



Dave Yost • Auditor of State

HAMILTON COUNTY
TABLE OF CONTENTS

| TITLE | PAGE |
|--|----------------------|
| Independent Auditor's Report | Under Separate Cover |
| Comprehensive Annual Financial Report | Under Separate Cover |
| Prepared by Management: | |
| Schedule of Expenditures of Federal Awards | 1 |
| Notes to the Schedule of Expenditures of Federal Awards | 9 |
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> | 11 |
| Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance | 13 |
| Schedule of Findings..... | 17 |
| Prepared by Management: | |
| Summary Schedule of Prior Audit Findings | 21 |
| Corrective Action Plan | 23 |

This page intentionally left blank.

COUNTY OF HAMILTON, OHIO

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|--|----------------------------|---|--|-----------------------------------|
| U.S. DEPARTMENT OF AGRICULTURE | | | | |
| Passed through the Ohio Department of Education: | | | | |
| Child Nutrition Cluster: | | | | |
| School Breakfast Program | 10.553 | 069690 | \$0 | \$38,884 |
| National School Lunch Program | 10.555 | 069690 | 0 | 77,610 |
| National School Lunch Program | 10.555 | 067231 | 0 | 17,508 |
| Total for CFDA 10.555 | | | 0 | 95,118 |
| Total Child Nutrition Cluster | | | 0 | 134,002 |
| Passed through the Ohio Department of Job and Family Services: | | | | |
| Supplemental Nutrition Assistance Program Cluster: | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | G-1617-11-5519 | 0 | 2,996,324 |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | G-1819-11-5746 | 0 | 1,007,085 |
| Total for CFDA 10.561 | | | 0 | 4,003,409 |
| Total Supplemental Nutrition Assistance Program Cluster | | | 0 | 4,003,409 |
| Total U.S. Department of Agriculture | | | 0 | 4,137,411 |
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| Direct Programs: | | | | |
| Community Development Block Grants—Entitlement Grants Cluster: | | | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | | 0 | 3,498,159 |
| Total Community Development Block Grants—Entitlement Grants Cluster | | | 0 | 3,498,159 |
| Emergency Solutions Grants Program | 14.231 | | 0 | 173,888 |
| Home Investment Partnerships Program | 14.239 | | 0 | 1,137,419 |
| Total U.S. Department of Housing and Urban Development | | | 0 | 4,809,466 |
| U.S. DEPARTMENT OF JUSTICE | | | | |
| Direct Programs: | | | | |
| DNA Backlog Reduction Program | 16.741 | | 0 | 263,045 |
| Second Chance Act Reentry Initiative | 16.812 | | 0 | 155,879 |
| Drug Court Discretionary Grant Program | 16.585 | | 97,122 | 98,645 |
| Passed through the Ohio Office of Criminal Justice Services: | | | | |
| Paul Coverdell Forensic Sciences Improvement Grant Program | 16.742 | 2016-PC-NFS-7803 | 0 | 22,243 |
| Passed through the City of Cincinnati: | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2014-DJ-BX-0398 | 0 | 35,836 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2015-DJ-BX-0238 | 0 | 62,983 |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2016-DJ-BX-0213 | 0 | 74,905 |
| Total for CFDA 16.738 | | | 0 | 173,724 |
| Total U.S. Department of Justice | | | 97,122 | 713,536 |

(Continued)

