. Liberty Center's grand opening was in October 2015.

Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

Operating revenues are those revenues that are generated from the primary activity of the Authority and consist of both assessed valuation charges and facility charges. Operating expenses consist of administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Cash and Cash Equivalents

The Authority considers all highly liquid investments with an original maturity of three months or less at the time they are purchased to be cash and cash equivalents.

Capital Assets and Depreciation

Capital assets, including parking garages and infrastructure, are recorded at historical cost for assets acquired or constructed and fair value for contributed infrastructure. Expenses that increase values or extend the useful life of the respective assets are capitalized while the costs of maintenance and repairs are charged to operating expenses. Interest costs related to the construction are capitalized. Depreciation is calculated on a straightline basis over the estimated useful life of the various classes of assets. The useful life for computing depreciation is 50 years for parking garages and infrastructure.

Bonds Payable and Discounts

Bonds payable are reported net of the unamortized bond discount which is deferred and amortized over the term of the bonds. Issuance costs are expensed as incurred.

Due to Developer

The amounts reported as Due to Developer represent administrative and constructions costs funded by the Developer in accordance with the master agreement to be reimbursed by the Authority.

Net Position

Net position represents the difference between assets and liabilities. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a custodial risk policy. As of December 31, 2017, the carrying amount and bank balance of the Authority's deposits was \$30,604, the entire amount was covered by the FDIC.

In addition, the Authority had cash on deposit with US Bank (Trustee) in accordance with the Authority's Master Trust Agreement with the Trustee. The amount on deposit with the Trustee at December 31, 2017 and 2016 was \$1,531,776 and \$1,526,242, respectively. These accounts are reported as restricted cash with fiscal agent on the Statement of Net Position.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Assessed Valuation Charge

The Assessed Valuation Charge is an annual charge on each chargeable parcel of land within the Authority based on the Assessed Valuation of each parcel which may be expressed as a number of mills. For 2017, the Assessed Valuation Charge was the full 10 mills on the total assessed valuation. Assessed Valuation Charge revenue recognized in 2017 represents the amount levied for calendar 2017.

Facility Charge

The Authority has levied a Facility Charge upon all retail sales conducted within the Authority of one half one percent (0.5%) of the price paid by each consumer in connection with such retail sales. The Facility Charge is collected by tenants from consumers and remitted on a monthly basis.

Restricted Assets

Restricted assets consist of cash with fiscal agent whose use has been restricted by bond indenture for a debt service reserve, a capitalized interest fund to pay debt service during construction and a project construction fund. Restricted assets at December 31, 2017 and 2016 were \$1,531,776 and \$1,526,242 respectively. During 2017, the project construction fund was used to pay for construction costs of the parking garages and infrastructure. The capitalized interest fund was used to pay bond interest payments on June 1 and December 1, 2017 and will be used to make an interest payment on June 1, 2017.

Capital Assets

Capital Assets Activity for the year ended December 31, 2017 was as follows:

	Balance 1/1/17	Increases	Decreases	Balance 12/31/2017
Capital assets not being depreciated:				
Land	\$ 2,333,662	\$ -	\$ -	\$ 2,333,662
Capital assets being depreciated:				
Parking garages	27,025,015	-	\$ -	27,025,015
Infrastructure	13,871,256	-	-	13,871,256
Total Capital Assets Not Depreciated	<u>40,896,271</u>	<u>-</u>	<u>-</u>	<u>40,896,271</u>
Less accumulated depreciation:				
Parking garages	(675,625)	(540,500)	-	(1,216,125)
Infrastructure	(346,781)	(277,425)	-	(624,206)
Total accumulated depreciation	<u>(1,022,406)</u>	<u>(817,925)</u>	<u>-</u>	<u>(1,840,331)</u>
Capital assets, net	<u>\$ 42,207,527</u>	<u>\$ (817,925)</u>	<u>\$ -</u>	<u>\$ 41,389,602</u>

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

LONG-TERM DEBT

In November 2014, the Authority entered into a funding agreement with the Butler County Port Authority for the issuance of public infrastructure revenue bonds in the amount of \$20,180,000 for the primary purpose of financing the cost of construction of parking garages and water, sewer and storm water system improvements. The proceeds were also used to fund capitalized interest on the bonds through the June 1, 2016 payment date, fund a debt service reserve and pay costs of issuance. The bonds were issued at discount and pay interest at rates ranging from 5% to 6% and fully mature on December 1, 2043.

The Authority has pledged its community development charges, including both Assessed Valuation Charges and Facility Charges, for the payment of principal and interest on the bonds.

The bond issuance was a portion of a partnership with Butler County and Liberty Township for the construction of public parking garages and infrastructure for the Liberty Center project. The constructed assets belong to the Authority. The parties entered into a funding agreement and issued \$37,310,000 in bonds for capital financing through the Butler County Port Authority. The bonds will be paid solely from the pledged amounts identified in the funding agreement and the Port Authority shall never be required to use its own funds to make such payments. The County pledged revenues for the \$11,085,000 Series A bonds. The Series B bonds in the amount of \$6,045,000 will be paid by Liberty Township and the Series C bonds of \$20,180,000 will be paid by the Authority as noted above.

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

	Balance 1/1/17	Additions	Reductions	Balance 12/31/17	Due Within One Year
2014 Revenue Bonds	\$ 20,080,000	\$ -	\$ (335,000)	\$ 19,745,000	\$ 355,000
Less deferred amount for issuance discounts	(422,737)	-	15,657	(407,080)	-
Total Revenue Bonds	19,657,263	-	(319,343)	19,337,920	355,000
OWDA Loan Development Subordinate Bond	12,207,604	59,507	-	12,267,111	479,468
	2,941,091	130,715	-	3,071,806	-
Total Long Term Obligations	\$ 34,805,958	\$ 190,222	\$ (319,343)	\$ 34,676,837	\$ 834,468

Also in November 2014, the Authority entered into a loan with the Ohio Water Development Authority (OWDA) in the amount of \$12,000,000 to finance the construction of a storm water collection system throughout the Liberty Center site. The loan matures on July 1, 2037 and pays annual interest at 2.5% with the first payment due on January 1, 2018. The interest capitalization period runs through June 30, 2017 and thus, a final amortization schedule is not yet available.

In accordance with the Construction Services Agreement between the Authority and the Developer for the construction of community facilities by the Developer, the Authority agreed to issue notes or bonds to the Developer to evidence the Authority's obligation to reimburse the Developer for public infrastructure costs funded by the Developer. The Developer incurred additional development costs that were included in the Public Infrastructure Scope that exceeded the amounts paid for by the Bond Issuance and the OWDA loan that could be reimbursable to the Developer after all other obligations are fulfilled per the Funding and Trust Agreements. In 2016, the Developer submitted cost certificates to the Authority which were approved by the Board for reimbursement of costs. Thus, in November 2016, the Authority issued a Development Subordinate Bond payable to the Developer in the principal amount of \$2,941,091.

The bond matures 40 years from the date of issuance in 2056 and bears interest at a rate of 4% per year. Principal and interest payments shall be payable on each February 1 and August 1 until the principal has been paid provided that interest and principal shall be payable only to the extent of available pledged revenues after the payment of revenue bonds, OWDA loan and operating costs. Thus, no specific repayment schedule is provided.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

A summary of the annual debt service requirements for the bonds payable as of December 31, 2017 follows:

	Principal	Interest	Total
2018	\$ 355,000	\$ 1,139,412	\$ 1,494,412
2019	370,000	1,121,662	1,491,662
2020	390,000	1,103,162	1,493,162
2021	410,000	1,083,662	1,493,662
2022	430,000	1,063,162	1,493,162
2023-2027	2,520,000	4,958,086	7,478,086
2028-2032	3,350,000	4,155,576	7,505,576
2033-2037	4,470,000	3,064,313	7,534,313
2038-2042	6,015,000	1,555,800	7,570,800
2043	1,435,000	86,100	1,521,100
Total	<u>\$ 19,745,000</u>	<u>\$ 19,330,935</u>	<u>\$ 39,075,935</u>

Annual debt service Requirements for the OWDA Loan as of December 31, 2017 follows:

	Principal	Interest	Total
2018	\$ 479,468	\$ 303,700	\$ 783,168
2019	491,529	291,638	783,167
2020	503,894	279,273	783,167
2021	516,570	266,597	783,167
2022	529,565	253,602	783,167
2023-2027	2,854,483	1,061,352	3,915,835
2028-2032	3,232,048	683,787	3,915,835
2033-2037	3,659,554	256,281	3,915,835
Total	<u>\$ 12,267,111</u>	<u>\$ 3,396,230</u>	<u>\$ 15,663,341</u>

Related Party Transactions

Under an agreement with the Authority, the Developer was responsible for overseeing the construction and development of the public infrastructure projects. In addition, the Developer will fulfill certain administrative and operational functions for the Authority on an ongoing basis. The Developer has paid operating costs on behalf of the Authority for which it is eligible for reimbursement. At a minimum, the Authority will pay the Developer \$225,000 per year to reimburse these costs. However, the agreement also allows for additional reimbursements to the Developer after debt obligations are paid if surplus revenues exist. Thus, the Authority has reported amounts due to the Developer for operating costs incurred on its behalf by the Developer.

During 2017 and 2016, the Authority paid \$227,250 and \$225,000, respectively, as required to the Developer. In addition, the Authority repaid the Developer advanced construction costs from the final draw down from OWDA in the amount of \$719,671 in 2016.

By law, the Authority is governed by a seven member board of trustees. At inception, the Board of County Commissioners of Butler County appointed four of the trustees and the remaining three trustees were appointed by the Developer. The trustees appointed by the Developer are employees of a related party to the Developer.

Contingent Liabilities

There are no claims and lawsuits pending against the Authority.

Subsequent Event

The Trustee did not transmit the payment timely for the OWDA debt service due on January 1, 2018. Funds were transferred and full payment was made on January 31, 2018. No event of default occurred and the loan is in good standing.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 27- BUTLER COUNTY PORT AUTHORITY

Reporting Entity

The Butler County Port Authority (the "Port Authority") is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Port Authority was established in September 2004 pursuant to section 4582.22 of the Ohio Revised Code by resolution of Butler County. The seven voting member Board of Directors directs the Port Authority. The Port Authority is a component unit of Butler County.

The Port Authority provides services that are enumerated in Sections 4582.21 to 4582.29 of the Ohio Revised Code. The services include but are not limited to the power to purchase, construct, reconstruct, enlarge, improve, equip, develop, sell, exchange, lease, convey other interest in, and operate Port Authority facilities.

Basis of Presentation

Enterprise accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all asset and all liabilities are included on the statement of net position. Equity (i.e., net position) consists of retained earnings. The operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The accrual basis of accounting is utilized for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Budgetary Data

Ohio Revised Code Section 4582.39 requires the port authority to annually prepare a budget.

Ohio Revised Code Section 5705(B)(2)(a) requires the Port Authority, on or before the fifteenth day of July each year, to adopt an operating budget for the ensuing fiscal year. The operating budget should include an estimate of receipts from all sources, a statement of all taxing unit expenses that are anticipated to occur, and the amount required for debt charges during the fiscal year. The operating budget is not required to be filed with the county auditor or the county budget commission. Ohio Revised Code Section 5705(B)(2)(b) requires the Port Authority to certify beginning balances on or about the first day of each fiscal year; certify revenue available for appropriation; adopt appropriations within available resources; certify the availability of funds prior to incurring obligations; and, limit expenditures to appropriations for each fund. However, documents prepared in accordance with such Sections are not required to be filed with the county auditor or county budget commission.

Cash and Cash Equivalents

The Port Authority maintains a cash management program whereby cash is deposited with a banking institution in Butler County. The agreements restrict activity to certain deposits. These deposits are stated at cost which approximates market value. Investment procedures are restricted by the provisions of the Ohio Revised Code. The Port Authority had no investments at the end of the year.

For purposes of the statement of cash flows and for the presentation on the statement of net position, the funds in the cash management pool are considered to be cash equivalents.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly by the Port Authority's primary mission. For the Port Authority, operating revenues include intergovernmental contributions to fund operations and local business contributions to work on grant applications, as well as administrative fees charged to cover operating expenses. Operating expenses are necessary costs incurred to support the Port Authority's primary mission. Non-operating revenues and expenses are those that are not generated directly by the Port Authority's primary mission. Various state grants, local government contributions, interest income and expenses comprise the non-operating revenues and expenses of the Port Authority.

Accrued Liabilities

In general, payables and accrued liabilities are reported as obligations regardless of whether they will be liquidated with current resources.

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Port Authority applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Conduit Debt Financing

One of the Port Authority's main functions is to provide Butler County companies and organizations with the ability to issue debt at a tax-exempt rate. These companies may use the Port Authority's tax-exempt status for such offerings by issuing conduit revenue bonds backed by reimbursement agreements with the Port Authority and trustee. The Port Authority has recognized both a *Receivable from Conduit Debt Recipients* and a *Payable to Conduit Debt Financial Institution Trustees* for the approximate, aggregate amount of principal outstanding on conduit debt at year end.

Deposits and Investments

In accordance with state statute, active deposits are designated as public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Port Authority Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

The Port Authority has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Port Authority or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Conduit Debt

The Port Authority has issued various debt obligations on behalf of other entities that constitute conduit debt. While the Port Authority has no obligation for the conduit debt, the aggregate amount of conduit debt outstanding at year end has been recognized as a *Payable to Conduit Debt Financial Institution Trustees* in the Port Authority's Statement of Net Position in addition to an offsetting *Receivable from Conduit Debt Recipients*.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Conduit debt outstanding at December 31, 2017 consisted of the following:

Greater Miami Valley YMCA	\$	14,555,500
Liberty Center Project Series A		10,180,000
Liberty Center Project Series B		5,935,000
Liberty Center Project Series C		19,745,000
Colonial Senior Services, Inc.		6,020,000
Mother Teresa Catholic Elementary School		3,239,525
Northpoint		15,818,497
Storypoint		42,140,000
	\$	<u>117,633,522</u>

The Greater Miami Valley YMCA conduit debt was issued for the purpose of constructing a new facility in ordination with the Middletown Regional Hospital's Atrium Facility along Interstate 75 and the refinancing of outstanding debt on other YMCA facilities in Butler County.

The Liberty Center Project Series A, B and C conduit debt was issued for the purpose of acquiring and constructing certain public infrastructure improvements in relation to the Liberty Center Project.

The Colonial Senior Services, Inc. conduit debt was issued for the purpose of constructing a new rehabilitation facility in the City of Hamilton.

The Mother Teresa Catholic Elementary School conduit debt was issued for the purpose of expanding the Mother Teresa Catholic Elementary School in Liberty Township.

The NorthPoint conduit debt was issued for the purpose of constructing two new modern distribution buildings in the City of Fairfield.

The StoryPoint conduit debt was issued for the purpose of constructing a new assisted living complex in Fairfield Township.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 28- CONDENSED COMPONENT UNIT STATEMENTS

Condensed Component Unit Statement of Net Position

	Butler County Land Reutilization Corporation	Liberty Community Authority	Butler County Port Authority	Total
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 522,077	\$ 187,778	\$ 286,916	\$ 996,771
Cash and Cash Equivalents:				
With Fiscal Agents	-	1,531,776	-	1,531,776
Accounts Receivable	-	19,826	30,120	49,946
Facility Charges Receivable	-	92,191	-	92,191
Due from Other Governments	206,281	-	-	206,281
Prepaid Items	19,299	-	-	19,299
Receivables from Conduit Debt Receipts	-	-	117,633,522	117,633,522
Assets Held for Resale	535,124	-	-	535,124
Capital Assets:				
Nondepreciable Capital Assets	-	2,333,662	-	2,333,662
Depreciable Capital Assets, net	-	39,055,940	-	39,055,940
Total Assets	1,282,781	43,221,173	117,950,558	162,454,512
Liabilities				
Accounts Payable	-	327	-	327
Accrued Interest Payable	-	248,289	-	248,289
Unearned Revenue	198,980	-	-	198,980
Due To Developer-Current	-	229,525	-	229,525
Long-Term Liabilities:				
Due Within One Year	-	834,468	-	834,468
Due In More Than One Year	-	34,305,544	117,633,522	151,939,066
Total Liabilities	198,980	35,618,153	117,633,522	153,450,655
Net Position				
Net Investment in Capital Assets	-	11,015,292	-	11,015,292
Unrestricted (Deficit)	1,083,801	(3,412,272)	317,036	(2,011,435)
Total Net Position	\$ 1,083,801	\$ 7,603,020	\$ 317,036	\$ 9,003,857

	Butler County Land Reutilization Corporation	Liberty Community Authority	Butler County Port Authority	Total
Expenses:	\$ 730,836	\$ 2,722,496	\$ 202,206	\$ 3,655,538
Program Revenues:				
Charges for Services	-	-	427,903	427,903
Operating Grants, Contributions, and Interest	524,960	1,369,845	-	1,894,805
Total Program Revenues	524,960	1,369,845	427,903	2,322,708
Net Program Revenue (Expenses)	(205,876)	(1,352,651)	225,697	(1,332,830)
Other General Revenues	391,924	8,779	121	400,824
Change in Net Position	186,048	(1,343,872)	225,818	(932,006)
Net Position at Beginning of Year(Restated)	897,753	8,946,892	91,218	9,935,863
Net Position at End of Year	\$ 1,083,801	\$ 7,603,020	\$ 317,036	\$ 9,003,857

Butler County, Ohio
 Required Supplementary Information
 Condition Assessment of the County's Infrastructure
 Reported Using the Modified Approach as Outlined in GASB 34
 For The Year Ended December 31, 2017

Butler County reports its infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following three sections for 2017, 2014, and 2011. Beginning with reporting year 2009, the County moved to a three year conditional assessment rotation cycle.

County Roads

The condition of road pavement is evaluated and measured using a physical condition rating system. This approach assigns a numerical rating to each road, or section thereof, based on the following criteria: age of pavement, date of last surface maintenance, traffic flow and volume, traffic type and availability of funds. The physical condition rating is determined by a committee of experts from the County Engineer's Office based on the criteria below:

Pavement Rating	Condition Rating	Description
1	Excellent	Pavements not in need of maintenance. New condition. Typically pavements 1-4 years old fall into this category. Older pavements with lower traffic counts and low truck traffic also fall into this category.
2	Good	Pavement in need of minor maintenance to restore to Excellent condition. Typically pavements 5-8 years old with high traffic counts or a large percentage of truck traffic.
3	Fair	Pavement in need of major maintenance to restore to Excellent condition. Typically pavements are 9-15 years old.
4	Poor	Pavement in need of major repair or heavy overlays to bring to Excellent condition. Pavements over 15 years old, or with high traffic volume and/or high truck traffic could be rated 4.

It is the County policy that at least 90% of the roadways will have a rating of 3 (Fair) or higher. The Butler County Engineer's Office has a goal whereby the total mileage of the roadway in the County will be re-paved on a 17-year rotational basis. Historical data has shown that with yearly inspection and maintenance, the average road of the County will be maintained at a usable level for a 25-year period. Each roadway in the County will be assessed once every three years, with higher emphasis on older and more heavily used pavements.

The following summarizes the physical condition assessment of County roads as of December 31 for 2017, 2014, and 2011:

Road Condition	2017		2014		2011	
	Road Miles	% of Total	Road Miles	% of Total	Road Miles	% of Total
Fair or Better	257	95.2%	254	95%	241	90%
Less than Fair	13	4.8%	14	5%	26	10%
Total	270	100%	268	100%	267	100%

Butler County, Ohio
 Required Supplementary Information
 Condition Assessment of the County's Infrastructure
 Reported Using the Modified Approach as Outlined in GASB 34
 For The Year Ended December 31, 2017

The following is a comparison of County budgeted and actual expenditures for preservation of the existing roadways:

Year	Budgeted Expenditures	Actual Expenditures	Difference
2017	\$6,241,041	\$6,241,041	\$0
2016	3,187,007	3,187,007	0
2015	1,939,082	1,869,777	69,305
2014	6,078,718	5,171,078	907,640
2013	5,486,762	5,486,762	0
2012	4,816,346	4,781,073	35,273
2011	4,306,251	3,462,529	843,722

County Bridges

The condition of the County's bridges is determined using a general appraisal and operational status rating which is a conditional coding system developed by the Federal Highway Administration. This system is comprised of ratings for the individual elements of the structure. The primary elements of this appraisal system include the following:

- *bridge decks* (riding surface, roadway approaches, end joints, curbing and sidewalks)
- *superstructures* (side rails, above-road piers and overhead truss)
- *substructures* (undercarriage, piers, footings, abutments and erosion protection)

The Federal Highway Administration has defined specific criteria for each element of the bridge, based on its construction. For each element, a 0-9 rating scale is used, where 4 or less is defined as "poor" condition. The ratings of all elements are combined to summarize the structural condition of a bridge as follows:

Bridge Rating	Condition Rating	Description
9	Excellent	Superior to present desirable criteria.
8	Very Good	Equal to present desirable criteria.
7	Good	Better than present minimum criteria.
6	Satisfactory	Equal to present minimum criteria.
5	Fair	Better than minimum adequacy to tolerate being left in place as is.
4	Poor	Meets minimum tolerable condition requiring high priority to repair.
3	Serious	Basically intolerable condition requiring high priority to repair.
2	Critical	Basically intolerable condition requiring high priority of replacement.
1	Imminent Failure	Immediate repair necessary to put back into service.
0	Closed	Bridge closed.

Butler County, Ohio
 Required Supplementary Information
 Condition Assessment of the County's Infrastructure
 Reported Using the Modified Approach as Outlined in GASB 34
 For The Year Ended December 31, 2017

It is the County policy to maintain the bridge system in the County where 85% of the structures have a general appraisal summary of 5 (Fair) condition or higher. *The following is a summary of the conditional assessment for bridges as of December 31 for 2017, 2014, and 2011:*

Bridge Condition	2017		2014		2011	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Fair or Better	384	94.3%	368	92%	374	94%
Less than Fair	23	5.7%	30	8%	25	6%
Total	407	100%	398	100%	399	100%

The following is a comparison of County budgeted and actual expenditures for preservation of the existing bridges:

Year	Budgeted Expenditures	Actual Expenditures	Difference
2017	\$1,439,933	\$1,439,933	\$0
2016	1,973,078	1,973,078	0
2015	1,970,084	1,970,084	0
2014	2,761,500	2,357,403	404,097
2013	1,289,620	1,289,620	0
2012	1,661,825	1,661,825	0
2011	2,345,182	1,885,692	459,491

County Culverts

The Butler County Engineer maintains a culvert inventory system. All culverts are inspected every three years with any critical structure being inspected as needed, as per the Engineer's internal policy. A committee of experts from the County Engineer's Office determines the condition rating, and a general appraisal of the condition is categorized as follows:

Culvert Rating	Condition Rating	Description
1	Good	No repair required.
2	Fair	Minor deficiency, culvert still functioning as designed.
3	Poor	Major deficiency, culvert in need of repair to continue functioning as designed.
4	Critical	Culvert no longer functioning as designed.

Butler County, Ohio
 Required Supplementary Information
 Condition Assessment of the County's Infrastructure
 Reported Using the Modified Approach as Outlined in GASB 34
 For The Year Ended December 31, 2017

It is the goal of the Butler County Engineer to maintain 75% of culverts in a condition of 2-Fair or better. The following is a summary of the conditional assessment for culverts as of December 31 for 2017, 2014, and 2011:

Culvert Condition	2017		2014		2011	
	Number of Culverts	% of Total	Number of Culverts	% of Total	Number of Culverts	% of Total
Fair or Better	816	83%	798	78%	834	82%
Less than Fair	166	17%	222	22%	189	18%
Total	982	100%	1,020	100%	1,023	100%

The following is a comparison of County budgeted and actual expenditures for preservation of the existing culverts:

Year	Budgeted Expenditures	Actual Expenditures	Difference
2017	\$225,682	\$225,682	0
2016	108,845	108,845	0
2015	50,000	33,689	16,311
2014	109,842	76,045	33,798
2013	174,572	174,572	0
2012	135,804	115,804	20,000
2011	188,159	151,293	36,866

Butler County, Ohio
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Four Years (1)

	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	0.67092475%	0.67466323%	0.67328450%	0.67328450%
County's Proportionate Share of the Net Pension Liability	\$152,355,600	\$116,860,173	\$81,205,636	\$79,371,471
County's Covered- Payroll	\$83,513,607	\$79,521,898	\$79,995,262	\$80,024,500
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Payroll	182.43%	146.95%	101.51%	99.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2014 is not available.