COUNTY OF HAMILTON, OHIO

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---------------------|--|---------------------------------|----------------------------|
| U.S. DEPARTMENT OF LABOR | | | | |
| Passed through the Ohio Department of Job and Family Services: | | | | |
| WIOA Cluster: | | | | |
| WIA/WIOA Adult Program | 17.258 | G-1617-15-0187 | | |
| Program | | | \$0 | \$864,889 |
| Administrative | | | 120,507 | 131,979 |
| Total | | | <u>120,507</u> | <u>996,868</u> |
| WIA/WIOA Adult Program | 17.258 | G-1819-15-0186 | | |
| Program | | | 0 | 580,999 |
| Administrative | | | 27,844 | 39,316 |
| Total | | | <u>27,844</u> | <u>620,315</u> |
| Total for CFDA 17.258 | | | <u>148,351</u> | <u>1,617,183</u> |
| WIA/WIOA Youth Activities | 17.259 | G-1617-15-0187 | | |
| Program | | | 300,739 | 443,033 |
| Administrative | | | 132,589 | 141,871 |
| Total | | | <u>433,328</u> | <u>584,904</u> |
| WIA/WIOA Youth Activities | 17.259 | G-1819-15-0186 | | |
| Program | | | 603,574 | 652,784 |
| Administrative | | | 38,433 | 38,433 |
| Total | | | <u>642,007</u> | <u>691,217</u> |
| Total for CFDA 17.259 | | | <u>1,075,335</u> | <u>1,276,121</u> |
| WIA/WIOA Dislocated Worker Formula Grants | 17.278 | G-1617-15-0187 | | |
| Program | | | 0 | 560,468 |
| Administrative | | | 14,325 | 14,325 |
| Total | | | <u>14,325</u> | <u>574,793</u> |
| WIA/WIOA Dislocated Worker Formula Grants | 17.278 | G-1819-15-0186 | | |
| Program | | | 0 | 656,839 |
| Administrative | | | 94,124 | 79,124 |
| Total | | | <u>94,124</u> | <u>735,963</u> |
| Total for CFDA 17.278 | | | <u>108,449</u> | <u>1,310,756</u> |
| Total WIOA Cluster | | | <u>1,332,135</u> | <u>4,204,060</u> |
| WIOA National Dislocated Worker Grants/ WIA National Emergency Grants | 17.277 | G-1617-15-0187 | 58,052 | 345,834 |
| WIOA National Dislocated Worker Grants/ WIA National Emergency Grants | 17.277 | G-1819-15-0186 | 19,906 | 38,181 |
| Total for CFDA 17.277 | | | <u>77,958</u> | <u>384,015</u> |
| Total U.S. Department of Labor | | | <u>1,410,093</u> | <u>4,588,075</u> |

(Continued)

COUNTY OF HAMILTON, OHIO

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|--|----------------------------|--|--|-----------------------------------|
| U.S. DEPARTMENT OF TRANSPORTATION | | | | |
| Passed through the Ohio Department of Transportation: | | | | |
| Highway Planning and Construction Cluster: | | | | |
| Highway Planning and Construction | 20.205 | PID88783 | \$0 | \$217,421 |
| Highway Planning and Construction | 20.205 | PID88788 | 0 | 300,978 |
| Highway Planning and Construction | 20.205 | PID89122 | 0 | 402,840 |
| Highway Planning and Construction | 20.205 | PID91536 | 0 | 1,841,253 |
| Highway Planning and Construction | 20.205 | PID93866 | 0 | 91,416 |
| Highway Planning and Construction | 20.205 | PID103470 | 0 | 50,504 |
| Total for CFDA 20.205 | | | 0 | 2,904,412 |
| Total Highway Planning and Construction Cluster | | | 0 | 2,904,412 |
| Passed through the Ohio Department of Public Safety: | | | | |
| Highway Safety Cluster: | | | | |
| State and Community Highway Safety | 20.600 | STEP-2017-31-00-00-00501-00 | 0 | 16,551 |
| | | IDEP/STEP-2018-Hamilton County Sheriff's-00083 | 0 | 3,976 |
| State and Community Highway Safety | 20.600 | | 0 | 20,527 |
| Total for CFDA 20.600 | | | 0 | 22,874 |
| National Priority Safety Programs | 20.616 | IDEP-2017-31-00-00-00422-00 | 0 | 43,401 |
| Total Highway Safety Cluster | | | 0 | 43,401 |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | 20.608 | IDEP/STEP-2018-Hamilton County Sheriff's-00083 | 0 | 9,309 |
| Passed through the Ohio Emergency Management Agency: | | | | |
| Interagency Hazardous Materials Public Sector Training and Planning Grants | 20.703 | HM-HMP-0531-16-01-00 | 0 | 12,862 |
| Total U.S. Department of Transportation | | | 0 | 2,969,984 |

(Continued)

COUNTY OF HAMILTON, OHIO

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

| <u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Entity Identifying Number</u> | <u>Passed Through to Subrecipients</u> | <u>Total Federal Expenditures</u> |
|--|----------------------------|---|--|-----------------------------------|
| U.S. ENVIRONMENTAL PROTECTION AGENCY | | | | |
| Direct Programs: | | | | |
| Air Pollution Control Program Support | 66.001 | | \$0 | \$608,841 |
| Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | 66.034 | | 0 | 244,995 |
| Total U.S. Environmental Protection Agency | | | 0 | 853,836 |
| U.S. DEPARTMENT OF EDUCATION | | | | |
| Passed through Great Oaks Institute of Technology and Career Development: | | | | |
| Adult Education—Basic Grants to States | 84.002 | 2004077 | 0 | 97,589 |
| Passed through the Ohio Department of Education: | | | | |
| Special Education Cluster: | | | | |
| Special Education—Grants to States | 84.027 | 067231 | 0 | 214,487 |
| Total Special Education Cluster | | | 0 | 214,487 |
| Passed through the Ohio Rehabilitation Services Commission: | | | | |
| Rehabilitation Services Demonstration and Training Programs | 84.235 | 3100012 | 0 | 5,736 |
| Total U.S. Department of Education | | | 0 | 317,812 |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| Direct Programs: | | | | |
| Substance Abuse and Mental Health Services—Projects of Regional and National Significance | 93.243 | | 362,731 | 368,898 |
| Passed through Ohio Mental Health and Addiction Services: | | | | |
| Substance Abuse and Mental Health Services—Projects of Regional and National Significance | 93.243 | | 0 | 5,000 |
| Substance Abuse and Mental Health Services—Projects of Regional and National Significance | 93.243 | GFMS #1700309 | 164,799 | 164,799 |
| Substance Abuse and Mental Health Services—Projects of Regional and National Significance | 93.243 | GFMS #1700394 | 166,571 | 166,571 |
| Total for CFDA 93.243 | | | 694,101 | 705,268 |

(Continued)

COUNTY OF HAMILTON, OHIO

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|----------------------------|---|--|-----------------------------------|
| Passed through Ohio Mental Health and Addiction Services (continued): | | | | |
| Projects for Assistance in Transition from Homelessness (PATH) | 93.150 | 31-0031-PATH-T-16-1578 | \$139,889 | \$139,889 |
| Projects for Assistance in Transition from Homelessness (PATH) | 93.150 | 31-0031-PATH-T-17-1578 | 82,844 | 82,844 |
| Total for CFDA 93.150 | | | <u>222,733</u> | <u>222,733</u> |
| Passed through the Ohio Department of Job and Family Services: | | | | |
| Promoting Safe and Stable Families | 93.556 | G-1617-11-5519 | 0 | 240,508 |
| Promoting Safe and Stable Families | 93.556 | G-1819-11-5746 | 0 | 240,677 |
| Total for CFDA 93.556 | | | <u>0</u> | <u>481,185</u> |
| Temporary Assistance for Needy Families Cluster: | | | | |
| Temporary Assistance for Needy Families | 93.558 | G-1617-11-5519 | 3,747,166 | 11,549,979 |
| Temporary Assistance for Needy Families | 93.558 | G-1617-15-0187 | 367,000 | 367,000 |
| Temporary Assistance for Needy Families | 93.558 | G-1819-11-5746 | 177,142 | 1,648,517 |
| Temporary Assistance for Needy Families | 93.558 | G-1819-15-0186 | 279,500 | 279,500 |
| Total for CFDA 93.558 | | | <u>4,570,808</u> | <u>13,844,996</u> |
| Total Temporary Assistance for Needy Families Cluster | | | <u>4,570,808</u> | <u>13,844,996</u> |
| Child Support Enforcement | 93.563 | G-1617-09-0565 | 0 | 5,183,694 |
| Child Support Enforcement | 93.563 | G-1819-11-5746 | 0 | 1,648,536 |
| Total for CFDA 93.563 | | | <u>0</u> | <u>6,832,230</u> |
| Child Care and Development Fund Cluster: | | | | |
| Child Care and Development Block Grant | 93.575 | G-1617-11-5519 | 0 | 1,618,838 |
| Child Care and Development Block Grant | 93.575 | G-1819-11-5746 | 0 | 661,343 |
| Total for CFDA 93.575 | | | <u>0</u> | <u>2,280,181</u> |
| Total Child Care and Development Fund Cluster | | | <u>0</u> | <u>2,280,181</u> |
| Grants to States for Access and Visitation Programs | | | | |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.597 | G-1617-09-0147 | 0 | 6,060 |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | G-1617-11-5519 | 0 | 354,499 |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | G-1819-11-5746 | 0 | 43,102 |
| Total for CFDA 93.645 | | | <u>0</u> | <u>397,601</u> |
| Foster Care—Title IV-E | 93.658 | G-1415-11-5365 | 0 | 8,184,655 |
| Foster Care—Title IV-E | 93.658 | G-1617-06-0353 | 0 | 2,629,963 |
| Foster Care—Title IV-E | 93.658 | G-1617-11-5519 | 0 | 28,480,367 |
| Foster Care—Title IV-E | 93.658 | G-1819-11-5746 | 0 | 9,420,927 |
| Total for CFDA 93.658 | | | <u>0</u> | <u>48,715,912</u> |
| Adoption Assistance | 93.659 | G-1617-11-5519 | 0 | 3,596,349 |
| Adoption Assistance | 93.659 | G-1819-11-5746 | 0 | 945,445 |
| Total for CFDA 93.659 | | | <u>0</u> | <u>4,541,794</u> |
| Social Services Block Grant | 93.667 | G-1617-11-5519 | 0 | 5,110,936 |
| Social Services Block Grant | 93.667 | G-1819-11-5746 | 0 | 5,629,224 |
| Passed through the Ohio Department of Developmental Disabilities: | | | | |
| Social Services Block Grant | 93.667 | 3100012 | 0 | 498,120 |
| Passed through Ohio Mental Health and Addiction Services: | | | | |
| Social Services Block Grant | 93.667 | 16-3A70 335612 4221C | 280,645 | 280,645 |
| Social Services Block Grant | 93.667 | 17-3A70 335612 4221C | 269,713 | 269,713 |
| Total for CFDA 93.667 | | | <u>550,358</u> | <u>11,788,638</u> |
| Passed through the Ohio Department of Job and Family Services: | | | | |
| Chafee Foster Care Independence Program | 93.674 | G-1617-11-5519 | 0 | 347,650 |
| Chafee Foster Care Independence Program | 93.674 | G-1819-11-5746 | 0 | 42,491 |
| Total for CFDA 93.674 | | | <u>0</u> | <u>390,141</u> |