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

Butler County, Ohio
Required Supplementary Information
Schedule of County Contributions
Ohio Public Employees Retirement System - Traditional Plan
Last Five Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$11,462,506	\$10,425,715	\$9,878,226	\$9,955,602	\$10,783,088
Contributions in Relation to the Contractually Required Contribution	<u>(11,462,506)</u>	<u>(10,425,715)</u>	<u>(9,878,226)</u>	<u>(9,955,602)</u>	<u>(10,783,088)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Payroll	\$84,967,683	\$83,513,607	\$79,521,898	\$79,995,262	\$80,024,500
Contributions as a Percentage of Covered-Payroll	13.49%	12.48%	12.42%	12.45%	13.47%

(1) Information prior to 2013 is not available.

Butler County, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2017

Changes in Assumptions - OPERS

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

	December 31, 2017	December 31, 2016 and Prior
Wage Inflation	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Combining Statements and Individual Fund Schedules

Combining Statements – Non-major Governmental Funds

Non-major Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specified purposes. The following are descriptions of each non-major special revenue fund:

Mental Health and Addiction Recovery Services Board – This fund accounts for and reports the countywide tax levy along with various federal, state and local funds restricted to provide mental health and addiction recovery services to all citizens of Butler County.

Real Estate Assessment – To account for restricted State mandated county-wide real estate appraisals that are funded by charges to the County's political subdivisions.

All Other Legislative and Executive – To account for restricted state, federal, or local revenue for all other legislative and executive activities not presented on an individual basis.

All Other Judicial – To account for restricted state, federal, or local revenue for all other judicial activities not presented on an individual basis.

All Other Public Safety – To account for restricted state, federal, or local revenue for all other Public Safety activities not presented on an individual basis.

Motor Vehicle – To account for the revenues derived from motor vehicle licenses and gasoline taxes. Expenditures in this special revenue fund are restricted by State law to County roads and bridge repair/improvement programs.

All Other Public Works – To account for restricted state, federal, or local revenue for all other public works activities not presented on an individual basis.

Child Support Enforcement – To account for grant money as well as the poundage fees collected by the Bureau of Child Support that are restricted by State statute to finance the operation of the Child Support Enforcement Agency.

County Care Facility – To account for the collection of restricted state and federal Medicaid and fees from residents' families for the operation of the County Home.

Elderly Services Levy – To account for restricted dollars associated with a county-wide property tax and the expenditures of those funds.

All Other Human Services – To account for restricted state, federal, or local revenue for all other human services activities not presented on an individual basis.

All Other Conservation and Recreation – To account for fees collected on permits by the County restricted to State law to finance erosion and sediment control activities.

(Continued)

Combining Statements – Non-major Governmental Funds (Continued)

Non-major Capital Project Funds

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the Proprietary funds). The following are descriptions of each non-major capital project fund:

Technology – To account for restricted note, bond, loan or grant proceeds used to finance the cost of County technology activities.

Other Capital Improvements – To account for restricted note, bond, loan or grant proceeds used to finance all other capital improvements not presented on an individual basis.

Road Improvements – To account for restricted note, bond, loan or grant proceeds used to finance the cost of projects related to the construction of roads.

Buildings Construction and Renovations – To account for restricted note, bond, loan or grant proceeds used to finance the cost of improvements and new construction of buildings.

Non-major Bond Retirement

The Bond Retirement Fund is used to account for proceeds and payments on Butler County bonds. The County's Bond Retirement Fund accounts for financing and related costs of issuing and paying County bonds.

Non-major Permanent Fund

The Developmental Disabilities Permanent Fund is used to account for nonspendable gifts and investment earnings that are donor restricted to assist individuals with developmental disabilities.

Butler County, Ohio
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2017

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Bond Retirement Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 78,304,602	\$ 2,542,140	\$ 676,230	\$ 1,065,537	\$ 82,588,509
Cash and Cash Equivalents:					
In Segregated Accounts	3,540	-	-	-	3,540
Receivables:					
Property Taxes	17,405,004	-	-	-	17,405,004
Other Local Taxes	319,196	-	-	-	319,196
Accounts	391,159	-	-	-	391,159
Due from Other Governments	13,786,255	428,319	-	-	14,214,574
Special Assessments	1,301,948	-	6,588,178	-	7,890,126
Loans	518,309	-	-	-	518,309
Prepaid Items	251,088	4,650	-	-	255,738
Materials and Supplies Inventory	1,157,545	-	-	-	1,157,545
Total Assets	\$ 113,438,646	\$ 2,975,109	\$ 7,264,408	\$ 1,065,537	\$ 124,743,700
Liabilities					
Accounts Payable	\$ 30,577	\$ -	\$ -	\$ -	\$ 30,577
Contracts Payable	2,731,003	116,273	-	-	2,847,276
Accrued Wages and Benefits Payable	642,397	179,816	-	-	822,213
Due to Other Funds	467,986	-	-	-	467,986
Due to Other Governments	154,316	256,830	-	-	411,146
Advances from Other Funds	659,965	193,136	18,905	-	872,006
Matured Bonds Payable	-	-	13,250	-	13,250
Matured Interest Payable	-	-	5,543	-	5,543
Accrued Interest Payable	-	32,353	-	-	32,353
Notes Payable	-	8,840,000	-	-	8,840,000
Total Liabilities	4,686,244	9,618,408	37,698	-	14,342,350
Deferred Inflows of Resources					
Property Taxes not Levied to Finance the Current Year Operations	16,889,157	-	-	-	16,889,157
Unavailable Revenue	12,379,112	-	6,588,178	-	18,967,290
Total Deferred Inflows of Resources	29,268,269	-	6,588,178	-	35,856,447
Fund Balances					
Nonspendable	1,408,633	4,650	-	974,879	2,388,162
Restricted	78,120,912	251,266	638,532	90,658	79,101,368
Unassigned (Deficit)	(45,412)	(6,899,215)	-	-	(6,944,627)
Total Fund Balances (Deficit)	79,484,133	(6,643,299)	638,532	1,065,537	74,544,903
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 113,438,646	\$ 2,975,109	\$ 7,264,408	\$ 1,065,537	\$ 124,743,700

Butler County, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds
December 31, 2017

	Mental Health and Addiction Recovery Services Board	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 18,382,647	\$ 3,179,007	\$ 3,468,275	\$ 5,293,933	\$ 4,766,736
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	2,400	-	290
Receivables:					
Property Taxes	8,675,804	-	-	-	-
Other Local Taxes	-	-	-	-	-
Accounts	-	-	184,667	34,889	24,029
Due from Other Governments	2,478,251	-	8,933	-	2,986,201
Special Assessments	-	-	-	-	-
Loans	-	-	-	-	-
Prepaid Items	20,777	27,115	111,805	45,817	19,398
Materials and Supplies Inventory	2,110	7,628	21,372	6,241	50,865
Total Assets	\$ 29,559,589	\$ 3,213,750	\$ 3,797,452	\$ 5,380,880	\$ 7,847,519
Liabilities					
Accounts Payable	\$ 3,110	\$ 45	\$ 2,968	\$ 1,758	\$ 9,697
Contracts Payable	467,028	404	9,482	34,034	28,821
Accrued Wages and Benefits Payable	36,198	37,550	47,258	31,638	175,327
Due to Other Funds	-	-	325	-	1,838
Due to Other Governments	102,478	-	53	1,200	492
Advances from Other Funds	-	-	-	15,588	30,074
Total Liabilities	608,814	37,999	60,086	84,218	246,249
Deferred Inflows of Resources					
Property Taxes not Levied to Finance the Current Year Operations	8,399,457	-	-	-	-
Unavailable Revenue	2,471,887	-	-	-	1,766,695
Total Deferred Inflows of Resources	10,871,344	-	-	-	1,766,695
Fund Balances					
Nonspendable	22,887	34,743	133,177	52,058	70,263
Restricted	18,056,544	3,141,008	3,604,189	5,244,604	5,764,312
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances (Deficit)	18,079,431	3,175,751	3,737,366	5,296,662	5,834,575
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 29,559,589	\$ 3,213,750	\$ 3,797,452	\$ 5,380,880	\$ 7,847,519

Motor Vehicle	All Other Public Works	Child Support Enforcement	County Care Facility	Elderly Services Levy
\$ 14,054,009	\$ 14,379,227	\$ 1,846,460	\$ 197,327	\$ 12,602,703
150	100	200	400	-
-	-	-	-	8,729,200
319,196	-	-	-	-
113,332	33,609	-	633	-
4,622,192	1,236,261	1,732,812	-	569,601
-	1,301,948	-	-	-
-	518,309	-	-	-
13,717	4,010	4,730	3,669	50
1,045,776	6,203	4,858	12,492	-
<u>\$ 20,168,372</u>	<u>\$ 17,479,667</u>	<u>\$ 3,589,060</u>	<u>\$ 214,521</u>	<u>\$ 21,901,554</u>

\$ 5,388	\$ 27	\$ -	\$ 7,584	\$ -
346,021	148,887	-	64,375	1,631,951
124,461	19,259	72,324	89,904	3,311
276	409,824	55,470	253	-
2,536	47,557	-	-	-
-	492,387	-	-	-
<u>478,682</u>	<u>1,117,941</u>	<u>127,794</u>	<u>162,116</u>	<u>1,635,262</u>

-	-	-	-	8,489,700
<u>3,967,359</u>	<u>2,434,329</u>	<u>795,966</u>	<u>-</u>	<u>809,101</u>
<u>3,967,359</u>	<u>2,434,329</u>	<u>795,966</u>	<u>-</u>	<u>9,298,801</u>

1,059,493	10,213	9,588	16,161	50
14,662,838	13,917,184	2,655,712	36,244	10,967,441
-	-	-	-	-
<u>15,722,331</u>	<u>13,927,397</u>	<u>2,665,300</u>	<u>52,405</u>	<u>10,967,491</u>

<u>\$ 20,168,372</u>	<u>\$ 17,479,667</u>	<u>\$ 3,589,060</u>	<u>\$ 214,521</u>	<u>\$ 21,901,554</u>
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(Continued)

Butler County, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds (Continued)
December 31, 2017

	All Other Human Services	All Other Conservation and Recreation	Total Non-major Special Revenue Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 63,442	\$ 70,836	\$ 78,304,602
Cash and Cash Equivalents:			
In Segregated Accounts	-	-	3,540
Receivables:			
Property Taxes	-	-	17,405,004
Other Local Taxes	-	-	319,196
Accounts	-	-	391,159
Due from Other Governments	152,004	-	13,786,255
Special Assessments	-	-	1,301,948
Loans	-	-	518,309
Prepaid Items	-	-	251,088
Materials and Supplies Inventory	-	-	1,157,545
Total Assets	<u>\$ 215,446</u>	<u>\$ 70,836</u>	<u>\$ 113,438,646</u>
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ 30,577
Contracts Payable	-	-	2,731,003
Accrued Wages and Benefits Payable	5,167	-	642,397
Due to Other Funds	-	-	467,986
Due to Other Governments	-	-	154,316
Advances from Other Funds	121,916	-	659,965
Total Liabilities	<u>127,083</u>	<u>-</u>	<u>4,686,244</u>
Deferred Inflows of Resources			
Property Taxes not Levied to Finance the Current			
Year Operations	-	-	16,889,157
Unavailable Revenue	133,775	-	12,379,112
Total Deferred Inflows of Resources	<u>133,775</u>	<u>-</u>	<u>29,268,269</u>
Fund Balances			
Nonspendable	-	-	1,408,633
Restricted	-	70,836	78,120,912
Unassigned (Deficit)	(45,412)	-	(45,412)
Total Fund Balances(Deficit)	<u>(45,412)</u>	<u>70,836</u>	<u>79,484,133</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 215,446</u>	<u>\$ 70,836</u>	<u>\$ 113,438,646</u>

Butler County, Ohio
Combining Balance Sheet
Non-major Capital Projects Funds
December 31, 2017

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 251,266	\$ 38,051	\$ 33,144	\$ 2,219,679	\$ 2,542,140
Due from Other Governments	-	158,086	270,233	-	428,319
Prepaid Items	4,650	-	-	-	4,650
Total Assets	\$ 255,916	\$ 196,137	\$ 303,377	\$ 2,219,679	\$ 2,975,109
Liabilities and Fund Balances					
Liabilities					
Contracts Payable	\$ -	\$ 116,273	\$ -	\$ -	\$ 116,273
Wages and Benefits Payable	-	-	-	179,816	179,816
Due to Other Governments	-	-	256,830	-	256,830
Advances from Other Funds	-	193,136	-	-	193,136
Accrued Interest Payable	-	-	8,675	23,678	32,353
Notes Payable	-	-	2,460,000	6,380,000	8,840,000
Total Liabilities	-	309,409	2,725,505	6,583,494	9,618,408
Fund Balances					
Nonspendable	4,650	-	-	-	4,650
Restricted	251,266	-	-	-	251,266
Unassigned (Deficit)	-	(113,272)	(2,422,128)	(4,363,815)	(6,899,215)
Total Fund Balances (Deficit)	255,916	(113,272)	(2,422,128)	(4,363,815)	(6,643,299)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 255,916	\$ 196,137	\$ 303,377	\$ 2,219,679	\$ 2,975,109

Butler County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2017

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Bond Retirement Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Revenues					
Property Taxes	\$ 17,675,151	\$ -	\$ -	\$ -	\$ 17,675,151
Other Local Taxes	2,743,165	-	-	-	2,743,165
Charges for Services	22,783,150	-	-	-	22,783,150
Licenses and Permits	957,151	-	-	-	957,151
Fines and Forfeitures	772,255	-	-	-	772,255
Intergovernmental	30,717,899	4,272,139	-	-	34,990,038
Special Assessments	1,553,491	-	573,454	-	2,126,945
Investment Earnings	118,817	-	109,888	9,771	238,476
Other	1,039,592	85,923	1,428	8,133	1,135,076
Total Revenues	78,360,671	4,358,062	684,770	17,904	83,421,407
Expenditures					
Current:					
General Government:					
Legislative and Executive	5,585,714	6,905	-	-	5,592,619
Judicial	2,198,489	-	-	-	2,198,489
Public Safety	12,534,639	-	-	-	12,534,639
Public Works	18,658,553	4,212,244	-	-	22,870,797
Health	13,152,380	-	-	-	13,152,380
Human Services	20,968,399	-	-	-	20,968,399
Conservation and Recreation	40,736	-	-	-	40,736
Capital Outlay	-	4,935,080	-	-	4,935,080
Debt Service:					
Principal Retirement	124,288	-	7,198,230	-	7,322,518
Interest and Fiscal Charges	-	75,420	1,979,593	-	2,055,013
Payment to Refunded Bond Escrow Agent	-	-	2,432,047	-	2,432,047
Total Expenditures	73,263,198	9,229,649	11,609,870	-	94,102,717
Excess of Revenues Over (Under) Expenditures	5,097,473	(4,871,587)	(10,925,100)	17,904	(10,681,310)
Other Financing Sources (Uses):					
Premium on Debt Issued	-	-	275,570	-	275,570
Refunding Bond Issued	-	-	3,865,000	-	3,865,000
Inception of Capital Lease	-	4,500,000	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	(4,095,113)	-	(4,095,113)
Transfers - In	1,228,664	3,275,278	10,405,631	-	14,909,573
Transfers - Out	(1,276,516)	-	-	-	(1,276,516)
Total Other Financing Sources (Uses)	(47,852)	7,775,278	10,451,088	-	18,178,514
Net Change in Fund Balances	5,049,621	2,903,691	(474,012)	17,904	7,497,204
Fund Balances (Deficit) at Beginning of Year	74,434,512	(9,546,990)	1,112,544	1,047,633	67,047,699
Fund Balances (Deficit) at End of Year	\$ 79,484,133	\$ (6,643,299)	\$ 638,532	\$ 1,065,537	\$ 74,544,903

Butler County, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-major Special Revenue Funds
For the Year Ended December 31, 2017

	Mental Health and Addiction Recovery Services Board	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
Revenues					
Property Taxes	\$ 8,778,970	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-
Charges for Services	74,282	2,284,697	4,551,826	2,483,346	6,651,598
Licenses and Permits	-	-	-	-	825,423
Fines and Forfeitures	-	-	527,614	59,010	35,843
Intergovernmental	5,635,319	-	-	101,915	4,988,987
Special Assessments	-	-	-	-	-
Investment Earnings	-	-	25,690	26	-
Other	71,742	6,436	8,573	5,077	389,441
Total Revenues	14,560,313	2,291,133	5,113,703	2,649,374	12,891,292
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	2,191,687	3,394,027	-	-
Judicial	-	-	-	2,198,489	-
Public Safety	-	-	-	-	12,534,639
Public Works	-	-	-	-	-
Health	13,152,380	-	-	-	-
Human Services	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Total Expenditures	13,152,380	2,191,687	3,394,027	2,198,489	12,534,639
Excess of Revenues Over (Under) Expenditures	1,407,933	99,446	1,719,676	450,885	356,653
Other Financing Sources (Uses)					
Transfers - In	110,000	-	-	-	57,838
Transfers - Out	-	-	(1,275,000)	-	-
Total Other Financing Sources (Uses)	110,000	-	(1,275,000)	-	57,838
Net Change in Fund Balance	1,517,933	99,446	444,676	450,885	414,491
Fund Balances (Deficit) at Beginning of Year	16,561,498	3,076,305	3,292,690	4,845,777	5,420,084
Fund Balances (Deficit) at End of Year	\$ 18,079,431	\$ 3,175,751	\$ 3,737,366	\$ 5,296,662	\$ 5,834,575

Butler County, Ohio
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Non-major Special Revenue Funds
 For the Year Ended December 31, 2017

	Motor Vehicle	All Other Public Works	Child Support Enforcement	County Care Facility	Elderly Services Levy
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 8,896,181
Other Local Taxes	2,743,165	-	-	-	-
Charges for Services	418,114	891,561	1,354,021	4,002,869	-
Licenses and Permits	131,188	540	-	-	-
Fines and Forfeitures	149,788	-	-	-	-
Intergovernmental	10,983,503	2,448,829	3,383,841	1,737,430	1,217,154
Special Assessments	-	1,553,491	-	-	-
Investment Earnings	90,011	3,090	-	-	-
Other	406,615	121,577	12,230	16,288	834
Total Revenues	14,922,384	5,019,088	4,750,092	5,756,587	10,114,169
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	13,633,335	5,025,218	-	-	-
Health	-	-	-	-	-
Human Services	-	-	4,598,324	6,278,376	9,782,841
Conservation and Recreation	-	-	-	-	-
Debt Service:					
Principal Retirement	124,288	-	-	-	-
Total Expenditures	13,757,623	5,025,218	4,598,324	6,278,376	9,782,841
Excess of Revenues Over (Under) Expenditures	1,164,761	(6,130)	151,768	(521,789)	331,328
Other Financing Sources (Uses)					
Transfers - In	-	-	-	1,000,000	-
Transfers - Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	1,000,000	-
Net Change in Fund Balance	1,164,761	(6,130)	151,768	478,211	331,328
Fund Balances (Deficit) at Beginning of Year	14,557,570	13,933,527	2,513,532	(425,806)	10,636,163
Fund Balances (Deficit) at End of Year	\$ 15,722,331	\$ 13,927,397	\$ 2,665,300	\$ 52,405	\$ 10,967,491

(Continued)

Butler County, Ohio
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 Non-major Special Revenue Funds (Continued)
 For the Year Ended December 31, 2017

All Other Human Services	All Other Conservation and Recreation	Total Non-major Special Revenue Funds
\$ -	\$ -	\$ 17,675,151
-	-	2,743,165
-	70,836	22,783,150
-	-	957,151
-	-	772,255
220,921	-	30,717,899
-	-	1,553,491
-	-	118,817
779	-	1,039,592
<u>221,700</u>	<u>70,836</u>	<u>78,360,671</u>
-	-	5,585,714
-	-	2,198,489
-	-	12,534,639
-	-	18,658,553
-	-	13,152,380
308,858	-	20,968,399
-	40,736	40,736
-	-	124,288
<u>308,858</u>	<u>40,736</u>	<u>73,263,198</u>
<u>(87,158)</u>	<u>30,100</u>	<u>5,097,473</u>
60,826	-	1,228,664
<u>(1,516)</u>	<u>-</u>	<u>(1,276,516)</u>
<u>59,310</u>	<u>-</u>	<u>(47,852)</u>
(27,848)	30,100	5,049,621
<u>(17,564)</u>	<u>40,736</u>	<u>74,434,512</u>
<u>\$ (45,412)</u>	<u>\$ 70,836</u>	<u>\$ 79,484,133</u>

Butler County, Ohio
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-major Capital Projects Funds
 For the Year Ended December 31, 2017

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
Revenues					
Intergovernmental	\$ -	\$ 374,424	\$ 3,897,715	\$ -	\$ 4,272,139
Other	-	-	21,705	64,218	85,923
Total Revenues	-	374,424	3,919,420	64,218	4,358,062
Expenditures					
Current:					
General Government:					
Legislative and Executive	6,905	-	-	-	6,905
Public Works	-	-	4,212,244	-	4,212,244
Capital Outlay	2,520	432,560	-	4,500,000	4,935,080
Debt Service:					
Interest and Fiscal Charges	-	-	20,224	55,196	75,420
Total Expenditures	9,425	432,560	4,232,468	4,555,196	9,229,649
Excess of Revenues Under Expenditures	(9,425)	(58,136)	(313,048)	(4,490,978)	(4,871,587)
Other Financing Sources:					
Inception of Capital Lease	-	-	-	4,500,000	4,500,000
Transfers-In	-	-	102,572	3,172,706	3,275,278
Net Change in Fund Balances	(9,425)	(58,136)	(210,476)	3,181,728	2,903,691
Fund Balances (Deficit) at Beginning of Year	265,341	(55,136)	(2,211,652)	(7,545,543)	(9,546,990)
Fund Balances (Deficit) at End of Year	\$ 255,916	\$ (113,272)	\$ (2,422,128)	\$ (4,363,815)	\$ (6,643,299)

Internal Service Funds

The Internal Service Funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis. The following are descriptions of each Internal Service Fund:

Health Insurance – To account for monies received from governmental and proprietary funds agencies to pay for the actual expense of medical, dental and life insurance costs for employees.

Workers' Compensation – To account for funds received from governmental and proprietary funds and regional governmental agencies to pay for the actual expense of workers' compensation benefits.

Jefferson Health Plan – To account for medical claims and premiums for Butler County Developmental Disabilities Board for their self-insured employee medical coverage. The medical and claims activity for this plan occurred in an outside bank account, therefore no budgetary statements are presented.