(Continued)

COUNTY OF HAMILTON, OHIO

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|--|----------------------------|---|--|-----------------------------------|
| Medicaid Cluster: | | | | |
| Medical Assistance Program | 93.778 | G-1617-11-5519 | \$0 | \$6,841,832 |
| Medical Assistance Program | 93.778 | G-1819-11-5746 | 0 | 2,617,620 |
| Passed through the Ohio Department of Developmental Disabilities: | | | | |
| Medical Assistance Program | 93.778 | 3100012 | 0 | 1,905,858 |
| Total for CFDA 93.778 | | | 0 | 11,365,310 |
| Total Medicaid Cluster | | | 0 | 11,365,310 |
| Passed through Ohio Mental Health and Addiction Services: | | | | |
| Opiod STR | 93.788 | | 350,086 | 350,086 |
| Block Grants for Community Mental Health Services | 93.958 | | 147,248 | 147,248 |
| Block Grants for Community Mental Health Services | 93.958 | 31-0459-HOUSING-T-17-161023 | 42,580 | 42,580 |
| Block Grants for Community Mental Health Services | 93.958 | 31-0459-HOUSING-T-18-161023 | 7,589 | 7,589 |
| Block Grants for Community Mental Health Services | 93.958 | 14 3A90 335614 4221C Base | 559,285 | 559,285 |
| Block Grants for Community Mental Health Services | 93.958 | 16-3A90 335614 4221C BG | 1,100 | 1,100 |
| Block Grants for Community Mental Health Services | 93.958 | 17-3A90 335614 4221C BG | 1,100 | 1,100 |
| Total for CFDA 93.958 | | | 758,902 | 758,902 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | FY16: 2030E | 1,750 | 1,750 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | FY17: 2080I, 2030M, 2050C | 2,008,037 | 2,008,037 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | FY18: 2080I, 2000C, 2050C | 1,499,423 | 1,499,423 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-1036-CFRO-T-17-0138 | 75,354 | 75,354 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-1036-CFRO-T-18-0138 | 18,837 | 18,837 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-13864-CMMCO-P-17-8992 | 28,885 | 28,885 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-10136-TASC-T-17-0728 | 397,154 | 397,154 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-10136-TASC-T-18-0728 | 132,385 | 132,385 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-1036-UMADAOP-P-17-9149 | 94,380 | 94,380 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-1036-UMADAOP-P-18-9149 | 47,189 | 47,189 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-1349-WOMEN-T-17-9046, 31-1358-WOMEN-T-17-9030, 31-1358-WOMEN-T-17-9036, 31-1367-WOMEN-T-17-9048, 31-2996-WOMEN-T-17-8992 | 621,311 | 621,311 |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | 31-1349-WOMEN-T-18-9046, 31-1358-WOMEN-T-18-9030, 31-1358-WOMEN-T-18-9036, 31-1367-WOMEN-T-18-9048, 31-2996-WOMEN-T-18-8992 | 261,861 | 261,861 |
| Total for CFDA 93.959 | | | 5,186,566 | 5,186,566 |
| Total U.S. Department of Health and Human Services | | | 12,333,554 | 107,867,603 |