Butler County, Ohio
Combining Statement of Fund Net Position
Internal Service Funds
December 31, 2017

	Health Insurance	Workers' Compensation	Jefferson Health Plan	Total
Assets				
Current Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 2,193,995	\$ 2,445,332	\$ -	\$ 4,639,327
Cash and Cash Equivalents with Fiscal Agent	-	-	195,721	195,721
Receivables:				
Accounts	657,620	-	-	657,620
Prepaid Items	17	1,014,351	-	1,014,368
Total Assets	2,851,632	3,459,683	195,721	6,507,036
Liabilities				
Current Liabilities				
Accrued Wages and Benefits Payable	2,539	2,233	-	4,772
Claims Payable	3,825,417	588,198	130,569	4,544,184
Compensated Absences Payable	3,017	-	-	3,017
Total Current Liabilities	3,830,973	590,431	130,569	4,551,973
Non-Current Liabilities				
Claims Payable	-	646,268	177,894	824,162
Compensated Absences Payable	8,746	-	-	8,746
Total Non-Current Liabilities	8,746	646,268	177,894	832,908
Total Liabilities	3,839,719	1,236,699	308,463	5,384,881
Total Net Position (Deficit)	\$ (988,087)	\$ 2,222,984	\$ (112,742)	\$ 1,122,155

Butler County, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2017

	Health Insurance	Workers' Compensation	Jefferson Health Plan	Total
Operating Revenues				
Charges for Services	\$ 18,378,814	\$ 2,141,991	\$ 1,757,981	\$ 22,278,786
Other Operating Revenues	657,620	-	194,667	852,287
Total Operating Revenues	<u>19,036,434</u>	<u>2,141,991</u>	<u>1,952,648</u>	<u>23,131,073</u>
Operating Expenses				
Personal Services	259,838	162,416	-	422,254
Contractual Services	3,697,625	1,301,600	484,794	5,484,019
Claims and Judgments	18,131,340	(473,842)	898,351	18,555,849
Materials and Supplies	17,052	-	-	17,052
Total Operating Expenses	<u>22,105,855</u>	<u>990,174</u>	<u>1,383,145</u>	<u>24,479,174</u>
Operating Income (Loss)	(3,069,421)	1,151,817	569,503	(1,348,101)
Non-Operating Revenues				
Other Non-Operating Revenues	17,462	46,998	-	64,460
Interest	-	-	1,725	1,725
Total Non-Operating Revenues	<u>17,462</u>	<u>46,998</u>	<u>1,725</u>	<u>66,185</u>
Change in Net Position	(3,051,959)	1,198,815	571,228	(1,281,916)
Net Position(Deficit) at Beginning of Year	<u>2,063,872</u>	<u>1,024,169</u>	<u>(683,970)</u>	<u>2,404,071</u>
Net Position (Deficit) at End of Year	<u>\$ (988,087)</u>	<u>\$ 2,222,984</u>	<u>\$ (112,742)</u>	<u>\$ 1,122,155</u>

Butler County
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2017

	Health Insurance	Workers' Compensation	Jefferson Health	Total
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Other Operating Sources	\$ -	\$ -	\$ 194,667	\$ 194,667
Cash Paid to Suppliers	(3,714,677)	(1,152,205)	(484,794)	(5,351,676)
Cash Paid to Employees	(250,314)	(194,602)	-	(444,916)
Cash Received from Interfund Services Provided	18,378,814	2,141,991	1,757,981	22,278,786
Other Non-Operating Revenues	17,462	46,998	-	64,460
Cash Paid for Claims	(14,305,923)	(963,828)	(1,541,751)	(16,811,502)
Net Cash Provided by (Used for) Operating Activities	<u>125,362</u>	<u>(121,646)</u>	<u>(73,897)</u>	<u>(70,181)</u>
<u>Cash Flows from Investing Activities:</u>				
Interest and Dividends on Investments	-	-	1,725	1,725
Net Increase (Decrease) in Cash and Cash Equivalents	125,362	(121,646)	(72,172)	(68,456)
Cash and Cash Equivalents at Beginning of Year	<u>2,068,633</u>	<u>2,566,978</u>	<u>267,893</u>	<u>4,903,504</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,193,995</u>	<u>\$ 2,445,332</u>	<u>\$ 195,721</u>	<u>\$ 4,835,048</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:</u>				
Operating Income (Loss)	<u>\$ (3,069,421)</u>	<u>\$ 1,151,817</u>	<u>\$ 569,503</u>	<u>\$ (1,348,101)</u>
<u>Adjustments to Reconcile Operating (Loss) to Net Cash Provided by (Used For) Operating Activities:</u>				
Other Non-Operating Revenues	17,462	46,998	-	64,460
<u>(Increase)Decrease in Assets</u>				
Accounts Receivable	(657,620)	-	-	(657,620)
Prepaid Items	-	149,395	-	149,395
<u>Increase(Decrease) in Liabilities</u>				
Accrued Wages and Benefits Payable	1,643	(2,012)	-	(369)
Compensated Absences Payable	7,881	(30,174)	-	(22,293)
Claims Payable	3,825,417	(1,437,670)	(643,400)	1,744,347
Total Adjustments	<u>3,194,783</u>	<u>(1,273,463)</u>	<u>(643,400)</u>	<u>1,277,920</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 125,362</u>	<u>\$ (121,646)</u>	<u>\$ (73,897)</u>	<u>\$ (70,181)</u>

Agency Funds

Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results and operations. The following are the County's agency funds:

Undivided Tax – Accounts for various agency funds used for the collection and distribution of taxes by the County.

All Other Agency – Accounts for various individual agency funds combined for reporting purposes.

Butler County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2017

	Undivided Tax	All Other Agency	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 18,730,931	\$ 14,622,677	\$ 33,353,608
Cash and Cash Equivalents in Segregated Accounts	-	5,058,778	5,058,778
Property Taxes Receivable	462,408,049	-	462,408,049
Revenue in Lieu of Taxes Receivable	101,101,776	-	101,101,776
Special Assessments Receivable	9,127,030	-	9,127,030
Due from Other Governments	-	8,146,335	8,146,335
Total Assets	\$ 591,367,786	\$ 27,827,790	\$ 619,195,576
Liabilities			
Undistributed Monies	-	19,278,278	19,278,278
Deposits Held and Due to Others	-	272,142	272,142
Due to Other Governments	591,367,786	8,152,134	599,519,920
Loans Payable	-	125,236	125,236
Total Liabilities	\$ 591,367,786	\$ 27,827,790	\$ 619,195,576

Butler County, Ohio
Combining Statement of Changes in Fiduciary Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2017

	Beginning Balance 12/31/16	Additions	Deductions	Ending Balance 12/31/17
Undivided Tax Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 15,249,694	\$ 521,887,281	\$ 518,406,044	\$ 18,730,931
Property Taxes Receivable	445,644,919	462,408,049	445,644,919	462,408,049
Revenue in Lieu of Taxes Receivable	96,402,915	55,218,948	50,520,087	101,101,776
Special Assessments Receivable	10,568,495	8,574,616	10,016,081	9,127,030
Total Assets	\$ 567,866,023	\$ 1,048,088,894	\$ 1,024,587,131	\$ 591,367,786
Liabilities				
Due to Other Governments	567,866,023	527,801,790	504,300,027	591,367,786
Total Liabilities	\$ 567,866,023	\$ 527,801,790	\$ 504,300,027	\$ 591,367,786
All Other Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 10,963,456	\$ 48,535,936	\$ 44,876,715	\$ 14,622,677
Cash and Cash Equivalents				
In Segregated Accounts	6,193,478	-	1,134,700	5,058,778
Due from Other Governments	8,769,827	8,153,817	8,777,309	8,146,335
Total Assets	\$ 25,926,761	\$ 56,689,753	\$ 54,788,724	\$ 27,827,790
Liabilities				
Undistributed Monies	\$ 16,751,658	\$ 3,661,320	\$ 1,134,700	\$ 19,278,278
Deposits Held and Due to Others	274,398	127,498	129,754	272,142
Due to Other Governments	8,775,469	4,364,999	4,988,334	8,152,134
Loans Payable	125,236	-	-	125,236
Total Liabilities	\$ 25,926,761	\$ 8,153,817	\$ 6,252,788	\$ 27,827,790

(Continued)

Butler County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2016 (Continued)

	Beginning Balance 12/31/16	Additions	Deductions	Ending Balance 12/31/17
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 26,213,150	\$ 570,423,217	\$ 563,282,759	\$ 33,353,608
Cash and Cash Equivalents				
In Segregated Accounts	6,193,478	-	1,134,700	5,058,778
Property Taxes Receivable	445,644,919	462,408,049	445,644,919	462,408,049
Revenue in Lieu of Taxes Receivable	96,402,915	55,218,948	50,520,087	101,101,776
Special Assessments Receivable	10,568,495	8,574,616	10,016,081	9,127,030
Due from Other Governments	8,769,827	8,153,817	8,777,309	8,146,335
Total Assets	\$ 593,792,784	\$ 1,104,778,647	\$ 1,079,375,855	\$ 619,195,576
Liabilities				
Undistributed Monies	\$ 16,751,658	\$ 3,661,320	\$ 1,134,700	19,278,278
Deposits Held and Due to Others	274,398	127,498	129,754	272,142
Due to Other Governments	576,641,492	532,166,789	509,288,361	599,519,920
Loans Payable	125,236	-	-	125,236
Total Liabilities	\$ 593,792,784	\$ 535,955,607	\$ 510,552,815	\$ 619,195,576

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 12,679,500	\$ 12,679,500	\$ 12,923,151	\$ 243,651
Sales Taxes	44,028,366	44,028,366	44,033,304	4,938
Charges for Services	19,388,896	19,388,896	23,173,077	3,784,181
Licenses and Permits	2,513,050	2,513,050	2,415,964	(97,086)
Fines and Forfeitures	1,249,300	1,249,300	1,076,042	(173,258)
Intergovernmental	10,026,659	10,026,659	10,367,264	340,605
Interest	1,700,000	1,700,000	3,153,919	1,453,919
Other	495,550	495,550	1,201,587	706,037
Total Revenues	92,081,321	92,081,321	98,344,308	6,262,987
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Information Services				
Personal Services	1,954,565	1,969,655	1,828,303	141,352
Materials and Supplies	65,000	534,954	534,880	74
Contractual Services	776,600	855,322	837,596	17,726
Capital Outlay	-	27,242	27,242	-
Total Information Services	2,796,165	3,387,173	3,228,021	159,152
Audit Services				
Contractual Services	130,000	130,000	127,501	2,499
Auditor				
Personal Services	1,104,967	1,096,399	1,092,439	3,960
Materials and Supplies	27,900	38,702	32,102	6,600
Contractual Services	70,550	70,677	63,611	7,066
Capital Outlay	-	11,350	11,350	-
Total Auditor	1,203,417	1,217,128	1,199,502	17,626
Commissioners				
Personal Services	1,102,835	1,109,019	942,453	166,566
Materials and Supplies	17,000	28,599	16,611	11,988
Contractual Services	77,256	92,418	70,112	22,306
Other	500	513	-	513
Total Commissioners	1,197,591	1,230,549	1,029,176	201,373
Department of Development				
Personal Services	1,158,409	1,191,939	1,189,952	1,987
Materials and Supplies	29,950	43,822	43,306	516
Contractual Services	229,500	234,450	228,905	5,545
Other	2,600	15,558	15,458	100
Total Department of Development	1,420,459	1,485,769	1,477,621	8,148
Mailroom				
Personal Services	93,211	94,503	94,231	272
Materials and Supplies	550,950	554,421	535,001	19,420
Contractual Services	400	400	330	70
Total Mailroom	\$ 644,561	\$ 649,324	\$ 629,562	\$ 19,762

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Maintenance				
Personal Services	\$ 272,984	\$ 273,896	\$ 266,639	\$ 7,257
Materials and Supplies	139,000	249,672	248,671	1,001
Contractual Services	2,086,000	2,632,997	2,554,203	78,794
Capital Outlay	-	609,722	579,622	30,100
Total Maintenance	2,497,984	3,766,287	3,649,135	117,152
Records Center				
Personal Services	272,975	275,189	274,305	884
Materials and Supplies	3,400	8,097	8,097	-
Contractual Services	32,400	33,110	31,562	1,548
Total Records Center	308,775	316,396	313,964	2,432
Insurance, Pension and Taxes				
Contractual Services	925,000	926,646	829,932	96,714
Other	780,000	780,000	677,960	102,040
Total Insurance, Pension and Taxes	1,705,000	1,706,646	1,507,892	198,754
Commissioners-Other				
Contractual Services	356,728	365,604	232,647	132,957
Other	6,400	77,677	77,677	-
Total Commissioners-Other	363,128	443,281	310,324	132,957
Central HR				
Personal Services	323,972	327,520	314,229	13,291
Materials and Supplies	2,000	5,024	4,395	629
Contractual Services	91,200	99,594	99,122	472
Total Central HR	417,172	432,138	417,746	14,392
Board of Elections				
Personal Services	1,981,292	2,016,689	1,966,855	49,834
Materials and Supplies	130,893	127,600	112,568	15,032
Contractual Services	434,297	515,129	414,291	100,838
Capital Outlay	-	524,900	524,800	100
Total Board of Elections	2,546,482	3,184,318	3,018,514	165,804
Prosecuting Attorney				
Personal Services	3,751,735	3,792,984	3,787,274	5,710
Materials and Supplies	33,910	53,065	53,027	38
Contractual Services	56,210	65,082	61,371	3,711
Other	63,782	63,782	63,782	-
Total Prosecuting Attorney	3,905,637	3,974,913	3,965,454	9,459
CSEA Prosecutor				
Personal Services	248,504	252,299	251,873	426
Materials and Supplies	3,206	3,743	3,743	-
Contractual Services	35,050	34,608	26,341	8,267
Capital Outlay	-	26,500	26,500	-
Total CSEA Prosecutor	286,760	317,150	308,457	8,693
Pre-trial Diversion				
Personal Services	46,439	69,338	69,131	207
Contractual Services	360	360	285	75
Other	10,000	10,585	10,585	-
Total Pre-trial Diversion	\$ 56,799	\$ 80,283	\$ 80,001	\$ 282

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Public Defender Area Courts				
Personal Services	\$ 252,696	\$ 255,163	\$ 255,149	\$ 14
Materials and Supplies	1,020	900	-	900
Contractual Services	1,782	1,782	1,744	38
Total Public Defender Area Courts	255,498	257,845	256,893	952
Public Defender Common Pleas				
Personal Services	927,710	920,096	898,919	21,177
Materials and Supplies	3,831	3,977	3,977	-
Contractual Services	3,149	3,831	2,844	987
Total Public Defender Common Pleas	934,690	927,904	905,740	22,164
Public Defender Municipal				
Personal Services	616,393	638,419	638,405	14
Materials and Supplies	2,652	2,652	2,652	-
Contractual Services	2,400	1,750	1,700	50
Total Public Defender Municipal	621,445	642,821	642,757	64
Recorder				
Personal Services	750,663	760,481	703,005	57,476
Materials and Supplies	2,000	1,950	1,543	407
Contractual Services	5,120	13,670	7,666	6,004
Total Recorder	757,783	776,101	712,214	63,887
Microfilm Board				
Personal Services	92,705	94,934	91,438	3,496
Treasurer				
Personal Services	751,432	762,155	750,761	11,394
Materials and Supplies	7,490	10,872	10,872	-
Contractual Services	136,910	235,958	234,651	1,307
Total Treasurer	895,832	1,008,985	996,284	12,701
Total General Government: Legislative and Executive	23,037,883	26,029,945	24,868,196	1,161,749
General Government: Judicial				
Area Courts				
Personal Services	912,358	915,201	914,852	349
Materials and Supplies	19,980	23,848	23,848	-
Contractual Services	90,220	100,729	96,461	4,268
Total Area Courts	1,022,558	1,039,778	1,035,161	4,617
Clerk of Courts				
Personal Services	1,581,756	1,608,936	1,475,427	133,509
Materials and Supplies	373,500	513,634	266,287	247,347
Contractual Services	31,989	89,689	58,216	31,473
Total Clerk of Courts	1,987,245	2,212,259	1,799,930	412,329
Common Pleas Court				
Personal Services	1,662,567	1,662,567	1,658,632	3,935
Materials and Supplies	21,000	34,384	32,383	2,001
Contractual Services	406,400	489,652	470,721	18,931
Total Common Pleas Court	\$ 2,089,967	\$ 2,186,603	\$ 2,161,736	\$ 24,867

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Court Services				
Personal Services	\$ 376,495	\$ 376,495	\$ 374,857	\$ 1,638
Domestic Relations Court				
Personal Services	1,409,842	1,409,842	1,326,110	83,732
Materials and Supplies	11,690	35,605	35,576	29
Contractual Services	131,817	141,365	125,624	15,741
Total Domestic Relations Court	1,553,349	1,586,812	1,487,310	99,502
Parenting Education				
Contractual Services	43,000	45,793	45,793	-
Juvenile Court				
Personal Services	2,558,878	2,572,330	2,537,711	34,619
Materials and Supplies	44,100	47,952	47,741	211
Contractual Services	1,530,863	1,607,714	1,460,623	147,091
Total Juvenile Court	4,133,841	4,227,996	4,046,075	181,921
Probate Court				
Personal Services	955,742	955,742	906,912	48,830
Materials and Supplies	21,130	21,135	19,976	1,159
Contractual Services	45,800	46,800	43,718	3,082
Total Probate Court	1,022,672	1,023,677	970,606	53,071
Court of Appeals				
Materials and Supplies	557,384	566,178	509,856	56,322
Contractual Services	38,800	61,541	59,199	2,342
Other	300	300	30	270
Total Court of Appeals	596,484	628,019	569,085	58,934
Municipal Courts				
Personal Services	470,028	485,893	477,226	8,667
Contractual Services	65,000	70,000	67,510	2,490
Total Municipal Courts	535,028	555,893	544,736	11,157
Total General Government:				
Judicial	13,360,639	13,883,325	13,035,289	848,036
Public Safety				
Adult Probation				
Personal Services	1,860,730	1,828,730	1,809,464	19,266
Materials and Supplies	7,500	23,986	23,887	99
Contractual Services	143,138	189,291	189,291	-
Total Adult Probation	2,011,368	2,042,007	2,022,642	19,365
Coroner				
Personal Services	681,191	700,002	691,178	8,824
Materials and Supplies	19,000	19,216	18,934	282
Contractual Services	16,780	17,745	13,552	4,193
Capital Outlay	-	43,454	41,496	1,958
Total Coroner	\$ 716,971	\$ 780,417	\$ 765,160	\$ 15,257

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Coroner's Morgue				
Materials and Supplies	\$ 25,500	\$ 26,175	\$ 26,175	\$ -
Contractual Services	377,975	387,116	381,840	5,276
Total Coroner's Morgue	403,475	413,291	408,015	5,276
Juvenile Facilities				
Personal Services	2,024,304	2,008,592	1,973,580	35,012
Materials and Supplies	143,100	193,729	193,156	573
Contractual Services	121,530	128,464	121,855	6,609
Capital Outlay	-	666,480	164,336	502,144
Total Juvenile Facilities	2,288,934	2,997,265	2,452,927	544,338
Job and Family Services Fraud Investigation				
Personal Services	283,974	283,974	281,238	2,736
Contractual Services	3,420	3,420	2,719	701
Other	3,000	3,000	2,300	700
Total Job and Family Services Fraud Investigation	290,394	290,394	286,257	4,137
Children Services Security Services				
Personal Services	378,920	380,579	367,480	13,099
Materials and Supplies	-	1,990	8,945	(6,955)
Contractual Services	7,200	8,985	32,988	(24,003)
Capital Outlay	-	32,988	1,990	30,998
Other	3,500	3,500	3,066	434
Total Children Services Security Services	389,620	428,042	414,469	13,573
Sheriff's Academy				
Personal Services	84,615	84,615	76,387	8,228
Materials and Supplies	32,760	32,760	32,760	-
Contractual Services	59,360	61,167	60,834	333
Total Sheriff's Academy	176,735	178,542	169,981	8,561
Sheriff's Resolutions				
Personal Services	407,315	441,527	437,118	4,409
Materials and Supplies	595,000	518,453	515,724	2,729
Contractual Services	2,278,500	2,496,156	2,494,854	1,302
Total Sheriff's Resolutions	3,280,815	3,456,136	3,447,696	8,440
Sheriff				
Personal Services	20,910,796	21,197,907	20,869,784	328,123
Materials and Supplies	633,206	785,531	785,527	4
Contractual Services	601,204	772,065	765,312	6,753
Capital Outlay	-	418,101	418,101	-
Other	226,216	228,830	228,830	-
Total Sheriff	\$ 22,371,422	\$ 23,402,434	\$ 23,067,554	\$ 334,880

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Paramedics				
Personal Services	\$ 1,087,984	\$ 1,144,749	\$ 1,114,625	\$ 30,124
Materials and Supplies	369,752	313,650	313,650	-
Contractual Services	290,000	387,268	386,890	378
Other	4,000	4,002	4,002	-
Total Paramedics	<u>1,751,736</u>	<u>1,849,669</u>	<u>1,819,167</u>	<u>30,502</u>
General Communications Sales Tax				
Personal Services	566,167	569,750	538,525	31,225
Materials and Supplies	138,639	241,360	241,360	-
Contractual Services	2,214,452	2,189,917	2,189,079	838
Other	6,800	6,800	6,800	-
Total General Communications Sales Tax	<u>2,926,058</u>	<u>3,007,827</u>	<u>2,975,764</u>	<u>32,063</u>
E911 Dispatch				
Personal Services	2,885,496	2,893,984	2,687,048	206,936
Materials and Supplies	46,060	54,352	54,352	-
Contractual Services	239,150	280,711	279,998	713
Other	15,750	15,762	15,762	-
Total E911 Dispatch	<u>3,186,456</u>	<u>3,244,809</u>	<u>3,037,160</u>	<u>207,649</u>
Total Public Safety	<u>39,793,984</u>	<u>42,090,833</u>	<u>40,866,792</u>	<u>1,224,041</u>
Public Works				
Solid Waste Landfill				
Contractual Services	13,500	18,000	18,000	-
Engineers-Plat Room				
Contractual Services	220,790	220,790	195,986	24,804
Total Public Works	<u>234,290</u>	<u>238,790</u>	<u>213,986</u>	<u>24,804</u>
Health				
Other-Health				
Contractual Services	755,000	882,156	643,471	238,685
Other	1,250	1,250	-	1,250
Total Health	<u>756,250</u>	<u>883,406</u>	<u>643,471</u>	<u>239,935</u>
Human Services				
Veterans Memorial				
Materials and Supplies	4,500	4,500	777	3,723
Contractual Services	10,000	11,300	9,280	2,020
Total Veterans Memorial	<u>14,500</u>	<u>15,800</u>	<u>10,057</u>	<u>5,743</u>
Veterans Services				
Personal Services	823,639	823,639	775,220	48,419
Materials and Supplies	35,382	75,549	69,632	5,917
Contractual Services	1,283,020	1,423,211	1,329,986	93,225
Total Veterans Services	<u>2,142,041</u>	<u>2,322,399</u>	<u>2,174,838</u>	<u>147,561</u>
Total Human Services	<u>2,156,541</u>	<u>2,338,199</u>	<u>2,184,895</u>	<u>153,304</u>
Conservation and Recreation				
Agricultural				
Contractual Services	6,239	6,239	6,239	-
Other	386,578	443,448	443,448	-
Total Agricultural	<u>392,817</u>	<u>449,687</u>	<u>449,687</u>	<u>-</u>
Emergency Management				
Materials and Supplies	2,500	2,500	2,494	6
Contractual Services	500	500	-	500
Total Emergency Management	<u>3,000</u>	<u>3,000</u>	<u>2,494</u>	<u>506</u>
Total Conservation and Recreation	<u>\$ 395,817</u>	<u>\$ 452,687</u>	<u>\$ 452,181</u>	<u>\$ 506</u>

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Total Expenditures	\$ 79,735,404	\$ 85,917,185	\$ 82,264,810	\$ 3,652,375
Excess of Revenues Over Expenditures	12,345,917	6,164,136	16,079,498	9,915,362
Other Financing Sources (Uses):				
Other Financing Sources	2,651,615	2,651,615	3,007,191	355,576
Advances - In	50,000	50,000	728,273	678,273
Advances - Out	(150,000)	(535,000)	(345,726)	189,274
Transfers - In	1,200,000	1,200,000	1,276,516	76,516
Transfers - Out	(16,094,533)	(14,855,493)	(14,127,487)	728,006
Total Other Financing Sources (Uses)	(12,342,918)	(11,488,878)	(9,461,233)	2,027,645
Net Change in Fund Balance	2,999	(5,324,742)	6,618,265	11,943,007
Fund Balance at Beginning of Year	36,121,567	36,121,567	36,121,567	-
Prior Year Encumbrances Appropriated	2,222,785	2,222,785	2,222,785	-
Fund Balance at End of Year	\$ 38,347,351	\$ 33,019,610	\$ 44,962,617	\$ 11,943,007

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Developmental Disabilities-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 18,000,000	\$ 18,000,000	\$ 18,577,442	\$ 577,442
Charges for Services	11,500	11,500	8,028	(3,472)
Intergovernmental	7,020,528	7,008,678	8,275,250	1,266,572
Other	-	21,850	729,701	707,851
Total Revenues	25,032,028	25,042,028	27,590,421	2,548,393
Expenditures:				
Current:				
Health				
Developmental Disabilities				
Personal Services	12,194,109	12,199,494	11,215,507	983,987
Materials and Supplies	377,000	386,246	315,581	70,665
Contractual Services	16,644,369	17,120,693	16,273,077	847,616
Capital Outlay	152,000	167,428	84,837	82,591
Other	152,000	138,206	44,926	93,280
Total Expenditures	29,519,478	30,012,067	27,933,928	2,078,139
Excess of Revenues Under Expenditures	(4,487,450)	(4,970,039)	(343,507)	4,626,532
Other Financing Sources :				
Other Financing Sources	60,000	50,000	68,827	18,827
Net Change in Fund Balance	(4,427,450)	(4,920,039)	(274,680)	4,645,359
Fund Balance at Beginning of Year	30,946,230	30,946,230	30,946,230	-
Prior Year Encumbrances Appropriated	590,071	590,071	590,071	-
Fund Balance at End of Year	\$ 27,108,851	\$ 26,616,262	\$ 31,261,621	\$ 4,645,359