(Continued)

COUNTY OF HAMILTON, OHIO

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

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Passed Through to Subrecipients | Total Federal Expenditures |
|--|----------------------------|---|--|-----------------------------------|
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | | |
| Direct Program: | | | | |
| Homeland Security Biowatch Program | 97.091 | | \$0 | \$253,533 |
| Passed through the Ohio Emergency Management Agency: | | | | |
| Emergency Management Performance Grants | 97.042 | EMC-2016-EP-00003-S01 | 0 | 123,818 |
| Emergency Management Performance Grants | 97.042 | EMC-2017-EP-00006-S01 | 0 | 129,647 |
| Total for CFDA 97.042 | | | 0 | 253,465 |
| Pre-Disaster Mitigation | 97.047 | EMC-2017-PC-0001 | 0 | 7,530 |
| Homeland Security Grant Program | 97.067 | ENW-2015-SS-00086 | 237,355 | 348,160 |
| Homeland Security Grant Program | 97.067 | ENW-2016-SS-00104-S01 | 142,633 | 146,944 |
| Total for CFDA 97.067 | | | 379,988 | 495,104 |
| Total U.S. Department of Homeland Security | | | 379,988 | 1,009,632 |
| Total Expenditures of Federal Awards | | | \$14,220,757 | \$127,267,355 |

(Concluded)

The accompanying notes are an integral part of this schedule.

This page intentionally left blank.

COUNTY OF HAMILTON, OHIO

Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2017

A. Basis of Presentation: The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Hamilton under programs of the federal government for the year ended December 31, 2017. 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 the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

B. Summary of Significant Accounting Policies: Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The Government has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

C. Subrecipients: The County passes certain direct federal awards and some awards received from the following agencies to other governments or not-for-profit agencies (subrecipients):

- Ohio Department of Job and Family Services
- Ohio Emergency Management Agency
- Ohio Mental Health and Addiction Services

As note B describes, the County reports expenditures of federal awards to subrecipients when paid in cash. The County has certain compliance requirements regarding its subrecipients, such as monitoring them 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 awards' performance goals.

D. Child Nutrition Cluster: Cash receipts from the U.S. Department of Agriculture are commingled with similar State grants. When reporting expenditures on this Schedule, it is assumed federal monies are spent first.

E. Community Development Block Grant (CDBG) and Home Investment Partnerships Program Revolving Loan Programs: The County has a revolving loan fund program to provide low-interest loans to eligible persons to rehabilitate homes. The U.S. Department of Housing and Urban Development (HUD) granted money for these loans to the County. When issued, these loans and administrative costs were recorded as disbursements on the Schedule. These loans are collateralized by home mortgages. The County has liens on all properties and receives proof of homeowners' insurance annually to ensure that they are still owner-occupied homes. This program was discontinued, and no new loans were processed in 2017. Balances of loans outstanding at year-end are as follows:

| CFDA Number | Program Name | Outstanding Balance at 12/31/2017 |
|------------------------|---|--|
| 14.218 | Community Development Block Grants/Entitlement Grants | \$ 122,102 |
| 14.239 | Home Investment Partnerships Program | 8,153 |

COUNTY OF HAMILTON, OHIO

Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2017

F. Matching Requirements: Certain federal programs require the County to contribute nonfederal funds (matching funds) to support the federally funded programs. The County has met its matching requirements. The Schedule does not include expenditures of nonfederal matching funds.

G. Transfers between Federal Programs: During 2017, the Ohio Department of Job and Family Services, on the County's behalf, made allowable transfers of \$4,788,754 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent \$13,844,996 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during 2017 and the amount transferred to the Social Services Block Grant program.

| | |
|---|----------------------|
| Temporary Assistance for Needy Families | \$ 18,633,750 |
| Transfer to Social Services Block Grant | <u>(4,788,754)</u> |
| Total Temporary Assistance for Needy Families | <u>\$ 13,844,996</u> |

H. Cost Report Settlement: During the calendar year, the County received notice of a liability for the 2012 and 2013 Cost Reports from the Ohio Department of Developmental Disabilities (ODODD) for the Medicaid program (CFDA #93.778) in the amount of \$24,627 and \$9,211, respectively. This Cost Report Settlement liability was for settlement of the difference between the statewide payment rate and the rate calculated based upon actual expenditures for Medicaid services. This liability is not listed on the County's Schedule of Expenditures of Federal Awards since the underlying expenses occurred in prior reporting periods and the liability was invoiced by ODODD.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 26, 2018.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the 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 opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the 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 the 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2017-001 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the 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 an instance of noncompliance or other matters we must report under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2017-001.

County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not subject the County's response to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 the County's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

Columbus, Ohio

June 26, 2018



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Hamilton County, Ohio (the 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 Hamilton 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 the County's major federal programs.

The County's basic financial statements include the operations of the Metropolitan Sewer District Enterprise Fund (the District), which expended \$1,941,570 in federal awards which is not included in the County's schedule of expenditures of federal awards during the year ended December 31, 2017. Our audit, described below, did not include the operations of the District because at the District's request we conducted a separate audit of the District's financial statements and schedule of federal awards expenditures, which included an audit of compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and procedures to test and report on internal control over compliance in accordance with Uniform Guidance for the year ended December 31, 2017.

Management's Responsibility

The 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 the County's compliance for each of the 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 the 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 the County's major programs. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, Hamilton 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

The 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 the 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 the 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 discretely-presented component unit, each major fund and the aggregate remaining fund information of Hamilton County, Ohio (the County), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our unmodified report thereon dated June 26, 2018. We conducted our audit to opine on the County's basic financial statements as a whole. We have not performed any procedures to the audited financial statements subsequent to June 26, 2018. 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.



Dave Yost
Auditor of State

Columbus, Ohio

August 27, 2018

This page intentionally left blank.

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

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)? | Yes |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | Yes |
| (d)(1)(iv) | Were there any material weaknesses in internal control reported for major federal programs? | No |
| (d)(1)(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under 2 CFR § 200.516(a)? | No |
| (d)(1)(vii) | Major Programs (list): | CFDA 10.561 – Supplemental Nutrition Assistance Program CFDA 14.218 – Community Development Block Grants/Entitlement Grants CFDA 93.558 – Temporary Assistance for Needy Families CFDA 93.658 – Foster Care Title IV-E CFDA 93.959 – Block Grants for Prevention and Treatment of Substance Abuse |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$ 3,000,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee under 2 CFR §200.520? | No |

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

FINDING NUMBER 2017-001

Noncompliance/Material Weakness

Ohio Rev. Code § 2335.25 states that "Each clerk of a court of record, the sheriff, and the prosecuting attorney shall enter in a journal or cashbook, provided at the expense of the county, an accurate account of all moneys collected or received in his official capacity, on the days of the receipts, and in the order of time so received, with a minute of the date and suit, or other matter, on account of which the money was received. The cashbook shall be a public record of the office, and shall, on the expiration of the term of each such officer, be delivered to his successor in office. The clerk shall be the receiver of all moneys payable into his office, whether collected by public officers of the court or tendered by other persons and, on request, shall pay the moneys to the persons entitled to receive them. The clerk of the court of common pleas or of the county court may deposit moneys payable into his office in a bank or building and loan association, as defined in section 1151.01 of the Revised Code, subject to section 131.11 of the Revised Code."