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Job and Family Services/Children Services Agency-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 13,200,000	\$ 12,971,076	\$ 13,428,924	\$ 457,848
Intergovernmental	26,084,962	23,877,962	24,547,022	669,060
Other	620,000	620,000	229,633	(390,367)
Total Revenues	<u>39,904,962</u>	<u>37,469,038</u>	<u>38,205,579</u>	<u>736,541</u>
Expenditures:				
Current:				
Human Services				
Job and Family/Children Services				
Personal Services	17,600,489	15,935,858	15,935,775	83
Materials and Supplies	373,070	334,305	321,489	12,816
Contractual Services	24,103,889	23,687,463	22,112,787	1,574,676
Capital Outlay	40,000	-	-	-
Other	1,086,996	943,111	943,111	-
Total Expenditures	<u>43,204,444</u>	<u>40,900,737</u>	<u>39,313,162</u>	<u>1,587,575</u>
Excess of Revenues Under Expenditures	<u>(3,299,482)</u>	<u>(3,431,699)</u>	<u>(1,107,583)</u>	<u>2,324,116</u>
Other Financing Sources:				
Other Financing Sources	465,000	465,000	442,061	(22,939)
Transfers - In	809,292	809,292	829,525	20,233
Total Other Financing Sources	<u>1,274,292</u>	<u>1,274,292</u>	<u>1,271,586</u>	<u>(2,706)</u>
Net Change in Fund Balance	(2,025,190)	(2,157,407)	164,003	2,321,410
Fund Balance at Beginning of Year	4,815,714	4,815,714	4,815,714	-
Prior Year Encumbrances Appropriated	2,635,890	2,635,890	2,635,890	-
Fund Balance at End of Year	<u>\$ 5,426,414</u>	<u>\$ 5,294,197</u>	<u>\$ 7,615,607</u>	<u>\$ 2,321,410</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Residential Incentive Districts and Tax Incremental Financings-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Payments in Lieu of Taxes	\$ 8,746,000	\$ 9,962,083	\$ 14,460,243	\$ 4,498,160
Expenditures:				
Current:				
Intergovernmental				
Contractual Services	9,316,565	12,710,980	11,910,033	800,947
Excess of Revenues Over (Under) Expenditures	(570,565)	(2,748,897)	2,550,210	5,299,107
Other Financing Sources (Uses):				
Other Financing Sources	-	-	2,215,839	2,215,839
Transfers - Out	(1,676,187)	(1,746,775)	(1,611,611)	135,164
Total Other Financing Sources (Uses)	(1,676,187)	(1,746,775)	604,228	2,351,003
Net Change in Fund Balance	(2,246,752)	(4,495,672)	3,154,438	7,650,110
Fund Balance at Beginning of Year	11,497,836	11,497,836	11,497,836	-
Prior Year Encumbrances Appropriated	376,397	376,397	376,397	-
Fund Balance at End of Year	\$ 9,627,481	\$ 7,378,561	\$ 15,028,671	\$ 7,650,110

Butler County, Ohio
Schedule of Revenues, Expenses, and
Changes in Fund Equity-Budget and Actual
Sewer-Enterprise Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 18,736,979	\$ 18,498,110	\$ 18,751,588	\$ 253,478
Contributed Capital	3,055,552	3,216,672	5,378,103	2,161,431
Special Assessments	75,000	33,072	57,931	24,859
Other Non-Operating Revenues	26,500	26,500	147,276	120,776
Other Operating Revenues	112,800	112,800	27,067	(85,733)
Proceeds from Loans	-	895,000	895,000	-
Total Revenues	22,006,831	22,782,154	25,256,965	2,474,811
Expenses:				
Personal Services	5,636,014	5,650,354	5,422,101	228,253
Materials and Supplies	1,792,008	1,796,041	1,730,866	65,175
Contractual Services	4,053,837	4,670,730	4,629,280	41,450
Other Operating Expenses	755,955	760,309	533,972	226,337
Capital Outlay	4,632,650	4,745,558	2,855,831	1,889,727
Debt Service:				
Principal Retirement	4,579,311	4,580,238	4,579,139	1,099
Interest and Fiscal Charges	1,662,200	1,662,198	1,537,747	124,451
Total Expenses	23,111,975	23,865,428	21,288,936	2,576,492
Net Change in Fund Equity	(1,105,144)	(1,084,703)	3,966,600	5,051,303
Fund Equity at Beginning of Year	33,312,964	33,312,964	33,312,964	-
Prior Year Encumbrances Appropriated	1,687,391	1,687,391	1,687,391	-
Fund Equity at End of Year	\$ 33,895,211	\$ 33,915,652	\$ 38,966,955	\$ 5,051,303

Butler County, Ohio
Schedule of Revenues, Expenses, and
Changes in Fund Equity-Budget and Actual
Water-Enterprise Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 20,542,214	\$ 20,542,214	\$ 21,372,163	\$ 829,949
Contributed Capital	2,053,600	2,157,020	2,714,524	557,504
Special Assessments	-	-	53,474	53,474
Other Non-Operating Revenues	62,550	65,360	129,685	64,325
Other Operating Revenues	32,020	32,020	2,537	(29,483)
Premium on Debt Issued	-	769,479	769,479	-
Refunding Bonds Issued	-	7,370,000	7,370,000	-
Proceeds from Loans	350,000	615,975	265,975	(350,000)
Total Revenues	23,040,384	31,552,068	32,677,837	1,125,769
Expenses:				
Personal Services	2,504,798	2,513,580	2,459,672	53,908
Materials and Supplies	692,925	706,536	664,534	42,002
Contractual Services	10,082,925	11,174,609	11,081,015	93,594
Other Operating Expenses	508,615	459,237	367,498	91,739
Capital Outlay	4,097,775	4,388,267	4,086,271	301,996
Debt Service:				
Principal Retirement	4,927,841	13,094,943	13,084,441	10,502
Interest and Fiscal Charges	1,706,695	1,821,383	1,627,225	194,158
Payment to Refunding Escrow Agent	-	8,055,109	8,055,109	-
Total Expenses	24,521,574	42,213,664	41,425,765	787,899
Net Change in Fund Equity	(1,481,190)	(2,606,487)	(692,819)	1,913,668
Fund Equity at Beginning of Year	18,153,873	18,153,873	18,153,873	-
Prior Year Encumbrances Appropriated	1,299,801	1,299,801	1,299,801	-
Fund Equity at End of Year	\$ 17,972,484	\$ 16,847,187	\$ 18,760,855	\$ 1,913,668

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Mental Health and Addiction Recovery Services Board-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 9,509,800	\$ 9,386,258	\$ 8,616,840	\$ (769,418)
Charges for Services	74,280	74,280	74,282	2
Intergovernmental	4,039,178	4,311,463	5,632,507	1,321,044
Other	120,000	198,715	71,742	(126,973)
Total Revenues	13,743,258	13,970,716	14,395,371	424,655
Expenditures:				
Current:				
Health				
Personal Services	1,429,090	1,418,878	1,406,595	12,283
Materials and Supplies	241,045	248,489	50,889	197,600
Contractual Services	13,127,465	14,800,780	12,845,658	1,955,122
Other	20,185	21,335	700	20,635
Total Expenditures	14,817,785	16,489,482	14,303,842	2,185,640
Excess of Revenues Over (Under) Expenditures	(1,074,527)	(2,518,766)	91,529	2,610,295
Other Financing Sources:				
Other Financing Sources	250,000	250,000	42,716	(207,284)
Transfers - In	-	-	110,000	110,000
Total Other Financing Sources	250,000	250,000	152,716	(97,284)
Net Change in Fund Balance	(824,527)	(2,268,766)	244,245	2,513,011
Fund Balance at Beginning of Year	15,558,542	15,558,542	15,558,542	-
Prior Year Encumbrances Appropriated	546,597	546,597	546,597	-
Fund Balance at End of Year	\$ 15,280,612	\$ 13,836,373	\$ 16,349,384	\$ 2,513,011

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Real Estate Assessment-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,503,000	\$ 2,291,133	\$ 2,284,697	\$ (6,436)
Other	-	-	6,436	6,436
Total Revenues	2,503,000	2,291,133	2,291,133	-
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Real Estate Assessment				
Personal Services	1,874,784	1,874,784	1,790,474	84,310
Materials and Supplies	395,000	395,806	47,087	348,719
Contractual Services	574,000	585,575	391,563	194,012
Total Expenditures	2,843,784	2,856,165	2,229,124	627,041
Excess of Revenues Under Expenditures	(340,784)	(565,032)	62,009	627,041
Fund Balance at Beginning of Year	3,038,024	3,038,024	3,038,024	-
Prior Year Encumbrances Appropriated	59,063	59,063	59,063	-
Fund Balance at End of Year	\$ 2,756,303	\$ 2,532,055	\$ 3,159,096	\$ 627,041

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Legislative and Executive-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 4,126,063	\$ 4,166,274	\$ 4,559,201	\$ 392,927
Fines and Forfeitures	535,250	524,557	524,719	162
Interest	4,800	4,800	25,690	20,890
Other	8,640	8,640	8,573	(67)
Total Revenues	4,674,753	4,704,271	5,118,183	413,912
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Other Legislative and Executive				
Personal Services	2,400,336	2,435,339	2,326,069	109,270
Materials and Supplies	504,748	543,055	329,388	213,667
Contractual Services	910,561	1,014,175	821,662	192,513
Capital Outlay	-	35,415	35,415	-
Other	2,000	2,618	618	2,000
Total Expenditures	3,817,645	4,030,602	3,513,152	517,450
Excess of Revenues Over Expenditures	857,108	673,669	1,605,031	931,362
Other Financing Uses:				
Transfers - Out	(1,200,000)	(1,200,000)	(1,275,000)	(75,000)
Net Change in Fund Balance	(342,892)	(526,331)	330,031	856,362
Fund Balance at Beginning of Year	2,881,321	2,881,321	2,881,321	-
Prior Year Encumbrances Appropriated	138,974	138,974	138,974	-
Fund Balance at End of Year	\$ 2,677,403	\$ 2,493,964	\$ 3,350,326	\$ 856,362

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Judicial-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,522,160	\$ 2,436,559	\$ 2,483,276	\$ 46,717
Fines and Forfeitures	48,000	48,000	59,035	11,035
Intergovernmental	1,500	101,500	101,915	415
Interest	18	18	26	8
Other	-	-	5,077	5,077
Total Revenues	2,571,678	2,586,077	2,649,329	63,252
Expenditures:				
Current:				
General Government:				
Judicial				
Other Judicial				
Personal Services	1,583,695	1,630,007	1,485,267	144,740
Materials and Supplies	216,100	246,519	140,702	105,817
Contractual Services	573,932	706,111	575,828	130,283
Capital Outlay	40,000	40,000	37,472	2,528
Other	60,000	51,162	-	51,162
Total Expenditures	2,473,727	2,673,799	2,239,269	434,530
Net Change in Fund Balance	97,951	(87,722)	410,060	497,782
Fund Balance at Beginning of Year	4,775,159	4,775,159	4,775,159	-
Prior Year Encumbrances Appropriated	72,051	72,051	72,051	-
Fund Balance at End of Year	\$ 4,945,161	\$ 4,759,488	\$ 5,257,270	\$ 497,782

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Public Safety-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 4,403,377	\$ 4,403,377	\$ 4,451,687	\$ 48,310
Licenses and Permits	850,000	793,774	825,423	31,649
Fines and Forfeitures	28,500	28,500	36,476	7,976
Intergovernmental	5,257,569	5,097,685	4,966,299	(131,386)
Other	356,551	289,500	389,441	99,941
Total Revenues	10,895,997	10,612,836	10,669,326	56,490
Expenditures:				
Current:				
Public Safety				
Other Public Safety				
Personal Services	9,317,912	9,497,400	9,080,285	417,115
Materials and Supplies	514,998	631,751	468,102	163,649
Contractual Services	1,937,492	1,755,287	1,233,993	521,294
Capital Outlay	28,000	66,285	63,723	2,562
Other	226,646	339,324	322,268	17,056
Total Expenditures	12,025,048	12,290,047	11,168,371	1,121,676
Excess of Revenues Under Expenditures	(1,129,051)	(1,677,211)	(499,045)	1,178,166
Other Financing Sources:				
Other Financing Sources	140,000	140,000	84,284	(55,716)
Transfers - In	60,168	59,373	57,838	(1,535)
Total Other Financing Sources	200,168	199,373	142,122	(57,251)
Net Change in Fund Balance	(928,883)	(1,477,838)	(356,923)	1,120,915
Fund Balance at Beginning of Year	4,340,913	4,340,913	4,340,913	-
Prior Year Encumbrances Appropriated	181,956	181,956	181,956	-
Fund Balance at End of Year	\$ 3,593,986	\$ 3,045,031	\$ 4,165,946	\$ 1,120,915

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Motor Vehicle-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other Local Taxes	\$ 2,600,000	\$ 2,600,000	\$ 2,705,063	\$ 105,063
Charges for Services	264,727	264,727	380,821	116,094
License and Permits	160,000	160,000	131,188	(28,812)
Fines and Forfeitures	160,000	160,000	148,235	(11,765)
Intergovernmental	13,300,742	10,500,742	11,008,031	507,289
Interest	12,000	12,000	90,011	78,011
Other	132,000	132,000	406,615	274,615
Total Revenues	16,629,469	13,829,469	14,869,964	1,040,495
Expenditures:				
Current:				
Public Works				
Motor Vehicle				
Personal Services	5,997,060	6,010,762	5,551,885	458,877
Materials and Supplies	1,669,150	1,570,786	898,275	672,511
Contractual Services	12,037,464	12,334,318	7,432,975	4,901,343
Capital Outlay	300,000	447,190	443,467	3,723
Other	220,000	220,000	540	219,460
Total Public Works	20,223,674	20,583,056	14,327,142	6,255,914
Debt Service:				
Principal Retirement	124,300	124,300	124,288	12
Total Expenditures	20,347,974	20,707,356	14,451,430	6,255,926
Net Change in Fund Balance	(3,718,505)	(6,877,887)	418,534	7,296,421
Fund Balance at Beginning of Year	12,166,095	12,166,095	12,166,095	-
Prior Year Encumbrances Appropriated	632,955	632,955	632,955	-
Fund Balance at End of Year	\$ 9,080,545	\$ 5,921,163	\$ 13,217,584	\$ 7,296,421

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Public Works-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 877,047	\$ 854,668	\$ 891,206	\$ 36,538
Licenses and Permits	-	-	540	540
Intergovernmental	5,016,787	2,636,604	2,532,312	(104,292)
Special Assessments	1,380,000	1,380,000	1,553,491	173,491
Interest	2,063	2,063	3,090	1,027
Other	87,925	77,253	141,349	64,096
Total Revenues	7,363,822	4,950,588	5,121,988	171,400
Expenditures:				
Current:				
Public Works				
Other Public Works				
Personal Services	1,042,932	1,009,287	952,218	57,069
Materials and Supplies	102,930	134,453	123,985	10,468
Contractual Services	7,271,483	5,080,243	3,778,226	1,302,017
Capital Outlay	200,000	250,000	250,000	-
Other	61,645	42,111	40,960	1,151
Total Expenditures	8,678,990	6,516,094	5,145,389	1,370,705
Excess of Revenues Under Expenditures	(1,315,168)	(1,565,506)	(23,401)	1,542,105
Other Financing Sources:				
Advances - In	143,251	143,251	202,002	58,751
Net Change in Fund Balance	(1,171,917)	(1,422,255)	178,601	1,600,856
Fund Balance at Beginning of Year	13,288,605	13,288,605	13,288,605	-
Prior Year Encumbrances Appropriated	384,829	384,829	384,829	-
Fund Balance at End of Year	\$ 12,501,517	\$ 12,251,179	\$ 13,852,035	\$ 1,600,856

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Child Support Enforcement-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,320,000	\$ 1,320,000	\$ 1,363,012	\$ 43,012
Intergovernmental	3,839,709	2,704,838	2,789,329	84,491
Other	-	-	12,230	12,230
Total Revenues	5,159,709	4,024,838	4,164,571	139,733
Expenditures:				
Current:				
Human Services				
Child Support Enforcement				
Personal Services	3,530,277	3,578,449	3,492,701	85,748
Materials and Supplies	128,130	128,130	101,271	26,859
Contractual Services	1,159,398	1,095,413	979,416	115,997
Other	197,939	226,050	225,200	850
Total Expenditures	5,015,744	5,028,042	4,798,588	229,454
Excess of Revenues Over (Under) Expenditures	143,965	(1,003,204)	(634,017)	369,187
Other Financing Sources:				
Other Financing Sources	18,000	18,000	178,266	160,266
Net Change in Fund Balance	161,965	(985,204)	(455,751)	529,453
Fund Balance at Beginning of Year	2,231,384	2,231,384	2,231,384	-
Prior Year Encumbrances Appropriated	2,500	2,500	2,500	-
Fund Balance at End of Year	\$ 2,395,849	\$ 1,248,680	\$ 1,778,133	\$ 529,453

**Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
County Care Facility-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 4,800,000	\$ 4,800,000	\$ 4,106,925	\$ (693,075)
Intergovernmental	2,215,000	2,215,000	1,830,287	(384,713)
Other	-	-	16,288	16,288
Total Revenues	7,015,000	7,015,000	5,953,500	(1,061,500)
Expenditures:				
Current:				
Human Services				
County Care Facility				
Personal Services	4,601,530	4,451,175	4,451,175	-
Materials and Supplies	869,600	862,515	861,130	1,385
Contractual Services	879,396	1,054,626	1,054,626	-
Other	296,000	238,478	238,478	-
Total Expenditures	6,646,526	6,606,794	6,605,409	1,385
Excess of Revenues Over (Under) Expenditures	368,474	408,206	(651,909)	(1,060,115)
Other Financing Sources (Uses):				
Other Financing Sources	10,000	10,000	5,295	(4,705)
Advances - Out	-	-	(725,000)	(725,000)
Transfers In	-	-	1,000,000	1,000,000
Total Other Financing Sources (Uses)	10,000	10,000	280,295	270,295
Net Change in Fund Balance	378,474	418,206	(371,614)	(789,820)
Fund Balance at Beginning of Year	140,851	140,851	140,851	-
Prior Year Encumbrances Appropriated	171,582	171,582	171,582	-
Fund Balance at End of Year	\$ 690,907	\$ 730,639	\$ (59,181)	\$ (789,820)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Elderly Services Levy-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,500,000	\$ 8,500,000	\$ 8,728,799	\$ 228,799
Intergovernmental	1,200,000	1,200,000	1,217,154	17,154
Other	2,000	2,000	834	(1,166)
Total Revenues	9,702,000	9,702,000	9,946,787	244,787
Expenditures:				
Current:				
Human Services				
Elderly Services Levy				
Personal Services	142,657	145,736	145,689	47
Materials and Supplies	1,136	1,603	1,603	-
Contractual Services	11,560,601	12,919,687	11,374,621	1,545,066
Total Expenditures	11,704,394	13,067,026	11,521,913	1,545,113
Net Change in Fund Balance	(2,002,394)	(3,365,026)	(1,575,126)	1,789,900
Fund Balance at Beginning of Year	10,626,028	10,626,028	10,626,028	-
Prior Year Encumbrances Appropriated	1,361,595	1,361,595	1,361,595	-
Fund Balance at End of Year	\$ 9,985,229	\$ 8,622,597	\$ 10,412,497	\$ 1,789,900

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Human Services-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 293,062	\$ 258,212	\$ 226,295	\$ (31,917)
Other	-	42	779	737
Total Revenues	293,062	258,254	227,074	(31,180)
Expenditures:				
Current:				
Human Services				
Other Human Services				
Personal Services	334,695	280,706	270,282	10,424
Materials and Supplies	15,636	22,822	18,161	4,661
Contractual Services	34,833	14,842	8,166	6,676
Other	16,270	14,310	14,310	-
Total Expenditures	401,434	332,680	310,919	21,761
Excess of Revenues Under Expenditures	(108,372)	(74,426)	(83,845)	(9,419)
Other Financing Sources (Uses):				
Advances - In	-	-	8,724	8,724
Advances - Out	-	-	(3,273)	(3,273)
Transfers - In	79,919	46,568	60,826	14,258
Transfers - Out	-	(1,516)	(1,516)	-
Total Other Financing Sources (Uses)	79,919	45,052	64,761	19,709
Net Change in Fund Balance	(28,453)	(29,374)	(19,084)	10,290
Fund Balance at Beginning of Year	76,337	76,337	76,337	-
Prior Year Encumbrances Appropriated	4,291	4,291	4,291	-
Fund Balance at End of Year	\$ 52,175	\$ 51,254	\$ 61,544	\$ 10,290

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Conservation and Recreation-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ -	\$ -	\$ 70,836	\$ 70,836
Expenditures:				
Current:				
Conversation and Recreation				
Contractual Services	40,736	40,736	40,736	-
Net Change in Fund Balance	(40,736)	(40,736)	30,100	70,836
Fund Balance at Beginning of Year	40,736	40,736	40,736	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,836</u>	<u>\$ 70,836</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Technology-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital Outlay:				
Technology				
Contractual Services	6,200	14,075	14,075	-
Net Change in Fund Balance	(6,200)	(14,075)	(14,075)	-
Fund Balance at Beginning of Year	259,041	259,041	259,041	-
Prior Year Encumbrances Appropriated	6,300	6,300	6,300	0
Fund Balance at End of Year	<u>\$ 259,141</u>	<u>\$ 251,266</u>	<u>\$ 251,266</u>	<u>\$ -</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Other Capital Improvements-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 500,000	\$ 500,000	\$ 219,338	\$ (280,662)
Expenditures:				
Capital Outlay:				
Other Capital Improvements				
Capital Outlay	500,000	472,784	472,784	-
Excess of Revenues Over (Under) Expenditures	-	27,216	(253,446)	(280,662)
Other Financing Sources:				
Advances - In	-	-	135,000	135,000
Net Change in Fund Balance	-	27,216	(118,446)	(145,662)
Fund Balance (Deficit) at Beginning of Year	(441,864)	(441,864)	(441,864)	-
Prior Year Encumbrances Appropriated	441,864	441,864	441,864	0
Fund Balance (Deficit) at End of Year	\$ -	\$ 27,216	\$ (118,446)	\$ (145,662)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Road Improvements-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 14,550,998	\$ 3,955,414	\$ 3,955,414	\$ 21,705
Expenditures:				
Road Improvements				
Public Works				
Contractual Services	-	3,955,414	3,955,414	-
Capital Outlay				
Contractual Services	14,550,998	-	-	-
Debt Service:				
Principal Retirement	2,535,000	2,535,000	2,535,000	-
Interest and Fiscal Charges	31,280	31,280	20,224	11,056
Total Debt Service	2,566,280	2,566,280	2,555,224	11,056
Total Expenditures	17,117,278	6,521,694	6,510,638	11,056
Excess of Revenues Under Expenditures	(2,566,280)	(2,566,280)	(2,533,519)	32,761
Other Financing Sources:				
Notes Issued	2,463,685	2,463,685	2,460,000	(3,685)
Transfers - In	102,595	102,595	102,572	(23)
Total Other Financing Sources	2,566,280	2,566,280	2,562,572	(3,708)
Net Change in Fund Balance	-	-	29,053	29,053
Fund Balance at Beginning of Year	4,091	4,091	4,091	-
Fund Balance at End of Year	\$ 4,091	\$ 4,091	\$ 33,144	\$ 29,053

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Buildings Construction and Renovations-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other	\$ -	\$ -	\$ 64,218	\$ 64,218
Debt Service:				
Principal Retirement	7,380,000	7,380,000	7,380,000	-
Interest and Fiscal Charges	93,850	93,850	55,196	38,654
Total Expenditures	7,473,850	7,473,850	7,435,196	38,654
Excess of Revenues Under Expenditures	(7,473,850)	(7,473,850)	(7,370,978)	102,872
Other Financing Sources:				
Notes Issued	6,370,000	6,370,000	6,380,000	10,000
Transfers - In	1,103,850	1,103,850	3,172,706	2,068,856
Total Other Financing Sources	7,473,850	7,473,850	9,552,706	2,078,856
Net Change in Fund Balance	-	-	2,181,727	2,181,728
Fund Balance at Beginning of Year	37,952	37,952	37,952	-
Fund Balance at End of Year	\$ 37,952	\$ 37,952	\$ 2,219,679	\$ 2,181,728

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Bond Retirement-Debt Service Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Special Assessments	\$ 1,229,827	\$ 1,229,827	\$ 683,342	\$ (546,485)
Other	-	-	1,428	1,428
Total Revenues	<u>1,229,827</u>	<u>1,229,827</u>	<u>684,770</u>	<u>(545,057)</u>
Debt Service:				
Principal Retirement	9,173,231	7,216,177	7,198,230	17,947
Interest and Fiscal Charges	2,050,395	2,110,775	1,979,593	131,182
Total Debt Service	<u>11,223,626</u>	<u>9,326,952</u>	<u>9,177,823</u>	<u>149,129</u>
Total Expenditures	<u>11,223,626</u>	<u>9,326,952</u>	<u>9,177,823</u>	<u>149,129</u>
Excess of Revenues Under Expenditures	<u>(9,993,799)</u>	<u>(8,097,125)</u>	<u>(8,493,053)</u>	<u>(395,928)</u>
Other Financing Sources (Uses):				
Premium on Debt Issued	-	275,570	275,570	-
Refunding Bonds Issued	-	3,865,000	3,865,000	-
Payment to Refunded Bond Escrow Agent	-	(6,527,160)	(6,527,160)	-
Transfers - In	9,996,511	10,407,111	10,405,631	(1,480)
Total Other Financing Sources (Uses)	<u>9,996,511</u>	<u>8,020,521</u>	<u>8,019,041</u>	<u>(1,480)</u>
Net Change in Fund Balance	2,712	(76,604)	(474,012)	(397,408)
Fund Balance at Beginning of Year	1,150,245	1,150,245	1,150,245	-
Fund Balance at End of Year	<u>\$ 1,152,957</u>	<u>\$ 1,073,641</u>	<u>\$ 676,233</u>	<u>\$ (397,408)</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Developmental Disabilities Trust-Permanent Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Interest	\$ 1,300	\$ 1,300	\$ 9,771	\$ 8,471
Other	10,000	10,000	8,133	(1,867)
Total Revenues	<u>11,300</u>	<u>11,300</u>	<u>17,904</u>	<u>6,604</u>
Expenditures:				
Health				
Materials and Supplies	5,000	5,000	-	5,000
Contractual Services	15,000	15,000	-	15,000
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net Change in Fund Balance	(8,700)	(8,700)	17,904	26,604
Fund Balance at Beginning of Year	1,042,633	1,042,633	1,042,633	-
Prior Year Encumbrances Appropriated	5,000	5,000	5,000	-
Fund Balance at End of Year	<u>\$ 1,038,933</u>	<u>\$ 1,038,933</u>	<u>\$ 1,065,537</u>	<u>\$ 26,604</u>

Butler County, Ohio
Schedule of Revenues, Expenses, and
Changes in Fund Equity-Budget and Actual
Health Insurance-Internal Service Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 17,500,000	\$ 17,502,722	\$ 18,378,814	\$ 876,092
Other Non-Operating Revenues	80,000	80,895	17,462	(63,433)
Total Revenues	<u>17,580,000</u>	<u>17,583,617</u>	<u>18,396,276</u>	<u>812,659</u>
Expenses:				
Personal Services	142,144	254,959	250,314	4,645
Materials and Supplies	31,681	28,592	26,161	2,431
Contractual Services	2,625,533	3,783,181	3,744,317	38,864
Claims and Judgments	14,780,642	14,473,572	14,446,642	26,930
Total Expenses	<u>17,580,000</u>	<u>18,540,304</u>	<u>18,467,434</u>	<u>72,870</u>
Net Change in Fund Equity	-	(956,687)	(71,158)	885,529
Fund Equity at Beginning of Year	2,016,288	2,016,288	2,016,288	-
Prior Year Encumbrances Appropriated	52,345	52,345	52,345	-
Fund Equity at End of Year	<u>\$ 2,068,633</u>	<u>\$ 1,111,946</u>	<u>\$ 1,997,475</u>	<u>\$ 885,529</u>

Butler County, Ohio
Schedule of Revenues, Expenses, and
Changes in Fund Equity-Budget and Actual
Workers' Compensation -Internal Service Fund
Budget Basis
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,074,168	\$ 2,074,168	\$ 2,141,991	\$ 67,823
Other Non-Operating Revenues	8,000	8,000	46,998	38,998
Total Revenues	2,082,168	2,082,168	2,188,989	106,821
Expenses:				
Personal Services	225,556	226,920	194,602	32,318
Materials and Supplies	1,000	1,000	-	1,000
Contractual Services	1,168,254	1,311,694	1,197,929	113,765
Claims and Judgments	1,518,353	1,518,353	963,828	554,525
Total Expenses	2,913,163	3,057,967	2,356,359	701,608
Net Change in Fund Equity	(830,995)	(975,799)	(167,370)	808,429
Fund Equity at Beginning of Year	2,518,110	2,518,110	2,518,110	-
Prior Year Encumbrances Appropriated	48,867	48,867	48,867	-
Fund Equity at End of Year	\$ 1,735,982	\$ 1,591,178	\$ 2,399,607	\$ 808,429

Statistical Section

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	161-167
These schedules contain trend information to help the reader understand how the County's financial position has changed over time.	
Revenue Capacity	168-179
These schedules contain information to help the reader understand and assess the factors affecting the County's ability to generate its most significant local revenue source, the property tax.	
Debt Capacity	180-184
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Economic and Demographic Information	185-187
These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	188-191
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Butler County, Ohio
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:										
Net Investment in Capital Assets	\$ 309,737,672	\$ 311,399,939	\$ 313,384,171	\$ 312,402,885	\$ 319,654,234	\$ 320,405,187	\$ 321,739,181	\$ 330,113,913	\$ 333,939,216	\$ 341,618,944
Restricted	117,767,313	149,211,906	151,719,352	159,827,217	148,423,905	147,496,497	140,605,100	141,199,448	128,860,677	138,715,454
Unrestricted (Deficit)	(3,264,872)	(19,510,956)	(25,202,909)	(27,286,822)	(17,588,530)	(7,656,325)	(82,645,866)	(69,159,929)	(40,576,071)	(45,924,627)
Total Governmental Activities Net Position	424,240,113	441,100,889	439,900,614	444,943,280	450,489,609	460,245,359	379,698,415	402,153,432	422,223,822	434,409,771
Business-type Activities:										
Net Investment in Capital Assets	206,941,720	204,061,114	208,564,765	213,941,106	219,910,300	217,905,641	216,149,252	218,780,552	220,397,627	220,744,391
Restricted	11,551,342	6,000,000	6,000,000	6,000,000	6,000,000	4,840,083	5,300,000	5,300,000	5,300,000	5,300,000
Unrestricted	50,594,713	55,953,474	50,135,882	41,967,387	33,837,392	36,591,193	30,885,002	39,028,037	46,282,583	51,215,484
Total Business-Type Activities Net Position	269,087,775	266,014,588	264,700,647	261,908,493	259,747,692	259,336,917	252,334,254	263,108,589	271,980,210	277,259,875
Primary Government:										
Net Investment in Capital Assets	516,679,392	515,461,053	521,948,936	526,343,991	539,564,534	538,310,828	537,888,433	548,894,465	554,336,843	562,363,335
Restricted	129,318,655	155,211,906	157,719,352	165,827,217	154,423,905	152,336,580	145,905,100	146,499,448	134,160,677	144,015,454
Unrestricted	47,329,841	36,442,518	24,932,973	14,680,565	16,248,862	28,934,868	(51,760,864)	(30,131,892)	5,706,512	5,290,857
Total Primary Government Net Position	\$ 693,327,888	\$ 707,115,477	\$ 704,601,261	\$ 706,851,773	\$ 710,237,301	\$ 719,582,276	\$ 632,032,669	\$ 665,262,021	\$ 694,204,032	\$ 711,669,646

Note: The County reported the impact of GASB Statement No. 68 beginning in 2014.

Butler County, Ohio
Changes in Net Position of Governmental Activities
Last Ten Years
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Program Revenues										
Governmental Activities										
Charges for Services										
General Government:										
Legislative and Executive	\$ 18,925,412	\$ 16,307,020	\$ 16,543,682	\$ 17,354,615	\$ 18,451,250	\$ 17,827,364	\$ 19,035,974	\$ 19,803,986	\$ 20,379,167	\$ 20,973,188
Legislative and Executive - Intergovernmental	-	-	-	-	-	-	-	-	-	-
Judicial	6,016,149	6,440,735	5,770,050	5,766,642	5,358,438	5,572,420	5,197,203	5,207,567	5,262,550	5,192,643
Public Safety	13,631,099	14,803,587	11,749,950	11,621,031	11,900,127	12,888,000	12,822,245	11,983,177	16,312,060	16,759,698
Public Works	3,025,891	2,407,770	2,030,311	4,328,654	3,600,994	2,180,466	2,609,809	1,676,448	1,751,860	1,599,057
Health	910,720	820,543	886,327	745,967	298,740	133,897	148,823	1,460,105	350,373	372,153
Human Services	3,160,525	3,051,966	3,076,694	3,717,823	3,326,763	3,489,232	5,747,498	6,847,425	4,870,985	5,306,514
Conservation and Recreation	40,890	13,620	14,800	14,095	22,778	39,013	45,501	33,839	40,736	70,836
Subtotal - Charges for Services	45,710,686	43,845,241	40,071,814	43,548,827	42,959,090	42,130,392	45,607,053	47,012,547	48,967,731	50,274,089
Operating Grants, Contributions and Interest										
General Government:										
Legislative and Executive	440,633	996,461	48,265	426,238	173,457	85,505	10,554	18,731	-	-
Judicial	1,230,555	1,682,162	1,182,265	1,284,349	1,350,570	1,586,682	1,487,685	1,668,387	2,035,204	1,865,830
Public Safety	4,309,488	5,306,196	5,066,305	6,205,311	6,054,411	5,924,949	4,906,247	5,237,568	5,601,854	5,293,708
Public Works	10,837,709	18,164,149	13,758,422	12,999,691	13,020,650	4,681,868	4,202,809	3,317,221	4,128,454	3,716,798
Health	31,433,888	36,860,053	36,458,047	39,240,707	27,027,523	18,287,740	18,710,118	13,959,839	12,539,220	14,516,281
Human Services	51,118,231	64,352,303	43,432,078	37,349,750	31,679,826	29,865,231	30,693,790	31,526,637	30,301,472	33,379,538
Subtotal - Operating Grants, Contributions and Interest	99,370,504	127,361,324	99,945,382	97,506,046	79,306,437	60,431,975	60,011,203	55,728,383	54,606,204	58,772,155
Capital Grants, Contributions and Interest										
General Government:										
Legislative and Executive	-	125,627	-	944,600	-	-	-	-	-	-
Public Safety	15,785	-	25,000	66,163	-	-	-	-	233,381	374,424
Public Works	13,920,646	8,999,202	5,748,244	5,315,428	11,367,854	15,660,335	18,375,011	15,507,242	16,663,529	15,066,796
Health	-	-	-	-	-	243,707	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Subtotal - Capital Grants, Contributions and Interest	13,936,431	9,124,829	5,773,244	6,326,191	11,367,854	15,904,042	18,375,011	15,507,242	16,896,910	15,441,220
Total Government Activities Program Revenue	159,017,621	180,331,394	145,790,440	147,381,064	133,633,381	118,466,409	123,993,267	118,248,172	120,470,845	124,487,464
Business-Type Activities										
Charges for Services										
Sewer	21,299,055	18,346,224	18,181,460	17,513,151	18,833,608	17,952,677	18,697,303	18,071,012	19,199,522	18,061,031
Water	23,456,446	20,204,971	20,765,879	20,423,347	20,824,694	20,073,131	20,317,487	20,111,139	21,593,543	20,914,355
GSC Parking Facility	156,404	146,206	132,052	113,194	-	-	-	-	-	-
Capital Grants, Contributions, and Interest	6,595,488	8,295,657	8,540,416	5,962,256	7,091,889	8,352,232	9,124,376	16,319,606	13,643,007	11,601,256
Total Business-Type Activities Program Revenues	51,507,393	46,993,058	47,619,807	44,011,948	46,750,191	46,378,040	48,139,166	54,501,757	54,436,072	50,576,642
Total Primary Governmental Program Revenues	\$ 210,525,014	\$ 227,324,452	\$ 193,410,247	\$ 191,393,012	\$ 180,383,572	\$ 164,844,449	\$ 172,132,433	\$ 172,749,929	\$ 174,906,917	\$ 175,064,106

(Continued)

Butler County, Ohio
Changes in Net Position of Governmental Activities
Last Ten Years
(accrual basis of accounting)
(Continued)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities										
General Government:										
Legislative and Executive	\$ 37,260,435	\$ 27,727,443	\$ 29,955,984	\$ 29,823,465	\$ 26,369,763	\$ 26,478,363	\$ 26,611,419	\$ 27,378,605	\$ 29,065,148	\$ 32,051,178
Legislative and Executive - Intergovernmental	-	-	-	-	-	-	8,220,239	10,696,773	9,140,959	11,286,641
Judicial	16,978,319	17,732,020	16,189,897	14,869,492	13,545,194	13,543,957	14,147,921	14,062,880	15,551,668	17,347,557
Public Safety	48,709,320	46,897,900	41,154,980	44,980,435	47,294,271	46,095,345	48,432,082	48,837,270	54,284,890	58,545,508
Public Works	25,416,281	24,661,639	25,701,107	22,218,862	23,895,460	24,336,668	25,448,175	16,645,367	14,593,918	23,020,838
Public Works - Intergovernmental	-	-	-	-	-	-	29,572,347	2,072,738	-	-
Health	62,270,201	58,320,120	62,355,137	68,349,134	58,682,052	43,168,466	42,998,095	45,296,552	43,102,788	43,256,011
Human Services	93,725,373	90,877,303	72,649,003	66,342,441	63,415,959	61,432,102	62,154,796	60,022,447	62,614,766	66,966,915
Conservation and Recreation	587,061	571,952	593,168	453,611	426,186	463,733	475,591	485,924	417,809	491,626
Other	-	-	11,860	-	-	-	-	-	-	-
Intergovernmental	5,572,290	4,780,375	4,710,532	7,839,719	4,665,872	4,124,409	-	-	-	-
Interest and Fiscal Charges	5,822,661	4,886,734	4,884,161	4,321,857	4,891,571	3,623,988	3,431,350	2,042,899	2,184,394	1,908,670
Total Governmental Activities Expenses	296,341,941	276,455,486	258,205,829	259,199,016	243,186,328	223,267,031	261,492,015	227,541,455	230,956,340	254,874,944
Business-type Activities										
Sewer	26,429,926	24,587,715	23,256,101	23,474,260	23,083,649	22,536,707	24,186,307	24,241,026	22,774,378	23,465,211
Water	26,946,953	26,323,570	26,275,587	24,153,925	26,483,008	24,964,373	26,569,602	21,574,949	23,263,227	22,138,331
GSC Parking Garage	82,346	220,725	91,310	91,195	-	-	-	-	-	-
Total Business-type Activities Expenses	53,459,225	51,132,010	49,622,998	47,719,380	49,566,657	47,501,080	50,755,909	45,815,975	46,037,605	45,603,542
Total Primary Government Expenses	349,801,166	327,587,496	307,828,827	306,918,396	292,752,985	270,768,111	312,247,924	273,357,430	276,993,945	300,478,486
Net (Expense)/Revenue										
Governmental Activities	(137,324,320)	(96,124,092)	(112,415,389)	(111,817,952)	(109,552,947)	(104,800,622)	(137,498,748)	(109,293,283)	(110,485,495)	(130,387,480)
Business-type Activities	(1,951,832)	(4,138,952)	(2,003,191)	(3,707,432)	(2,816,466)	(1,123,040)	(2,616,743)	8,685,782	8,398,467	4,973,100
Total Primary Government Net (Expense)/Revenue	(139,276,152)	(100,263,044)	(114,418,580)	(115,525,384)	(112,369,413)	(105,923,662)	(140,115,491)	(100,607,501)	(102,087,028)	(125,414,380)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	14,191,594	15,079,052	12,790,526	13,087,764	12,571,502	12,324,999	12,424,675	12,720,083	12,728,340	13,175,271
Health - Developmental Disabilities	19,073,043	19,323,359	17,194,685	17,754,189	17,833,937	17,557,248	17,741,486	18,320,664	18,309,413	18,875,869
Human Services - Children Services Agency	13,884,835	14,495,323	13,171,183	13,540,033	13,091,271	12,815,070	12,942,369	13,245,299	13,237,893	13,651,562
Health - Mental Health	9,023,904	8,240,166	8,284,372	8,540,022	8,173,776	8,178,273	8,266,486	8,491,029	8,487,542	8,752,816
Human Services - Elderly Services Levy	13,280,636	8,908,467	8,069,527	8,851,206	8,509,329	8,345,075	8,412,542	8,609,443	8,604,631	8,873,513
Sales Tax	33,408,493	31,843,586	30,225,506	30,779,103	32,955,898	35,170,710	37,838,169	41,852,127	43,916,843	43,778,910
Local Taxes	2,454,986	2,430,185	2,472,087	2,476,974	2,479,528	2,531,643	2,573,824	2,630,441	2,690,577	2,743,165
Payments in Lieu of Taxes (1)	4,438,718	3,981,481	6,129,462	9,911,360	7,529,320	6,145,695	7,677,467	11,121,767	8,796,701	14,653,948
Grants and Entitlements not Restricted to Specific Programs	7,664,080	6,603,883	8,370,821	6,771,385	8,122,035	8,594,227	10,151,118	11,646,619	9,903,298	11,204,395
Investment Earnings	10,362,722	3,875,844	3,380,084	2,889,678	2,066,480	622,879	1,647,518	2,021,819	1,937,439	3,398,291
Gain on Sale of Capital Assets	-	-	11,145	-	-	-	-	-	-	-
Other	3,707,444	4,278,573	2,679,825	2,192,682	1,769,005	2,270,553	1,738,420	1,089,009	1,943,208	3,465,689
Transfers	-	-	-	-	(2,805)	-	(3,415)	-	-	-
Total Governmental Activities	\$ 131,490,655	\$ 119,059,919	\$ 112,779,223	\$ 116,794,396	\$ 115,099,276	\$ 114,556,372	\$ 121,410,659	\$ 131,748,300	\$ 130,555,885	\$ 142,573,429

(Continued)

Butler County, Ohio
Changes in Net Position of Governmental Activities
Last Ten Years
(accrual basis of accounting)
(Continued)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-Type Activities:										
Investment Earnings	\$ 125,300	\$ 468	\$ -	\$ -	\$ 1,419	\$ -	\$ 3,183	\$ 3,192	\$ 270	\$ -
Gain (Loss) on Sale of Capital Assets	-	-	-	-	14,079	-	-	-	-	-
Other	769,887	1,065,297	689,250	981,500	637,362	712,265	564,496	2,085,361	472,884	306,565
Transfers	-	-	-	-	2,805	-	3,415	-	-	-
Total Business-Type Activities	895,187	1,065,765	689,250	981,500	655,665	712,265	571,094	2,088,553	473,154	306,565
Total Primary Government	132,385,842	120,125,684	113,468,473	117,775,896	115,754,941	115,268,637	121,981,753	133,836,853	131,029,039	142,879,994
Change in Net Position										
Governmental Activities	(5,833,665)	22,935,827	363,834	4,976,444	5,546,329	9,755,750	(16,088,089)	22,455,017	20,070,390	12,185,949
Business-type Activities	(1,056,645)	(3,073,187)	(1,313,941)	(2,725,932)	(2,160,801)	(410,775)	(2,045,649)	10,774,335	8,871,621	5,279,665
Total Primary Government Change in Net Position	\$ (6,890,310)	\$ 19,862,640	\$ (950,107)	\$ 2,250,512	\$ 3,385,528	\$ 9,344,975	\$ (18,133,738)	\$ 33,229,352	\$ 28,942,011	\$ 17,465,614

(1) In 2008, the County changed the accounting treatment applied to payment in lieu of taxes transactions. The County now views these transactions as exchange transactions, whereas in prior years, they were viewed as non-exchange transactions

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

Butler County, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2008	2009 (1)	2010 (1)	2011 (1)	2012(1)	2013(1)	2014(1)	2015(1)	2016(1)	2017(1)
General Fund										
Reserved	\$ 11,396,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, Designated	8,409,077	-	-	-	-	-	-	-	-	-
Unreserved, Undesignated	11,656,994	-	-	-	-	-	-	-	-	-
Restatements										
Nonspendable:										
Prepaid Items	-	454,547	454,547	594,255	594,255	594,255	594,255	596,531	596,531	596,531
Materials and Supplies Inventory	-	64,571	64,198	64,198	64,198	64,198	64,198	139,520	139,520	139,520
Loans Receivables	-	480,243	423,283	314,326	257,388	229,685	208,749	81,904	124,422	124,422
Advances to Other Funds	-	369,040	261,400	227,128	152,243	710,025	1,447,398	961,756	1,266,753	872,006
Long Term:										
Intergovernmental Receivables	-	4,265,000	4,075,000	-	-	-	-	-	-	-
Committed										
Other Purposes	-	2,400,467	729,254	369,363	85,102	4,575	-	-	-	-
Assigned	-	273,326	796,556	1,888,807	2,995,397	2,635,044	2,680,105	1,402,283	2,680,105	2,680,105
Unassigned	-	12,889,189	10,831,199	12,891,143	8,571,886	12,494,511	18,349,284	27,282,400	37,531,238	47,181,000
Total General Fund	31,462,713	21,196,383	17,635,437	16,349,220	12,720,469	16,732,293	23,343,989	30,464,394	42,338,569	51,593,584
All Other Governmental Funds										
Reserved	13,340,880	-	-	-	-	-	-	-	-	-
Unreserved, Undesignated, (Deficit) Reported In:										
Special Revenue Funds	66,039,506	-	-	-	-	-	-	-	-	-
Debt Service Funds	1,742,251	-	-	-	-	-	-	-	-	-
Capital Projects Funds	(25,582,374)	-	-	-	-	-	-	-	-	-
Restatements										
Nonspendable										
Prepaid Items	-	1,463,731	1,463,731	1,119,178	1,119,178	1,119,178	1,119,178	319,891	319,891	319,891
Materials and Supplies Inventory	-	674,546	646,318	780,362	784,544	784,544	784,544	1,190,728	1,184,462	1,190,728
Loans Receivables	-	320,966	320,966	700,214	622,267	556,391	690,122	569,651	538,081	-
Long Term:										
Developmental Disabilities Trust	-	761,517	761,305	761,305	761,305	755,683	751,332	951,853	956,975	974,879
Restricted for:										
Developmental Disabilities	-	29,188,851	31,672,581	33,478,752	30,815,747	32,576,317	34,973,022	32,242,987	31,891,337	32,938,217
Job and Family Services/Children Services	-									
Agency	-	5,667,385	7,436,664	5,232,558	4,840,626	3,745,954	1,762,517	4,903,867	9,575,294	11,957,689
Residential Incentive Districts and Tax	-									
Incremental Financings	-	-	-	-	-	-	-	-	11,871,271	15,057,524
Mental Health and Addiction Recovery Services	-	14,464,029	15,715,664	12,231,531	12,495,832	11,331,114	12,680,063	15,573,814	16,538,611	18,056,544
Elderly Services Levy	-	16,199,270	15,733,274	15,048,579	13,976,026	12,324,221	11,279,201	11,855,151	10,636,113	10,967,441
Motor Vehicle	-	7,403,582	7,741,238	11,352,723	8,875,549	11,665,027	11,698,318	11,392,410	13,498,077	14,662,838
All Other Public Works	-	5,704,597	8,669,799	9,999,695	11,765,724	10,983,631	12,187,831	12,849,805	13,380,583	13,917,184
Other Purposes	-	15,449,544	16,469,451	19,878,826	23,035,541	25,433,287	24,920,216	29,670,932	20,357,838	21,497,361
Committed										
Debt Service Payments	-	-	3,244	3,244	3,244	-	-	-	-	-
Unassigned (Deficit)	-	(27,655,793)	(17,964,933)	(18,008,152)	(17,537,514)	(16,479,275)	(15,149,619)	(14,000,029)	(10,271,862)	(6,944,627)
Total All Other Governmental Funds	55,540,263	69,642,225	88,669,302	92,578,815	91,558,069	94,796,072	97,696,725	107,521,060	120,476,671	134,595,669
Total Governmental Funds	\$ 87,002,976	\$ 90,838,608	\$ 106,304,739	\$ 108,928,035	\$ 104,278,538	\$ 111,528,365	\$ 121,040,714	\$ 137,985,454	\$ 162,815,240	\$ 186,189,253