All public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance regarding the achievement of objectives for their respective public offices. In addition, all local public offices shall maintain an accounting system and accounting records sufficient to enable the public office to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

The Clerk of Courts used nine separate accounts to account for the disbursement and depository activity of the Court's separate divisions. We identified the following conditions related to the Clerk of Courts book to bank reconciliation process:

- The Clerk of Courts prepared monthly cash reconciliations for each account which consisted of a month end bank balance, reconciling items (outstanding checks and deposits in transit), and a calculated cash book balance; however, the calculated cash book balance per the Clerk of Courts reconciliations did not tie to the cash book balance per the Clerk of Courts Court Management System (CMS) for seven of the eight accounts at December 31, 2017.
- The Clerk of Courts calculated cash book balances for the Bond Account, Tenant Escrow, Trustee to Prevent Garnishment, and Common Pleas Account were \$1,183,145, \$78,633, \$97,067, and \$252,414, respectively, less than the CMS cash book balances. The Criminal Traffic, Municipal Court Civil Division, and the Passport Account calculated cash book balances were \$63,179, \$315,242, and \$921, respectively, more than the CMS cash book balances. Therefore, the Clerk of Courts calculated cash book balances were a net of \$1,231,917 less than the CMS cash book balances for the seven related accounts.
- The Clerk of Courts did not maintain a CMS cash book balances for the Auto Title Division.
- The Clerk of Courts calculated cash book balances at December 31, 2017 were not accurate for certain accounts: the Tenant Escrow Account calculation overstated deposits in transit by \$3,363; the Auto Title Division calculation overstated outstanding checks and electronic fund transfers on its reconciliation by \$377,271 and \$1,025,740 respectively; the Common Pleas Account understated deposits in transit and overstated outstanding checks on its reconciliation by \$31,982 and \$672,286 respectively.
- The Clerk of Courts erroneously included the Collections Bank Account with a December 31, 2017 balance of \$22,943 as part of the Clerk of Courts Reconciliation.

**FINDING NUMBER 2017-001
(Continued)**

- There was no evidence that anyone in the Clerk of Courts Office reviewed and approved the monthly calculation of book balances for the various accounts under the control of the Clerk of Courts. Also, there was no evidence of a reconciliation of the CMS cash book balances to the bank statements.

In addition, the Clerk of Courts Office overstated the December 31, 2017 cash balance by \$1,951,311 reported to the County Auditor's Office for financial reporting purposes. The County did not adjust the financial statements.

Failure to prepare complete and accurate reconciliations between the CMS cash book balances and the bank statements and to document review and approval of the monthly reconciliations increases the risk that errors, theft or fraud may occur and not be detected in a timely manner.

The lack of accurate book to bank reconciliations has been an ongoing issue in the Clerk of Courts, and we recommend that the Clerk of Courts implement a reconciliation process to account for the difference between the cash balances in the CMS cash books and the cash balance according to the bank statement for each account. We recommend the preparers of bank reconciliations sign and date when the reconciliation is completed and that any variance between the reconciled CMS cash books balances and the bank statement activity be investigated by the Clerk of Courts. We further recommend that management review and approve in writing all cash reconciliations prepared for the various accounts under the control of the Clerk of Courts.

Officials' Response:

The Hamilton County Clerk of Courts has made substantial progress to correct years of financial mismanagement and incorrect information prepared by previous administrations. Though it has taken a full audit of all of our systems and programs, a retaining of staff, and an introduction of new accounting processes, we are excited to report that we have made substantial progress towards fixing the concerns identified in previous audits, and we have cured the majority of the issues addressed in last year's audit and have fixed in place for the outstanding issues.

These improvements include the following:

- The Clerk of Courts prepared monthly cash reconciliations for each account now reconciled to the calculated cash book balance per the Clerk's Court Management System (CMS). Any reconciling items with our new process will be identified and corrected before month end reconciliations are complete and signed off on.
- The Clerk of Courts has not maintained a CMS cash book balance for its Auto Title Division as Auto Title balances use a system separate from the Clerk of Courts CMS system. We have solved this by utilizing a calendar system with Auto Title; this will be a change as the Clerk of Courts begins to utilize a calendar year end for the Auto Title Division.
- The Clerk of Courts utilizes a Collections Bank Account to track all of the collection efforts associated with the Clerk of Courts; this will not be part of the CAFR reports moving forward.
- The Clerk of Courts has instituted a process where a manager will sign off on monthly reconciliations. This has not occurred in the past because we have been working on a fix to our monthly reconciliation process.

**FINDING NUMBER 2017-001
(Continued)**

Even after all the corrective actions the Clerk of Courts has taken to repair years of mismanagement, our Office has decided to institute several new best-in-class policies to ensure the best possible protection of taxpayer dollars. These include:

- Streamlining the reconciliation process across all divisions and eliminating the majority of our manual processes to create an electronic reconciliation process that makes reconciliations more efficient and accurate across all divisions, alleviating human error.
- Maintaining accurate daily balances within CMS per division and an accurate account for daily transactions within each division with new checks and balances to ensure accuracy within CMS and the bank balances.
- Creating daily/weekly/monthly reconciliations checklists for each division to identify reconciling items as soon as possible.