Note 1: The change in fund balance accounts has occurred due to the implementation of GASB 54 for 2010, 2011, 2012, 2013, 2014, 2015, 2016 and 2017

Butler County, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(Continued)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property Taxes	\$ 69,674,972	\$ 66,870,321	\$ 58,738,278	\$ 60,757,076	\$ 61,338,933	\$ 60,103,315	\$ 59,986,895	\$ 61,536,541	\$ 61,463,640	\$ 63,498,513
Sales Taxes (2)	34,238,835	29,479,864	29,655,211	33,161,633	29,951,357	34,813,101	37,289,664	40,922,754	43,896,978	44,033,304
Other Local Taxes (1)	2,454,986	2,430,185	2,472,087	2,476,974	2,479,528	2,531,643	2,573,824	2,630,441	2,690,577	2,743,165
Charges for Services	42,536,158	41,316,620	37,075,325	38,380,844	37,054,922	39,021,515	40,443,544	39,833,047	42,142,533	45,805,044
Licenses and Permits	741,296	690,948	775,503	2,128,229	2,214,987	2,667,383	3,799,895	3,954,477	3,798,088	3,373,115
Fines and Forfeitures	2,231,081	2,090,293	2,875,370	2,573,506	2,135,277	2,155,184	2,001,844	1,906,537	1,893,771	1,842,094
Intergovernmental	119,929,792	128,666,114	118,933,561	104,796,723	98,805,479	82,320,578	82,872,890	86,084,562	86,375,363	81,249,990
Special Assessments	2,578,575	2,586,571	2,578,775	2,521,458	2,537,425	2,634,512	2,616,659	2,287,794	2,144,839	2,126,945
Payments in Lieu of Taxes	4,063,662	3,981,481	5,952,578	9,874,906	7,446,940	5,088,099	9,870,090	11,150,364	8,799,306	14,460,243
Investment Earnings	10,371,186	4,190,583	3,485,998	3,063,178	2,074,377	641,654	1,560,226	1,974,553	1,861,823	2,777,140
Other	4,312,857	4,343,465	2,747,025	2,229,039	1,834,969	1,872,417	1,387,914	2,137,034	1,669,381	3,465,689
Total Revenues	293,133,400	286,646,445	265,289,711	261,963,566	247,874,194	233,849,401	244,403,445	254,418,104	256,736,299	265,375,242
Expenditures										
Current:										
General Government:										
Legislative and Executive	34,806,814	25,460,279	27,443,929	27,459,038	24,937,200	24,512,248	24,725,581	25,300,412	25,818,286	27,230,914
Legislative and Executive - Intergovernmental	5,572,290	4,780,375	4,710,532	7,839,719	4,665,872	4,124,409	8,220,239	10,696,773	9,140,959	11,881,178
Judicial	16,701,077	17,584,347	15,714,806	14,413,062	13,440,985	13,277,907	13,932,405	13,757,953	14,697,589	14,179,803
Public Safety	56,351,505	50,753,912	40,499,329	41,027,667	44,404,141	44,131,231	45,194,689	45,934,264	49,445,922	51,853,368
Public Works	26,885,234	25,174,244	26,508,452	23,817,489	25,751,081	18,747,459	24,231,779	23,123,425	21,878,076	23,085,538
Health	61,761,021	57,606,967	61,607,948	65,519,364	58,659,569	42,827,854	42,509,194	44,413,903	41,501,229	40,528,216
Human Services	93,732,570	91,078,866	72,220,003	66,298,451	63,706,610	61,907,564	62,192,995	60,365,901	60,659,205	60,551,385
Conservation and Recreation	587,061	571,952	593,168	453,611	426,186	463,733	475,591	485,924	417,809	491,626
Other	-	-	11,860	-	-	-	-	-	-	-
Capital Outlay	10,115,027	2,388,023	-	730,315	5,041,559	5,253,315	1,337,215	-	211,050	4,935,080
Debt Service:										
Principal Retirement	6,770,900	7,410,684	7,673,850	7,879,589	9,475,040	8,023,609	8,544,307	10,625,881	5,883,411	7,322,518
Interest and Fiscal Charges	5,730,483	4,996,253	4,560,525	4,405,341	4,154,955	3,585,073	3,395,564	2,689,424	2,252,977	2,055,013
Issuance Costs	60,948	65,618	292,023	-	-	-	-	-	-	-
Payment to Bond Escrow Agent	-	-	-	-	-	-	-	239,700	-	2,432,047
Current Refunding	-	-	192,750	-	-	-	-	-	-	-
Total Expenditures	319,074,930	287,871,520	262,029,175	259,843,646	254,663,198	226,854,402	234,759,559	237,633,560	231,906,513	246,546,686
Excess of Revenues Over (Under) Expenditures	\$ (25,941,530)	\$ (1,225,075)	\$ 3,260,536	\$ 2,119,920	\$ (6,789,004)	\$ 6,994,999	\$ 9,643,886	\$ 16,784,544	\$ 24,829,786	\$ 18,828,556

(Continued)

Butler County, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
(Continued)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Other Financing Sources (Uses)										
General Obligation Bonds Issued	\$ -	\$ 1,935,000	\$ 11,410,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premium on Debt Issued	83,744	30,433	682,746	-	979,990	-	633,634	935,454	-	275,570
Discount on Debt Issued	-	-	(49,894)	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	19,064	35,754	21,594	-	-	-	-	-
Notes Issued	-	-	-	-	-	-	-	-	-	-
Refunding Bonds Issued	-	-	7,200,000	-	8,885,000	-	7,520,000	10,015,000	-	3,865,000
Special Assessment Bonds Issued	3,315,000	-	-	-	-	-	-	-	-	-
Proceeds of Loans	-	773,396	651,103	368,646	50,699	-	-	-	-	-
Accrued Interest Received on Debt Issued	-	-	-	-	-	-	-	-	-	-
Payment to Refund Bond Escrow Agent	-	-	(7,707,424)	-	(7,873,107)	-	(8,030,000)	(10,790,258)	-	-
Inception of Capital Lease	1,218,866	1,476,982	-	-	78,136	3,072	-	-	-	4,500,000
Payment to Refund Bond Escrow Agent	-	-	-	-	-	-	-	-	-	(4,095,113)
Transfers - In	3,089,344	3,211,274	11,362,283	11,983,359	12,531,641	13,501,104	13,726,767	14,962,260	13,282,584	17,015,614
Transfers - Out	(3,089,344)	(3,211,274)	(11,362,283)	(11,954,797)	(12,534,446)	(13,501,104)	(13,730,182)	(14,962,260)	(13,282,584)	(17,015,614)
Total Other Financing Sources	4,617,610	4,215,811	12,205,595	432,962	2,139,507	3,072	120,219	160,196	-	4,545,457
Prior Year Restatement of Fund Balance	(2,412,721)	844,896	-	-	-	-	-	-	-	-
Net Change in Fund Balances	\$ (23,736,641)	\$ 3,835,632	\$ 15,466,131	\$ 2,552,882	\$ (4,649,497)	\$ 6,998,071	\$ 9,764,105	\$ 16,944,740	\$ 24,829,786	\$ 23,374,013
Debt Service as a Percentage of Noncapital Expenditures	4.22%	4.49%	4.95%	4.73%	5.51%	5.30%	5.13%	5.81%	3.59%	5.02%

*Prior to 2007 Other Local Taxes was included with Property Taxes revenue.

** .50 Sales Tax imposed in 2006 and in January 2008 .25 of the Sales Tax was removed.

**Butler County, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years**

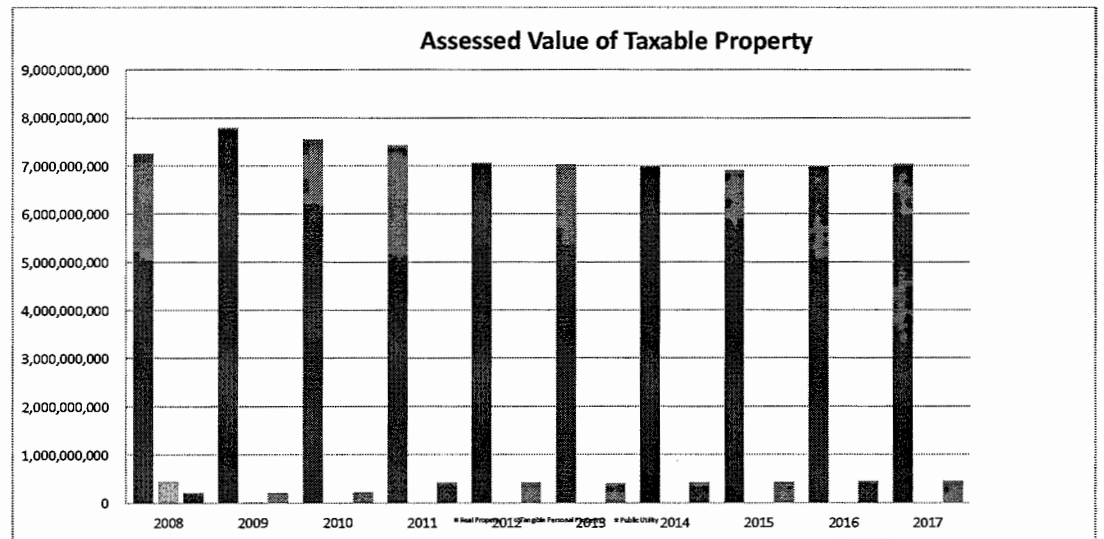
Collection Year	Real Property			Tangible Personal Property				Total			Weighted Average Tax Rate
	Assessed Value		Estimated Actual Value	General Business		Public Utility		Assessed Value	Estimated Actual Value	Ratio	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2008	5,686,682,890	1,583,855,220	20,772,966,029	463,957,189	742,331,502	221,175,070	251,335,307	7,955,670,369	21,766,632,838	36.55%	9.57
2009	5,993,230,710	1,803,864,330	22,277,414,400	15,192,330	151,923,300	224,151,810	254,717,966	8,036,439,180	22,684,055,666	35.43%	8.64
2010	5,719,180,580	1,844,459,770	21,610,401,000	8,135,430	162,708,600	229,648,530	260,964,239	7,801,424,310	22,034,073,839	35.41%	8.93
2011	5,713,922,440	1,720,761,670	21,241,954,600	-	-	431,183,570	489,981,330	7,865,867,680	21,731,935,930	36.19%	9.05
2012	5,495,218,860	1,569,213,370	20,184,092,086	-	-	436,885,180	496,460,432	7,501,317,410	20,680,552,518	36.27%	9.19
2013	5,496,566,970	1,537,812,480	20,098,227,000	-	-	424,274,100	482,129,659	7,458,653,550	20,580,356,659	36.24%	9.22
2014	5,468,390,880	1,531,688,470	20,000,226,714	-	-	437,041,790	496,638,398	7,437,121,140	20,496,865,112	36.28%	9.23
2015	5,426,401,270	1,495,244,980	19,776,132,143	-	-	449,125,710	510,370,125	7,370,771,960	20,286,502,268	36.33%	9.23
2016	5,478,129,760	1,518,383,730	19,990,038,543	-	-	454,766,350	516,779,943	7,451,279,840	20,506,818,486	36.34%	9.25
2017	5,533,063,550	1,522,509,370	20,158,779,771	-	-	463,682,630	526,912,080	7,519,255,550	20,685,691,851	36.35%	9.24

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for machinery and equipment and 23 percent for inventories. The general business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 12.5% for 2007, 6.25% for 2008 and zero for 2009. Effective for 2009, telecommunications is the only remaining type of personal property tax. This will be phased out by 2011. The percentages for telecommunications are 10% for 2009, 5% for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, and 2 1/2% and homestead exemptions before being billed.

Source: Butler County Auditor



Butler County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 Assessed Value)
Last Ten Years
(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Unvoted Millage										
Operating	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000
Miami Conservancy	0.030000	0.030000	0.025000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Voted Millage - by levy										
2000 Developmental Disabilities										
Residential/Agricultural Real	1.557960	1.491100	1.571612	1.491100	1.647328	1.651984	1.656632	1.656632	1.676606	1.673096
Commercial/Industrial and Public Utility Real	1.879520	1.690228	1.771412	1.690230	2.000000	2.000000	2.000000	2.000000	1.994858	2.000000
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2004 Developmental Disabilities										
Residential/Agricultural Real	0.919930	0.880446	0.927985	0.880440	0.972693	0.975442	0.978186	0.978186	0.989981	0.987908
Commercial/Industrial and Public Utility Real	0.989994	0.890289	0.933051	0.890290	1.000000	1.000000	1.000000	1.000000	0.997429	1.000000
General Business and Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
1985 Mental Health Board										
Residential/Agricultural Real	0.224507	0.214873	0.226475	0.214873	0.237386	0.238057	0.238728	0.238728	0.241605	0.241100
Commercial/Industrial and Public Utility Real	0.300847	0.270548	0.283543	0.270548	0.322558	0.331246	0.334759	0.334759	0.342866	0.346311
General Business and Public Utility Personal	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000
2006 Mental Health Board										
Residential/Agricultural Real	0.989791	0.947314	0.998464	0.947314	1.000000	1.000000	1.000000	1.000000	0.999100	0.997008
Commercial/Industrial and Public Utility Real	0.994679	0.894502	0.937466	0.894502	1.000000	1.000000	1.000000	1.000000	0.997429	1.000000
General Business and Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
2006 Animal Shelter										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1989 Childrens Services Agency										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
2008 Childrens Services Agency										
Residential/Agricultural Real	1.833960	1.910580	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	1.998200	1.994016
Commercial/Industrial and Public Utility Real	1.979990	1.800000	1.884962	1.943610	2.000000	2.000000	2.000000	2.000000	1.994858	2.000000
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000

Butler County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 Assessed Value)
Last Ten Years
(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
2001 Senior Citizens										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
2005 Senior Citizens										
Residential/Agricultural Real	1.854074	1.153429	1.215708	1.300000	1.300000	1.300000	1.300000	1.300000	1.298830	1.296110
Commercial/Industrial and Public Utility Real	1.979988	1.157376	1.212966	1.300000	1.300000	1.300000	1.300000	1.300000	1.296658	1.300000
General Business and Public Utility Personal	2.000000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000
Total voted millage by type of property										
Residential/Agricultural Real	7.380220	6.601330	6.940244	7.291217	7.157407	7.165483	7.173545	7.173545	7.204322	7.189238
Commercial/Industrial and Public Utility Real	8.125020	6.701520	7.023400	7.030946	7.622558	7.631246	7.634759	7.634759	7.624098	7.646311
General Business and Public Utility Personal	8.500000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000
Total millage by type of property										
Residential/Agricultural Real	9.330210	8.551330	8.885244	8.950946	9.077407	9.085483	9.093545	9.093545	9.124322	9.109238
Commercial/Industrial and Public Utility Real	10.075010	8.651517	8.968400	9.211217	9.542558	9.551246	9.554759	9.554759	9.544098	9.566311
General Business and Public Utility Personal	10.450000	9.750000	9.745000	9.720000	9.720000	9.720000	9.720000	9.720000	9.720000	9.720000
Total Weighted Average Tax Rate										
	9.570000	8.640000	8.930000	9.050000	9.190000	9.220000	9.230000	9.230000	9.250000	9.240000
Rates by Taxing District										
Cities										
Fairfield										
Residential/Agricultural Real	5.005792	4.883836	5.103153	5.107734	5.233149	5.239598	5.251479	5.251479	5.375778	7.881321
Commercial/Industrial and Public Utility Real	5.422343	4.993511	5.227276	5.280825	5.633398	5.732364	5.689086	5.689086	5.791312	8.340341
General Business and Public Utility Personal	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	8.440000
Hamilton										
Residential/Agricultural Real	6.688394	6.654314	6.739920	6.394930	6.512534	6.522906	6.531444	6.531444	6.697280	6.704672
Commercial/Industrial and Public Utility Real	7.141428	6.944668	7.038468	6.736200	6.810000	6.810000	6.810000	6.810000	6.810000	6.810000
General Business and Public Utility Personal	7.160000	7.160000	7.160000	6.810000	6.810000	6.810000	6.810000	6.810000	6.810000	6.810000
Middletown										
Residential/Agricultural Real	5.900000	5.900000	5.900000	5.900000	5.900000	6.900000	6.900000	6.900000	6.900000	6.900000
Commercial/Industrial and Public Utility Real	5.900000	5.900000	5.900000	5.900000	5.900000	6.900000	6.900000	6.900000	6.898758	6.900000
General Business and Public Utility Personal	5.900000	5.900000	5.900000	5.900000	5.900000	6.900000	6.900000	6.900000	6.900000	6.900000
Monroe										
Residential/Agricultural Real	6.143540	5.922472	4.909746	4.906790	6.297308	6.288710	4.965216	4.965216	4.914048	6.222628
Commercial/Industrial and Public Utility Real	8.552396	8.071304	6.984608	7.160564	8.967780	9.004830	7.771596	7.771596	7.867520	6.206860
General Business and Public Utility Personal	9.320000	9.320000	8.000000	8.000000	9.320000	9.320000	8.000000	8.000000	8.000000	9.320000

Butler County, Ohio
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Last Ten Years
(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Oxford										
Residential/Agricultural Real	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
Commercial/Industrial and Public Utility Real	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
General Business and Public Utility Personal	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
Trenton										
Residential/Agricultural Real	3.240000	3.240000	3.240000	3.240000	3.240000	5.760000	5.760000	5.760000	7.740000	12.990000
Commercial/Industrial and Public Utility Real	3.240000	3.240000	3.240000	3.240000	3.240000	5.760000	5.760000	5.760000	7.740000	12.990000
General Business and Public Utility Personal	3.240000	3.240000	3.240000	3.240000	3.240000	5.760000	5.760000	5.760000	7.740000	12.990000
Villages										
College Corner										
Residential/Agricultural Real	5.492701	4.817569	4.972263	11.968741	12.050696	12.065509	12.123845	12.123845	12.481074	12.487486
Commercial/Industrial and Public Utility Real	6.383665	6.254188	6.254188	13.254188	13.439252	13.439252	13.453521	13.453521	13.534271	13.534271
General Business and Public Utility Personal	14.400000	14.400000	14.400000	21.400000	21.400000	21.400000	21.400000	21.400000	21.400000	21.400000
Jacksonburg										
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial and Public Utility Real	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
Millville										
Residential/Agricultural Real	2.300000	2.300000	2.300000	5.300000	4.798710	5.300000	5.300000	5.300000	5.299640	4.800000
Commercial/Industrial and Public Utility Real	2.300000	2.300000	2.300000	5.300000	4.800000	5.300000	5.300000	5.300000	5.300000	4.800000
General Business and Public Utility Personal	2.300000	2.300000	2.300000	5.300000	4.800000	5.300000	5.300000	5.300000	5.300000	4.800000
New Miami										
Residential/Agricultural Real	3.300000	3.137033	6.733900	6.744869	6.899237	8.010550	8.061295	8.061295	8.696295	8.730045
Commercial/Industrial and Public Utility Real	3.300000	3.193293	6.797783	6.821690	7.407265	8.444300	8.464560	8.464560	8.845935	8.850550
General Business and Public Utility Personal	3.300000	3.300000	8.300000	8.300000	8.300000	9.300000	9.300000	9.300000	9.300000	9.300000
Sevenmile										
Residential/Agricultural Real	3.706631	3.615387	2.730000	2.730000	2.730000	5.730000	5.730000	5.730000	5.730000	5.730000
Commercial/Industrial and Public Utility Real	4.709945	4.569314	2.730000	2.730000	2.730000	5.730000	5.730000	5.730000	5.730000	5.730000
General Business and Public Utility Personal	5.420000	5.420000	2.730000	2.730000	2.730000	5.730000	5.730000	5.730000	5.730000	5.730000
Somerville										
Residential/Agricultural Real	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	7.090000	7.090000	7.082228	0.000000
Commercial/Industrial and Public Utility Real	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	7.090000	7.090000	6.759856	0.000000
General Business and Public Utility Personal	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	7.090000	7.090000	7.090000	0.000000

Butler County, Ohio
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Last Ten Years
(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Townships										
Fairfield										
Residential/Agricultural Real	5.620972	5.400695	5.613072	5.617184	5.858677	5.867840	5.874011	5.874011	9.820840	14.815935
Commercial/Industrial and Public Utility Real	5.338238	5.566851	5.814574	5.739544	5.676597	5.866064	5.887646	5.887646	9.854794	14.662810
General Business and Public Utility Personal	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	11.090000	16.090000
Fairfield - Fire District										
Residential/Agricultural Real	9.289817	8.884015	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	8.696778	9.130686	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	12.190000	12.190000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Hanover										
Residential/Agricultural Real	4.457841	4.394456	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.404006	6.220000
Commercial/Industrial and Public Utility Real	4.459544	4.364491	4.463079	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	6.214726
General Business and Public Utility Personal	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	6.220000
Liberty										
Residential/Agricultural Real	9.037356	8.883259	10.013705	10.558480	10.668367	10.662295	10.664601	10.664601	10.289122	10.120119
Commercial/Industrial and Public Utility Real	9.527537	8.767764	8.933331	10.171996	10.349200	10.477753	10.505728	10.505728	10.857652	10.907473
General Business and Public Utility Personal	11.090000	11.090000	11.090000	11.590000	11.590000	11.590000	11.590000	11.590000	11.590000	11.590000
Madison										
Residential/Agricultural Real	1.626586	1.621594	1.642768	3.643671	3.646562	3.648490	3.650379	3.650379	4.651019	4.651764
Commercial/Industrial and Public Utility Real	1.848355	1.808983	1.809461	3.818551	3.848440	3.868866	3.865775	3.865775	4.925639	4.978579
General Business and Public Utility Personal	2.260000	2.260000	2.260000	4.260000	4.260000	4.260000	4.260000	4.260000	5.260000	5.260000
Milford										
Residential/Agricultural Real	6.310499	5.947213	6.089780	6.093804	6.250048	6.252813	6.255158	6.255158	6.157891	6.163159
Commercial/Industrial and Public Utility Real	6.857308	6.336943	6.338946	6.389011	6.830722	6.853778	6.853778	6.853778	6.819311	6.819311
General Business and Public Utility Personal	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000
Morgan										
Residential/Agricultural Real	5.584894	6.066668	6.183757	6.188990	6.911653	6.919726	7.948553	7.948553	7.842142	7.916237
Commercial/Industrial and Public Utility Real	5.684251	5.974980	6.124875	6.115224	6.922000	6.922000	7.970000	7.970000	7.970000	7.970000
General Business and Public Utility Personal	5.720000	6.220000	6.220000	6.220000	6.970000	6.970000	7.970000	7.970000	7.970000	7.970000
Oxford										
Residential/Agricultural Real	6.148158	5.761907	6.016532	6.031050	6.067536	6.066469	6.065240	6.065240	9.029936	9.049062
Commercial/Industrial and Public Utility Real	6.216652	3.556455	3.556455	3.590540	3.633912	3.633912	3.633912	3.633912	7.845992	7.916663
General Business and Public Utility Personal	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	13.590000	13.590000

Butler County, Ohio
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(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Reily										
Residential/Agricultural Real	7.042639	7.012669	7.202841	7.206026	7.063216	7.073807	6.640000	6.640000	6.473499	6.474984
Commercial/Industrial and Public Utility Real	7.327889	7.351738	7.291594	7.291594	7.390000	7.390000	6.640000	6.640000	6.640000	6.640000
General Business and Public Utility Personal	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	6.640000	6.640000	6.640000	6.640000
Ross										
Residential/Agricultural Real	6.567461	6.165227	6.316230	6.322609	6.438277	6.440503	8.343982	8.343982	10.808063	10.815491
Commercial/Industrial and Public Utility Real	6.644201	6.020518	6.123685	6.124436	6.305091	6.329339	8.229349	8.229349	11.072097	11.075067
General Business and Public Utility Personal	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	8.470000	8.470000	11.220000	11.220000
St Clair										
Residential/Agricultural Real	4.445095	4.158202	4.249082	4.253621	4.305582	4.311927	7.818704	7.818704	7.743739	7.762269
Commercial/Industrial and Public Utility Real	4.449051	4.419493	4.470000	4.470000	4.470000	4.470000	7.970000	7.970000	7.970000	7.970000
General Business and Public Utility Personal	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	7.970000	7.970000	7.970000	7.970000
Wayne										
Residential/Agricultural Real	3.456438	3.368540	4.729232	4.731047	4.732366	4.735551	4.737237	4.737237	5.139395	3.830000
Commercial/Industrial and Public Utility Real	3.550552	3.460201	4.770201	4.770201	4.787191	4.787191	4.890000	4.890000	5.077389	3.766899
General Business and Public Utility Personal	3.580000	3.580000	4.890000	4.890000	4.890000	4.890000	4.890000	4.890000	5.140000	3.830000
West Chester										
Residential/Agricultural Real	13.246766	12.602738	13.028126	14.419072	14.590000	14.590000	14.590000	14.590000	14.467761	14.441111
Commercial/Industrial and Public Utility Real	14.245764	12.696286	13.165746	14.262004	14.590000	14.590000	14.590000	14.590000	14.318781	14.395494
General Business and Public Utility Personal	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000
Joint Vocational Schools										
Butler County JVS										
Residential/Agricultural Real	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
Commercial/Industrial and Public Utility Real	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
General Business and Public Utility Personal	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
Great oaks JVS										
Residential/Agricultural Real	2.000000	2.000000	2.015685	2.030848	2.199458	2.215053	2.219959	2.219959	2.128656	2.128251
Commercial/Industrial and Public Utility Real	2.210809	2.113835	2.138073	2.213681	2.407903	2.434979	2.458407	2.458407	2.530556	2.524973
General Business and Public Utility Personal	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000
Miami Valley Tech JVS										
Residential/Agricultural Real	2.066068	2.039676	2.053296	2.053789	2.443774	2.444678	2.445961	2.445961	2.382594	2.358597
Commercial/Industrial and Public Utility Real	2.239154	2.165135	2.190694	2.219158	2.511325	2.517462	2.520872	2.520872	2.528283	2.506902
General Business and Public Utility Personal	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000

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Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Schools										
Edgewood City										
Residential/Agricultural Real	35.130009	32.630020	36.802972	35.715764	36.738135	36.502051	36.653753	36.653753	32.833201	35.903848
Commercial/Industrial and Public Utility Real	39.712012	36.101977	40.731181	40.172190	41.404253	41.182151	43.260425	43.260425	39.948020	43.288522
General Business and Public Utility Personal	50.490000	47.990000	50.990000	49.876000	50.435000	50.157000	50.258000	50.258000	46.660000	49.700000
Fairfield City										
Residential/Agricultural Real	31.351328	28.714319	29.740269	29.842606	37.191046	37.428749	36.978252	36.978252	39.164781	38.980407
Commercial/Industrial and Public Utility Real	35.823366	31.666282	32.972128	33.336082	41.681090	42.387252	41.560544	41.560544	43.849556	43.858606
General Business and Public Utility Personal	58.600000	56.590000	56.520000	56.600000	63.100000	63.300000	62.800000	62.800000	64.500000	64.300000
Hamilton City										
Residential/Agricultural Real	32.607554	32.486564	33.681083	33.742977	35.218492	35.344503	35.641596	35.641596	38.843479	38.932643
Commercial/Industrial and Public Utility Real	38.964789	36.448336	37.690444	38.378912	41.591945	41.926297	42.972815	42.972815	45.580650	45.842606
General Business and Public Utility Personal	53.420000	53.310000	53.420000	53.420000	53.420000	53.420000	53.610000	53.610000	54.810000	54.810000
Lakota Local										
Residential/Agricultural Real	36.845748	35.757201	36.683458	37.227670	38.668826	38.693566	44.012824	44.012824	42.322508	42.042071
Commercial/Industrial and Public Utility Real	41.339911	37.509908	38.455457	40.307800	43.329024	44.218176	49.750789	49.750789	49.104752	49.394508
General Business and Public Utility Personal	65.390000	65.340000	65.340000	65.840000	65.840000	65.840000	71.140000	71.140000	70.140000	70.140000
Madison Local										
Residential/Agricultural Real	36.043960	36.350004	37.856213	38.142340	38.934774	39.415847	39.604506	39.604506	39.210491	38.244429
Commercial/Industrial and Public Utility Real	36.644537	36.350016	36.868837	37.472410	39.555174	40.743020	40.813495	40.813495	40.640000	39.640000
General Business and Public Utility Personal	38.850000	39.190000	39.690000	39.940000	40.540000	40.940000	41.040000	41.040000	40.640000	39.640000
Middletown City										
Residential/Agricultural Real	42.576939	42.861275	45.669670	45.716950	47.162000	48.949000	49.079000	49.079000	54.540000	55.390000
Commercial/Industrial and Public Utility Real	43.004439	42.560003	44.522186	44.917230	46.713362	48.825403	49.079000	49.079000	54.540000	55.390000
General Business and Public Utility Personal	45.750000	45.750000	47.000000	46.994000	47.162000	48.949000	49.079000	49.079000	54.540000	55.390000
Monroe Local										
Residential/Agricultural Real	40.850008	40.100008	38.934155	37.463740	40.137006	43.452006	45.798006	45.798006	46.720006	47.270006
Commercial/Industrial and Public Utility Real	41.780025	40.100008	38.206936	38.185060	40.762571	44.223622	46.882715	46.882715	48.120000	48.670000
General Business and Public Utility Personal	44.280000	43.530000	41.038000	39.580000	41.537000	44.852000	47.198000	47.198000	48.120000	48.670000
New Miami Local										
Residential/Agricultural Real	24.240991	24.174075	25.316237	25.393200	26.017594	24.667746	24.801294	24.801294	26.399450	27.001025
Commercial/Industrial and Public Utility Real	24.276447	24.227391	24.517561	24.549360	25.009944	23.614310	23.665125	23.665125	25.325464	25.850851
General Business and Public Utility Personal	29.420000	29.420000	29.570000	29.570000	29.570000	28.090000	28.090000	28.090000	28.440000	28.940000

Butler County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 Assessed Value)
Last Ten Years
(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ross Local										
Residential/Agricultural Real	26.500011	26.180016	25.650243	25.379749	25.644102	25.665714	25.692156	25.692156	25.240366	25.249225
Commercial/Industrial and Public Utility Real	29.648716	26.882420	26.181202	26.004626	26.733007	26.910336	26.996802	26.996802	27.788606	27.814770
General Business and Public Utility Personal	51.530000	51.210000	50.030000	49.730000	49.730000	49.730000	49.730000	49.730000	49.730000	49.730000
Talawanda City										
Residential/Agricultural Real	23.150032	27.820025	28.754159	28.733986	28.774471	28.864147	28.680309	28.680309	27.847600	26.878539
Commercial/Industrial and Public Utility Real	25.656717	28.002809	29.551230	30.583940	32.014534	32.410679	32.259141	32.259141	31.128406	30.385242
General Business and Public Utility Personal	51.450000	56.120000	56.170000	56.130000	56.130000	56.130000	55.800000	55.800000	55.300000	54.300000
Out-of-County School Districts										
College Corner Local										
Residential/Agricultural Real	24.383859	23.699491	24.161005	24.265730	25.944728	25.975432	26.104764	26.104764	24.884870	24.892931
Commercial/Industrial and Public Utility Real	24.764913	24.662707	24.662707	24.559660	27.111058	27.111058	27.146472	27.146472	27.493842	27.493842
General Business and Public Utility Personal	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000
Mason Local										
Residential/Agricultural Real	42.491636	42.419539	45.489175	45.506050	45.524206	47.157071	47.176742	47.176742	43.262353	43.154204
Commercial/Industrial and Public Utility Real	45.158847	44.952516	43.980983	44.161320	45.012027	47.640296	48.079396	48.079396	46.913639	46.707036
General Business and Public Utility Personal	83.450000	83.450000	83.450000	83.450000	83.450000	83.970000	83.970000	83.970000	83.110000	83.110000
Northwest Local										
Residential/Agricultural Real	27.684315	28.158611	28.190966	28.258058	31.003183	36.441259	36.527471	36.527471	36.836002	36.876096
Commercial/Industrial and Public Utility Real	31.568016	31.648585	32.084438	32.804058	35.933239	42.231033	42.367443	42.367443	42.214051	41.527567
General Business and Public Utility Personal	53.390000	53.560000	53.570000	53.600000	54.220000	59.570000	59.570000	59.570000	58.870000	58.870000
Preble Shawnee Local										
Residential/Agricultural Real	23.399040	23.374305	23.374884	23.375830	23.096386	23.096524	23.096538	23.096538	20.357620	20.357749
Commercial/Industrial and Public Utility Real	23.442186	23.432161	23.432091	23.431880	23.180055	23.200000	23.200000	23.200000	20.487074	20.487074
General Business and Public Utility Personal	23.490000	23.490000	23.490000	23.490000	23.200000	23.200000	23.200000	23.200000	20.500000	20.500000
Princeton Local										
Residential/Agricultural Real	23.428671	23.534428	23.664862	25.193000	26.967911	37.493144	37.555856	37.555856	39.052755	39.106700
Commercial/Industrial and Public Utility Real	29.929559	29.123722	29.745365	33.112690	35.370055	46.322503	46.804232	46.804232	49.038449	48.944813
General Business and Public Utility Personal	49.030000	48.990000	48.990000	50.480000	50.830000	61.280000	61.280000	61.280000	62.580000	62.580000

Butler County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 Assessed Value)
Last Ten Years
(Continued)

Collection Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Southwest Local										
Residential/Agricultural Real	23.620025	23.460014	23.350033	23.048470	24.018820	24.077998	24.087677	24.087677	23.866171	23.772893
Commercial/Industrial and Public Utility Real	26.080145	25.007211	24.917567	24.856550	25.295877	26.063800	26.163730	26.163730	26.843463	26.884390
General Business and Public Utility Personal	45.300000	45.140000	44.980000	44.680000	44.180000	44.180000	44.180000	44.180000	44.180000	44.180000
Libraries										
Lane Public Library										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
Midpointe Library										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.747336	0.743344
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.742133	0.749642
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
Park District										
Metroparks of Butler County										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000	0.499550	0.698085
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000	0.987150	0.700000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.700000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Source: Butler County Auditor

Butler County, Ohio
Property Tax Levies and Collections (1)
Last Ten Years

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2008	\$ 76,057,818	\$ 69,182,604	90.96%	\$ 3,554,162	\$ 72,736,766	95.63
2009	69,043,097	64,983,254	94.12	2,629,019	67,612,273	97.93
2010	69,597,356	65,714,900	94.42	1,640,881	67,355,781	96.78
2011	71,186,424	67,414,921	94.70	2,638,007	70,052,928	98.41
2012	72,912,802	66,248,675	90.86	2,373,181	68,621,856	94.11
2013	72,497,141	66,524,422	91.76	2,004,961	68,529,383	94.53
2014	72,289,179	68,398,293	94.62	2,145,050	70,543,343	97.58
2015	67,997,431	66,687,255	98.07	2,191,771	68,879,026	101.30
2016	68,896,152	67,459,479	97.91	2,187,670	69,647,149	101.09
2017	69,473,786	67,906,767	97.74	1,805,059	69,711,826	100.34

Source: Butler County Auditor

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) The County does not identify delinquent tax collections by tax year.

Note: Resources have not been externally restricted for the repayment of debt.

**Butler County, Ohio
Principal Taxpayers
Real Estate Tax
2017 and 2009 (1)**

Name of Taxpayer	2017	
	Assessed Value	Percent of Real Property Assessed Value
Duke Realty Ohio	\$ 13,515,000	0.19%
Boymel Family LLC	12,011,410	0.17%
Millercoors	116,252,860	1.65%
AK Steel Corporation	10,405,630	0.15%
First Industrial LP	9,126,780	0.13%
Lesaint Venture LLC	8,877,010	0.13%
Meijer Stores LTD PRT	8,822,670	0.13%
FFIII OH West Chester	8,050,000	0.11%
Cincinnati Financial Corporation	7,944,520	0.11%
Lightning Propco I LLC	6,993,010	0.10%
Totals	\$ 201,998,890	1.46%
Total Assessed Valuation	\$ 7,055,572,920	

Name of Taxpayer	2009	
	Assessed Value	Percent of Real Property Assessed Value
Duke Realty Ohio	\$ 16,409,220	0.21%
Boymel Family LLC	13,783,460	0.18%
AK Steel Corp	13,642,510	0.17%
First Industrial LP	12,780,390	0.16%
Millercoors LLC	12,729,040	0.16%
Meijer Stores LTD PRT	12,692,620	0.16%
Lesaint Venture LLC	10,727,500	0.14%
Landings at Beckett Ridge LLC	7,685,100	0.10%
IPT Cincinnati IC LLC	7,107,980	0.09%
GPT Trade Port Drive Owner LLC	7,000,000	0.09%
Totals	\$ 114,557,820	1.92%
Total Assessed Valuation	\$ 7,797,095,040	

Source: Butler County Auditor

(1) The amounts presented represent the assessed values upon which 2017 and 2009 collections were based.

**Butler County, Ohio
Principal Taxpayers
Public Utilities Personal Property Tax
2017 and 2009(1)**

Name of Taxpayer	2017	
	Assessed Value	Percent of Public Utility Assessed Value
Duke Energy Ohio Inc.	\$ 253,185,400	54.60%
Rockies Express Pipeline LLC	104,345,550	22.50%
Duke Energy Indiana	33,169,200	7.15%
Duke Energy Kentucky Inc	33,140,030	7.15%
Butler Rural Electric	13,563,640	2.93%
Texas Eastern Transmission Corp	9,580,760	2.07%
Texas Gas Transmission LLC	4,690,900	1.01%
Dayton Power and Light	4,450,350	0.96%
Duke Energy Dicks Creek	3,156,130	0.68%
Bank of America Leasing	1,455,990	0.31%
Glenwood Energy	1,187,390	0.26%
Total	\$ 461,925,340	99.71
Total Assessed Valuation	\$ 463,682,630	

Name of Taxpayer	2009	
	Assessed Value	Percent of Public Utility Assessed Value
Duke Energy Ohio Inc.	\$ 167,953,010	74.93%
Duke Energy Kentucky Inc	22,578,770	10.07%
Butler Rural Electric	9,950,260	4.44%
Texas Eastern Transmission Corp	6,901,860	3.08%
Dayton Power and Light	3,320,730	1.48%
Banc of America Leasing & Capital	3,058,370	1.36%
Texas Gas Transmission LLC	2,893,820	1.29%
Glenwood Energy of Oxford Inc	1,853,640	0.83%
Glenwood Energy of Verona Inc	1,045,530	0.47%
Bank of America	590,070	0.26%
Total	\$ 220,146,060	99.45%
Total Assessed Valuation	\$ 224,151,810	

(1) The amounts presented represent the assessed values upon which 2016 and 2008 collections were based.

Source: Butler County Auditor

Butler County, Ohio
Ratios of Outstanding Debt By Type
Last Ten Years

Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Sales Tax Bonds	Special Assessment Bonds	Loans Payable	Capital Leases	General Obligation Bonds	Water Judgement Bonds	Revenue Bonds	Loans Payable	Capital Leases			
2008	\$ 58,498,514	\$ 24,751,340	\$ 12,305,218	\$ 1,643,071	\$ 2,512,592	\$ 4,630,087	\$ 31,904,658	\$ 85,567,039	\$ 5,696,103	\$ -	\$ 227,508,622	1.72	631
2009	57,022,131	22,909,924	11,658,332	2,119,417	2,704,140	18,205,306	30,677,565	60,427,852	8,422,166	-	214,146,833	1.66	590
2010	72,648,168	13,267,896	10,930,900	2,488,072	1,461,478	15,117,345	29,405,472	58,026,745	12,476,499	-	215,822,575	1.61	586
2011	68,653,423	11,290,746	10,167,413	2,553,276	439,631	11,908,086	28,083,379	55,543,608	12,885,469	-	201,525,031	1.40	545
2012	64,899,037	9,652,942	9,418,701	2,276,076	70,526	8,845,716	27,387,066	54,512,826	18,838,194	10,475	195,911,559	1.31	529
2013	59,897,578	7,404,735	8,573,963	1,923,516	53,030	8,100,518	25,686,379	49,909,388	29,861,697	8,391	191,419,195	1.27	488
2014	54,437,763	5,046,499	7,703,585	1,701,478	31,911	7,343,250	23,970,692	45,955,125	29,950,717	5,935	176,146,955	1.11	445
2015	49,751,387	-	6,792,537	1,527,744	11,613	6,563,812	22,185,000	40,669,351	30,040,388	3,291	157,545,123	0.99	411
2016	44,557,658	-	5,845,799	1,403,456	-	5,762,104	20,595,000	35,186,088	28,950,821	-	142,300,926	0.91	377
2017	35,709,711	-	4,858,341	1,279,168	4,500,000	4,928,036	19,006,233	30,235,205	27,762,446	-	128,279,140	0.79	337

(1) See page 185 for personal income and population data.

Source: Butler County Auditor

Butler County, Ohio
Ratio of General Bonded Debt Outstanding
Last Ten Years

Year	General Obligation Bonds	Total Estimated Actual Value	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
2008	\$ 63,128,601	21,766,632,838	0.29	174.98
2009	75,227,437	22,684,055,666	0.33	207.13
2010	87,765,513	22,034,073,839	0.40	238.41
2011	80,561,509	21,731,935,930	0.37	217.73
2012	73,744,753	20,680,522,518	0.36	198.99
2013	67,998,096	20,580,356,659	0.33	183.15
2014	61,781,013	20,496,865,112	0.30	165.12
2015	56,315,199	20,286,502,268	0.28	149.63
2016	50,319,762	20,506,818,486	0.25	133.28
2017	40,637,747	20,685,691,851	0.20	106.77

Source: Butler County Auditor

Butler County, Ohio
Computation of Legal Debt Margin
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Tax Valuation	\$ 7,955,670,369	\$ 8,036,439,180	\$ 7,801,424,310	\$ 7,865,867,680	\$ 7,501,317,410	\$ 7,458,653,550	\$ 7,437,121,140	\$ 7,370,771,960	\$ 7,451,279,840	\$ 7,519,255,550
Debt Limit (1)	\$ 197,391,759	\$ 199,410,980	\$ 193,535,608	\$ 195,146,692	\$ 186,032,935	\$ 184,966,339	\$ 184,428,029	\$ 182,769,299	\$ 184,781,996	\$ 186,481,389
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	28,524,099	26,367,977	35,532,759	33,098,058	30,558,472	27,646,367	15,001,367	11,617,329	9,601,142	7,841,125
General Obligation Notes	15,995,000	15,900,000	13,855,000	14,605,000	13,475,000	12,354,000	11,217,000	10,618,000	7,380,000	6,380,000
General Obligation Loans	403,310	529,136	396,852	264,568	132,284	-	-	-	-	-
Less Amount Available in Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount of Debt Subject to Limit	44,922,409	42,797,113	49,784,611	47,967,626	44,165,756	40,000,367	26,218,367	22,235,329	16,981,142	14,221,125
Legal Debt Margin	\$ 152,469,350	\$ 156,613,867	\$ 143,750,997	\$ 147,179,066	\$ 141,867,179	\$ 144,965,972	\$ 158,209,662	\$ 160,533,970	\$ 167,800,854	\$ 172,260,264
Legal Debt Margin as a Percentage of the										
Unvoted Debt Limit (2)	\$ 79,556,704	\$ 80,364,392	\$ 78,014,243	\$ 78,658,677	\$ 75,013,174	\$ 74,586,536	\$ 74,371,211	\$ 73,707,720	\$ 74,512,798	\$ 75,192,556
Amount of Debt Subject to Limit	44,922,409	42,797,113	49,784,611	47,967,626	44,165,756	40,000,367	26,218,367	22,235,329	16,981,142	14,221,125
Unvoted Legal Debt Margin	\$ 34,634,295	\$ 37,567,279	\$ 28,229,632	\$ 30,691,051	\$ 30,847,418	\$ 34,586,169	\$ 48,152,844	\$ 51,472,391	\$ 57,531,656	\$ 60,971,431
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	43.53%	46.75%	36.19%	39.02%	41.12%	46.37%	64.75%	69.83%	77.21%	81.09%

(1) Ohio Bond Law sets a limit calculated as follows:
 Three percent of the first \$100,000,000 of the tax valuation
 One and one-half percent of the next \$200,000,000 of the tax valuation
 Two and one-half percent of the amount of the tax valuation in excess of \$300,000,000

(2) Ohio Bond Law sets a limit of one percent of the tax valuation

Source: Butler County Auditor

Butler County, Ohio
Pledged Revenue Coverage
Last Ten Years

Sewer Pledged Revenue											
Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other (2)	Net Non-Operating Rev (Exp) (3)	Net Available Revenue (4)	Debt Service (5)			Coverage
								Principal (6)	Interest (6)	Total	
2008	\$ 21,385,170	\$ 12,766,850	\$ 8,618,320	\$ 3,388,044	\$ 141,025	\$ 3,529,069	\$ 12,147,389	\$ 4,132,360	\$ 2,486,488	\$ 6,618,848	1.84
2009	18,759,922	11,551,662	7,208,260	3,310,028	675,006	3,985,034	11,193,294	1,354,220	1,871,886	3,226,106	3.47
2010	18,311,915	10,339,223	7,972,692	2,779,677	75,781	2,855,458	10,828,150	1,475,687	1,779,554	3,255,241	3.33
2011	17,771,799	10,937,193	6,834,606	4,166,615	69,839	4,236,454	11,071,060	1,526,471	1,727,360	3,253,831	3.40
2012	19,077,592	10,410,274	8,667,318	3,477,323	47,365	3,524,688	12,192,006	1,583,932	1,675,847	3,259,779	3.74
2013	18,362,995	10,862,894	7,500,101	3,669,666	104,781	3,774,447	11,274,548	3,155,845	1,625,176	4,781,021	2.36
2014	18,991,377	12,044,125	6,947,252	3,891,959	158,484	4,050,443	10,997,695	3,941,127	2,324,855	6,265,982	1.76
2015	18,322,175	12,394,918	5,927,257	5,790,609	781,614	6,572,223	12,499,480	3,848,648	1,636,920	5,485,568	2.28
2016	19,281,308	10,855,581	8,425,727	5,363,683	110,025	5,473,708	13,899,435	4,331,354	1,446,391	5,777,745	2.41
2017	18,088,098	12,025,801	6,062,297	5,378,103	147,276	5,525,379	11,587,676	4,522,299	1,392,895	5,915,194	1.96

Water Pledged Revenue											
Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other (2)	Net Non-Operating Rev (Exp) (3)	Net Available Revenue (4)	Debt Service (5)			Coverage
								Principal (6)	Interest (6)	Total	
2008	\$ 23,839,865	\$ 17,094,090	\$ 6,745,775	\$ 1,953,742	\$ 284,638	\$ 2,238,380	\$ 8,984,155	\$ 2,217,533	\$ 1,823,212	\$ 4,040,745	2.22
2009	20,468,437	16,456,494	4,011,943	1,688,432	534,571	2,223,003	6,234,946	1,195,000	1,064,913	2,259,913	2.76
2010	20,939,038	16,810,215	4,128,823	1,226,297	320,381	1,546,678	5,675,501	1,493,896	1,187,180	2,681,076	2.12
2011	20,567,888	14,807,125	5,760,763	1,211,259	320,770	1,532,029	7,292,792	1,683,197	1,191,859	2,875,056	2.54
2012	20,917,124	16,120,625	4,796,499	1,518,623	(210,130)	1,308,493	6,104,992	1,804,215	562,281	2,366,496	2.58
2013	20,163,511	15,594,563	4,568,948	2,213,341	(280,390)	1,932,951	6,501,899	1,887,844	1,125,737	3,013,581	2.16
2014	20,353,110	17,556,781	2,796,329	3,004,947	79,498	3,084,445	5,880,774	1,024,266	1,094,848	2,119,114	2.78
2015	20,168,588	12,534,690	7,633,898	4,140,676	819,326	4,960,002	12,593,900	2,168,305	716,135	2,884,440	4.37
2016	21,606,306	13,251,203	8,355,103	3,129,342	262,624	3,391,966	11,747,069	2,261,385	683,843	2,945,228	3.99
2017	20,916,892	13,088,092	7,828,800	2,714,524	129,685	2,844,209	10,673,009	2,489,332	621,619	3,110,951	3.43

- (1) Operating expenses are shown exclusive of depreciation, per bond covenant.
- (2) Non-Operating Revenue (Expense) Other excludes capital grants ,contributions, and transfers
- (3) Net non-operating Rev(exp) are shown exclusive of interest and fiscal charges, per bond covenant.
- (4) Net Available Revenue includes Net Operating Revenue combined with Net Non-Operating Rev(exp).
- (5) Debt Service per bond redemption schedules for revenue bonds and loans.
- (6) Principal and Interest Expense shown are less amounts for current refunding bonds

(Continued)

Source: Butler County Auditor

Butler County, Ohio
Pledged Revenue Coverage
Last Ten Years
(continued)

Year	Sales Tax Revenue Bonds					Special Assessment Bonds					
	Sales Tax Revenues	Debt Service			Coverage	Special Assessment Collections	Debt Service			Coverage	
		Principal	Interest	Total Debt			Principal	Interest	Total Debt		
2008	\$ 33,408,493	\$ 1,765,000	\$ 1,200,975	\$ 2,965,975	11.26	\$ 1,101,044	\$ 570,670	\$ 434,080	\$ 1,004,750	1.10	
2009	31,843,586	1,825,000	1,134,100	2,959,100	10.76	1,234,683	653,200	607,958	1,261,158	0.98	
2010	30,225,506	9,600,000	1,075,325	10,675,325	2.83	1,553,034	733,740	530,357	1,264,097	1.23	
2011	30,779,103	1,965,000	614,225	2,579,225	11.93	1,484,639	759,300	497,674	1,256,974	1.18	
2012	32,955,898	2,070,000	535,625	2,605,625	12.65	1,362,387	784,900	468,039	1,252,939	1.09	
2013	35,170,710	2,124,971	457,998	2,582,969	13.62	1,434,618	830,510	477,712	1,308,222	1.10	
2014	37,838,169	2,235,000	351,750	2,586,750	14.63	1,430,871	856,150	443,330	1,299,480	1.10	
2015*	41,852,127	2,345,000	240,000	2,585,000	16.19	1,248,585	896,820	400,926	1,297,746	0.96	
2016*	-	-	-	-	-	1,262,161	932,510	351,913	1,284,423	0.98	
2017*	-	-	-	-	-	683,242	973,230	304,790	1,278,020	0.53	

* Sales Tax Revenue Bonds were paid off in June 2015.

Source: Butler County Auditor

Butler County, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income	Per Capita Personal Income (3)	Unemployment Rate (2)
2008	360,775	\$ 13,219,878,325	\$ 36,643	5.9%
2009	363,184	12,903,927,520	35,530	9.4%
2010	368,130	13,391,465,010	36,377	9.3%
2011	369,999	14,358,551,193	38,807	8.6%
2012	370,589	14,945,483,781	40,329	7.1%
2013	371,272	14,254,245,896	38,393	6.9%
2014	374,158	14,993,633,534	40,073	5.4%
2015	376,353	15,631,445,502	41,534	4.6%
2016	380,604	16,221,342,480	42,620	4.4%
2017*	380,604	16,221,342,480	42,620	4.4%

Note 1: Bureau of Economic Analysis. The 2006 to 2009 and 2011 through 2014 population is estimated.

US Census data was used for the 2010 population numbers.

Note 2: Data came from the US Department of Labor.

Note 3: (-) Bureau of Economic Analysis: the bureau used census midyear population estimates.

*** 2017 completed information was not available for population, Total Personal Income and per capita personal income. 2016 numbers were used**

**Butler County, Ohio
Principal Employers
2017 and 2008**

Employer	Nature of Business	2017		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	4,265	1	3.16 %
Cincinnati Financial Corp.	Financial	2,989	2	2.21
AK Steel	Steel Manufacturing	2,400	3	1.78
Butler County Government	Government	2,178	4	1.61
GE Aviation	Aerospace	2,000	5	1.48
Lakota Local School District	Education	1,827	6	1.35
Mercy Regional Hospital	Health Care	1,788	7	1.32
Liberty Mutual	Insurance	1,209	8	0.90
Hamilton City Schools	Education	1,150	9	0.85
Ft. Hamilton Hospital	Health Care	1,017	10	0.75
Total		20,823		15.43 %
Total Employment within the County		134,993**		

Employer	Nature of Business	2008*		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	4,250	1	2.13
AK Steel	Steel Manufacturing	3,100	2	1.55
Butler County	Government	2,655	3	1.33
Cincinnati Insurance	Insurance	2,600	4	1.30
Fort Hamilton Hospital	Health Care	2,000	5	1.00
Middletown Regional Hospital	Health Care	1,800	6	0.90
Mercy Regional Hospital	Health Care	1,601	7	0.80
Lakota School District	Education	1,600	8	0.80
Ohio Casualty Insurance	Insurance	1,340	9	0.67
Hamilton City Schools	Education	1,150	10	0.58
Total		22,096		11.06 %
Total Employment within the County		200,000		

Source: Census Bureau

Butler County Department of Development as of 12/31/17

* 2008 data not available so 2007 data was used

** 2017 data not available, 2016 data used for total employment within the County

Butler County, Ohio
County Government Employees by Function/Activity
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014***	2015***	2016***	2017***
General Government										
Legislative and Executive										
Auditor	22	22	22	17	19	19	15	14	12	13
Auditor Bureau of Motor Vehicles	8	-	-	-	-	-	-	-	-	-
Auditor Elected Official	1	1	1	1	1	1	1	1	1	1
Auditor Information Services	1	1	1	1	1	1	1	1	1	1
Auditor Real Estate	30	33	30	24	28	30	27	23	24	24
Board of Elections	97	85	91	109	116	110	28	28	23	27
* Board of Elections Election Pay	-	1,735	2,672	3,071	4,121	4,482	1,550	1,301	2,013	1,180
Commissioners	8	6	7	8	8	14	12	12	9	8
Commissioners Department of Development	23	16	12	11	11	12	13	11	16	15
Commissioners Dog and Kennel	6	5	5	4	4	4	-	-	-	-
Commissioners Information Services	25	23	19	19	19	18	17	21	23	23
Commissioners Mail Room	3	2	2	2	2	2	2	2	2	2
Commissioners Maintenance	7	6	4	5	5	4	4	6	5	5
Commissioners Central Human Resources	-	-	-	-	-	-	3	3	3	3
Commissioners Parking Garage	3	3	3	3	2	2	3	3	4	3
Commissioners Records Center	9	4	3	4	3	3	4	4	4	4
Commissioners Tax Abatement	1	-	-	-	-	-	-	-	-	-
Commissioners Elected Officials	3	3	3	3	3	3	3	3	3	3
Clerk of Courts Title	38	43	43	30	31	31	27	30	29	28
Law Library	2	2	4	4	3	3	3	3	3	2
Microfilm Board	-	-	-	-	-	-	-	3	3	3
Prosecuting Attorney	67	66	61	63	62	58	59	55	55	54
Prosecuting Attorney Elected Official	1	1	1	1	1	1	1	1	1	1
Public Defender	-	-	6	38	42	42	39	38	40	38
Recorder	17	17	14	13	13	13	12	12	12	11
Recorder Elected Official	1	1	1	1	1	1	1	1	1	1
Treasurer	23	21	19	18	20	17	15	14	15	16
Treasurer Elected Official	1	1	1	1	1	1	1	1	1	1
Judicial										
Area Courts	47	48	36	38	32	34	33	30	31	32
Area Courts Elected Official	4	4	4	3	3	3	3	3	3	3
Clerk of Courts	38	39	36	41	36	35	33	31	35	36
Clerk of Courts Elected Official	1	1	1	1	1	1	1	1	1	1
Common Pleas Court	49	48	46	45	42	40	33	37	31	36
Common Pleas Elected Official	7	7	7	7	7	7	7	7	7	7
Domestic Relations Court	32	27	24	22	21	25	22	22	23	22
Domestic Relations Elected Official	2	2	2	3	1	2	2	2	2	2
Juvenile Court	61	55	49	48	48	47	45	43	44	46
Juvenile Court Elected Official	2	2	2	3	2	2	2	2	2	2
Municipal Court	39	39	40	42	41	20	12	11	10	12
Municipal Court Criminal Prosecutors	1	1	-	-	-	-	-	-	-	-
Municipal Court Elected Official	5	5	5	4	4	3	3	3	3	3
Probate Court	17	14	15	14	15	14	17	18	19	20
Probate Court Computer Fees	2	2	1	1	1	1	1	1	1	1
Probate Court Elected Official	1	1	1	1	1	1	1	1	1	1
Public Safety										
Adult Probation	52	52	52	49	55	56	57	58	57	51
Auditor Dog and Kennel	2	1	1	1	1	1	1	1	1	1
Coroner	8	13	11	9	10	10	8	8	11	12
Coroner Elected Official	1	1	1	1	1	1	1	1	1	1
Coroner Lab and Morgue	2	2	1	1	1	1	-	-	-	-
Juvenile Detention/Rehab	135	115	97	102	101	103	93	92	93	94
Sheriff	374	354	302	363	356	360	383	400	421	427
Sheriff Elected Official	1	1	1	1	1	1	1	1	1	1
Emergency Management	4	4	5	5	5	5	6	3	3	4
Public Works										
Commissioners Regional Airport	1	1	1	1	1	1	1	1	1	-
Commissioners Entitlement	6	6	6	7	8	4	3	4	4	4
Engineers	91	87	97	90	95	94	71	71	71	73
Engineers Elected Official	1	1	1	1	1	1	1	1	1	1
Engineers Plot Room	3	3	3	3	3	3	3	2	2	2
Health										
Alcohol and Drug Addiction	6	5	7	8	7	6	5	-	-	-
Board of Developmental Disabilities	256	243	233	242	221	227	198	191	162	162
Mental Health Board	10	10	8	9	8	8	8	-	-	-
Mental Health and Addiction Recovery Services Board	-	-	-	-	-	-	-	12	12	12
Human Services										
Child Support Enforcement Agency	83	81	75	87	82	66	69	69	69	88
County Care Facility	173	172	172	161	170	157	126	112	119	102
Job and Family Services/Children Services Agency	370	344	326	274	244	262	249	265	277	266
Job and Family Services SYEP	-	8	-	-	-	1	-	-	-	-
Prosecuting Attorney	3	3	3	3	3	3	3	3	3	5
Sheriff Victim Programs	2	4	3	3	2	3	2	2	3	2
Veteran Services	10	10	10	11	10	12	10	11	11	12
Veteran Services Commissioners	5	5	5	5	5	5	5	5	5	5
Internal Service										
Commissioners Workers Compensation	4	3	3	3	3	4	3	3	2	2
Commissioners Health Insurance - Wellness	-	-	-	-	-	-	1	1	1	1
Auditor Health Insurance	1	1	1	1	1	1	1	1	1	-
Enterprise										
Water And Sewer	144	131	114	126	101	97	96	95	96	95
Agency										
** Court of Appeals - 12th District	26	25	25	24	24	24	-	-	-	-
Health Department	35	60	68	67	67	75	36	37	38	38
Metro Parks	42	38	34	52	53	57	68	71	74	88
Regional Transit Authority	17	-	-	-	-	-	-	-	-	-
Soil and Water Conservation	7	7	3	4	4	4	4	4	4	3
Total	2,592	4,182	4,063	5,403	6,378	6,762	3,570	3,327	4,080	3,215

* Board of Elections Poll Workers began being treated as employees in 2009.

** Court of Appeals - 12th District employees are employees paid by the State and not by Butler County beginning in 2014.

*** Beginning in 2014, employee counts are based on the last payroll of the year, plus board of elections pollworkers.

NOTE: This report counts employees not positions. Large fluctuations are often a result of employee turnover, part time and intermittent employees

Source: Butler County Auditor

Butler County, Ohio
Operating Indicators by Function/Program
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Legislative and Executive										
Commissioners										
Number of resolutions	2,361	2,250	1,942	6,257	7,154	5,610	5,536	5,168	4,593	3,349
Number of meetings	61	73	68	75	69	60	59	60	53	53
Auditor										
Number of exempt conveyances	5,128	4,885	4,622	4,525	4,798	5,303	6,045	5,038	4,796	4,820
Number of real estate transfers	6,525	6,181	5,678	5,708	6,694	7,824	7,219	7,760	8,152	8,361
Number of parcels billed	148,658	156,579	156,951	150,361	150,306	150,480	150,480	151,098	151,632	159,165
Number of vendor Invoices processed	-	-	-	-	-	-	61,692	67,454	72,520	70,570
Number of appropriation checks Issued	75,873	69,643	61,656	56,240	48,394	58,636	37,250	33,162	29,535	23,086
Number of electronic vendor payments issued	-	-	-	-	-	-	4,909	9,975	15,103	20,432
Number of payroll checks Issued	15,702	13,051	11,050	8,410	6,130	1,341	2,185	952	946	828
Number of direct deposits issued	-	-	-	-	-	-	64,298	62,303	68,147	62,861
Number of purchase orders issued	30,304	22,927	20,914	20,067	17,888	17,180	11,052	8,966	8,672	7,625
BMV										
Number of tags issued	60,583	-	-	-	-	-	-	-	-	-
Treasurer										
Number of parcels collected	151,189	144,157	151,806	144,727	147,151	144,686	147,296	144,909	145,342	145,183
Prosecuting Attorney										
Number of cases - criminal	2,456	2,138	2,064	2,379	2,373	2,373*	2,144	2,117	2,103	2,457
Board of Elections										
Number of registered voters	262,380	236,598	240,541	227,868	239,993	232,711	236,500	233,421	248,120	251,200
Number of voters last general election	175,132	88,097	121,742	109,965	205,413	63,279	88,608	94,803	176,301	250,043
Percentage of register voters that voted	66.75	37.23	50.61	48	86	27	37.42	40.61	71.05	99.54
Recorder										
Number of deeds recorded	13,512	12,586	11,740	10,626	12,117	13,975	13,081	13,413	13,561	13,850
Number of mortgages recorded	15,827	18,425	16,459	13,914	17,010	16,359	11,333	12,550	13,897	12,513
Number of military discharges recorded	30	35	32	16	13	12	11	8	332	423
Community and Economic Development										
Number of projects	124	123	152	149	26	40	16	42	24	6
Number of jobs created	-	-	-	821	1,620	1,915	852	2,243	1,390	404
Judicial										
Common Pleas Court										
Number of civil cases filed	5,617	5,617	5,246	5,928	5,277	4,039	3,280	3,600	3,421	3,556
Number of criminal cases filed	2,244	2,137	2,064	2,451	2,054	2,069	1,966	1,908	1,927	2,167
Probate Court										
Number of civil cases filed	54	41	39	43	56	51	38	65	43	44
Juvenile Court										
Number of civil cases filed	2,623	2,806	2,640	2,401	-	-	3,082	1,643	1,440	1,495
Number of criminal cases filed	4,886	3,905	3,533	3,055	-	-	3,029	3,215	2,890	2,315
Number of adjudged delinquent cases filed	2,216	1,913	1,706	1,446	-	-	1,439	1,545	1,382	1,140
Area Courts										
Number of civil cases filed	3,558	3,267	3,795	3,351	4,233	2,644	2,870	2,712	2,949	2,930
Number of criminal cases filed	21,097	20,264	18,475	17,814	19,276	20,706	19,538	19,149	17,806	19,249
Number of small claims cases filed	311	360	386	290	281	298	332	519	252	218
Clerk of Courts										
Number of civil cases filed	5,617	5,708	5,246	4,558	4,586	3,557	3,281	2,976	2,788	2,858
Number of criminal cases filed	2,244	2,138	2,064	2,151	2,063	2,068	1,966	1,908	1,922	2,131
Domestic Relations										
Number of divorce cases files	1,547	1,516	1,515	1,449	1,416	1,301	1,286	1,093	1,243	1,087
Number of motions files	19,794	17,106	10,206	9,748	10,023	9,580	9,916	8,647	9,188	8,235
Number of protective orders	1,555	1,781	1,573	1,269	1,084	1,014	987	974	869	868

Butler County, Ohio
Operating Indicators by Function/Program
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety										
Sheriff										
Average daily jail census	1,045	956	921	890	854	820	818	786	906	973
Prisoners booked	15,801	13,513	13,973	13,642	12,805	13,995	13,020	12,967	13,911	13,493
Prisoners released	15,707	13,651	14,013	13,609	12,825	14,079	13,097	12,828	13,816	13,492
Out of county bed days used	3,564	4,254	23,105	8,035	2,575	4,843	4,993	2,424	3,654	20,652
Enforcement										
Number of incidents reported	9,524	7,986	5,888	6,961	7,195	7,195*	3,277	8,423	8,617	2,805
Number of citations issued	5,967	3,460	2,173	2,987	3,074	3,074*	2,995	1,019	3,437	3,424
Concealed Weapons Permit										
Number of permits issued	1,031	2,061	1,755	1,608	2,117	2,320	4,077	3,535	4,467	2,713
Number of permits renewed/replaced	-	-	-	-	-	-	-	-	1,603	1,806
Adult Probation										
Offenders supervised	2,649	2,698	2,666	2,865	3,041	3,041*	3,302	3,309	2,992	4,198
Coroner										
Number of cases investigated	338	330	325	344	325	339	400	-	453	485
Number of autopsies performed	219	230	228	207	168	222	220	-	243	227
Public Works										
Engineer										
Miles of roads resurfaced	9	29	14	17	19	62	13	53	64	66
Number of bridges replaced/improved	10	4	7	8	10	3	3	8	2	5
Number of culverts built/replaced/improved	13	22	22	16	11	22	24	15	23	14
Building Department										
Number of permits issued	3,820	3,325	3,182	3,241	3,685	3,644	3,929	4,845	4,573	4,229
Number of inspections performed	15,642	11,292	10,237	10,245	10,539	11,672	13,176	15,199	14,306	-
Sewer District										
Average daily sewage treated	18	17	18	22	18	19	19	19	18	19
Number of tap-ins	535	518	378	383	432	542	592	576	643	464
Number of customers	41,573	42,338	42,720	43,272	42,773	43,659	44,158	38,137	38,171	38,405
Water District										
Average daily water distributed	13	12	13	12	13	13	13	13	14	13
Average daily water billed	63,914	57,296	57,707	57,777	-	10,182	10,171	10,486	10,865	10,725
Number of tap-ins	357	287	256	383	286	384	445	372	481	443
Number of customers	36,967	37,294	37,576	37,719	37,942	38,842	38,759	39,231	38,159	38,536
Health										
MHARS (*)										
Average Client Count	1,204	1,270	1,290	1,207	1,197	902	1,140	-	-	-
Tx Episodes	1,804	1,651	1,699	1,690	1,308	1,017	1,120	-	-	-
Average client count - intensive	2,694	2,830	3,187	3,493	-	-	-	-	-	-
Average client count - non-intensive	2,394	2,227	2,498	2,619	-	-	-	-	-	-
Average client count - early intervention	2,502	2,800	2,929	3,291	-	-	-	-	-	-
BCDD										
Number of Children Served										
Early intervention program	1,026	1,099	1,100	1,100	1,077	767	1,009	921	972	1,080
School age	446	440	483	464	372	514	514	977	1,090	1,039
Number of Adults Served										
Served directly	432	238	223	196	127	134	134	130	122	-
Served indirectly	270	290	326	364	457	440	457	1,344	1,416	1,321
Number Served in Residential										
Supported living services	4	1	-	-	-	-	8	12	40	23
Individual options waiver	268	295	311	302	318	342	342	380	534	530
Level one waiver	216	280	324	359	371	435	435	444	448	431
ICFIID	167	146	146	146	158	10	10	139	131	106
Self-empowered life funding waiver										76
Member receiving support coordination services	1,004	1,005	1,096	1,085	1,161	1,432	1,432	1,947	2,142	2,257
Member receiving family support services	552	716	688	731	731	756	756	1,455	2,089	1,760

Butler County, Ohio
Operating Indicators by Function/Program
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Human Services										
Jobs and Family Services										
Average client count - food stamps	29,798	39,380	46,176	48,758	48,346	50,603	47,781	45,473	40,701	35,249
Average client count - Medicaid	45,015	50,013	54,858	56,582	61,944	66,092	76,321	85,288	86,621	88,911
Average client count - day care	1,926	2,112	2,313	2,476	1,943	2,371	2,542	2,439	2,802	2,474
Average client count - WIA	567	712	652	937	634	326	326	-	2,200	15
Average client count - job placement	-	276	132	32	236	344	344	-		14
Children's Services										
Average client count - foster care	359	324	346	331	369	369*	455	-	397	373
Average client count - adoption	39	51	52	98	48	48*	56	-	91	55
Child Support Enforcement Agency										
Average number of active support orders	17,710	19,199	19,168	19,782	19,389	19,072	18,962	18,726	18,374	18,046
Percentage collected	69.9%	69.0%	68.0%	69.25%	70.29%	70.20%	69.77%	73.20%	72.65%	72.82%
Veteran Services										
Number of veterans and/or dependents served	17,568	15,877	13,327	11,002	10,811	5,353	5,729	5,792	4,553	6,019
Amount of benefits paid to county veterans	824,332	869,962	711,824	581,882	473,448	473,448	839,686	810,734	894,184	973,783

Note: (-) Information not available.

(*) Alcohol & Drug Addiction Services and Mental Health Boards merged into one agency (MHARS) in July 2015

Source: Butler County Auditor

Butler County, Ohio
Capital Asset Statistics by Function/Activity
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Legislative and Executive										
Commissioners										
Administrative office space (sq. ft.)	9,480	9,480	9,480	9,480	9,480	9,480*	9,480	9,480	9,480	9,480*
Information Services										
Auditor										
Administrative office space	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072*
Treasurer										
Administrative office space	5,096	5,096	5,096	5,096	5,096	5,096	5,096	5,096	5,096	5,096*
Prosecuting Attorney										
Administrative office space	16,320	16,320	16,320	16,320	16,320	16,320*	3,498	3,498	3,498	3,498*
Board of Elections										
Administrative office space	27,241	27,241	27,241	27,241	27,241	27,241	27,241	27,241	27,241	27,241*
Voting machines	1,688	1,688	1,688	1,688	1,688	1,688*	1,688*	1,563	1,583	1,268
E-Poll books	-	-	-	-	-	-	-	400	400	321
Recorder										
Administrative office space	8,728	8,728	8,728	8,728	8,728	8,728	8,728	8,728	8,728	8,728*
Buildings and Grounds										
Administrative office space	600	600	600	600	600	600*	600	600	600	800*
Judicial										
Number of court rooms	7	7	7	7	7	7*	7	7	7	7*
Probate Court										
Number of court rooms	2	2	2	2	2	2*	2	2	2	2*
Juvenile Court										
Number of court rooms	7	7	7	8	8	8*	8	8	8	8*
Clerk of Courts										
Administrative office space	11,016	11,016	11,016	11,016	11,016	11,016*	11,016	11,016	11,016	11,016*
Domestic Relations										
Administrative office space	24,128	24,128	24,128	24,128	24,128	24,128*	24,128	24,128	24,128	24,128*
Public Works										
Engineer										
Centerline miles of roads	275	275	267	267	267	267*	266	267	267	270
Number of bridges	395	396	401	399	399	399*	404	404	404	384
Number of culverts	1,062	1,061	1,024	1,023	1,023	1,023*	1,025	1,025	1,025	982
Number of traffic signs	-	-	-	-	7,213	7,213*	7,213	7,213	7,213	7,213*
Building Department										
Administrative office space	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344*
Human Services										
Jobs and Family Services										
Administrative office space	32,640	32,640	32,640	32,640	32,640	32,640*	29,423	29,423	29,423	29,423*
Child Support Enforcement Agency										
Administrative office space	16,320	16,320	16,320	16,320	16,320	16,320*	16,320	1,630	1,630	1,630*
Veteran Services										
Administrative office space	3,136	3,136	3,136	3,136	3,136	3,136*	3,136	3,136	3,136	3,136*
Enterprise										
Sewer District										
Number of treatment facilities	6	6	6	8	6	6	8	6	6	6
Number of pumping stations	34	30	30	30	30	30	30	30	30	30
Miles of sewer lines	731	733	725	739	739	739*	736	760	770	773
Water District										
Number of pumping stations	5	5	5	5	5	5	5	5	5	5
Miles of water lines	617	616	591	617	617	617*	626	639	645	645
Administrative office space	-	-	7,275	7,275	7,275	7,275	7,275	7,275	7,275	7,275
Public Safety										
Sheriff										
Administrative office space	-	-	8,500	8,500	8,500	8,500*	8,500	8,500	8,500	8,500*
Coroner										
Administrative office space	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550*

(-) Information not available.
 (*) 2012 data used
 (**) 2017 data used
 Source: Butler County Auditor

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Dave Yost • Auditor of State

BUTLER 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
SEPTEMBER, 20 2018**