We hope that these changes will lead to best practices and will continue to make improvements to best safeguard taxpayer dollars. We look forward to working with you to resolve these matters.

| |
|--|
| 3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS |
|--|

None.



County of Hamilton

DUSTY RHODES
AUDITOR

COUNTY ADMINISTRATION BUILDING
 138 EAST COURT STREET
 CINCINNATI, OHIO 45202

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

| Finding Number | Finding Summary | Status | Additional Information |
|----------------|--|---------------|---|
| 2016-001 | Regarding the Clerk of Courts' need for timely, accurate, and complete bank reconciliations (ORC §2335.25) and management's review and approval thereof. Finding initially occurred in 2014. | Not Corrected | Reissued as finding 2017-001. Changes have been implemented to improve monthly bank reconciliation procedures, document management approval of the reconciliations, maintain cash book balances for the Auto Title Division, and remove the collections bank account from CAFR reporting. By the end of 2018, additional procedures will be implemented to maintain and reconcile to accurate daily balances of the CMS system, create reconciliation checklists, and further streamline the reconciliation process across all divisions. |

This page intentionally left blank.



County of Hamilton

DUSTY RHODES

AUDITOR

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2017

| Finding Number | Planned Corrective Action | Anticipated Completion Date | Responsible Contact Person |
|-----------------------|---|------------------------------------|-----------------------------------|
| 2017-001 | Changes have been implemented to improve monthly bank reconciliation procedures, document management approval of the reconciliations, maintain cash book balances for the Auto Title Division, and remove the collections bank account from CAFR reporting. By the end of 2018, additional procedures will be implemented to maintain and reconcile to accurate daily balances of the CMS system, create reconciliation checklists, and further streamline the reconciliation process across all divisions. | 12/31/2018 | Rene J. Cheatham |

This page intentionally left blank.

2017 Comprehensive Annual Financial Report

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

**The County of
Hamilton, Ohio**



**Issued by
Dusty Rhodes
Hamilton County
Auditor**

This page intentionally left blank.

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



Issued by

Dusty Rhodes

**Auditor
Hamilton County, Ohio**

This page intentionally left blank.

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

TABLE OF CONTENTS

INTRODUCTORY SECTION

| | |
|-------------------------------------|---|
| LETTER OF TRANSMITTAL | 1 |
| LIST OF ELECTED OFFICIALS | 6 |
| ORGANIZATION CHART | 7 |

FINANCIAL SECTION

| | |
|--|-----|
| INDEPENDENT AUDITOR'S REPORT | 9 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | 12 |
| BASIC FINANCIAL STATEMENTS: | |
| Government-Wide Financial Statements: | |
| Statement of Net Position | 32 |
| Statement of Activities | 33 |
| Fund Financial Statements: | |
| Balance Sheet—Governmental Funds | 34 |
| Reconciliation of Balance Sheet—Governmental Funds—to Government-Wide Statement of Net Position | 35 |
| Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds | 36 |
| Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances— Governmental Funds—to Government-Wide Statement of Activities | 37 |
| Statements of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual: | |
| General Fund | 38 |
| Health and Human Services Levies—Special Revenue Fund | 39 |
| Statement of Fund Net Position—Proprietary Funds | 40 |
| Statement of Revenues, Expenses and Changes in Fund Net Position—Proprietary Funds | 42 |
| Statement of Cash Flows—Proprietary Funds | 44 |
| Statement of Assets and Liabilities—Agency Funds | 46 |
| Notes to the Basic Financial Statements | 47 |
| REQUIRED SUPPLEMENTARY INFORMATION: | |
| Schedule of the County's Proportionate Share of the Net Pension Liability— | |
| Ohio Public Employees Retirement System—Traditional Plan | 100 |
| Schedule of the Metropolitan Sewer District's Proportionate Share of the Net Pension Liability— | |
| Ohio Public Employees Retirement System—Traditional Plan | 101 |
| Schedule of the County's Contributions— | |
| Ohio Public Employees Retirement System—Traditional Plan | 102 |
| Schedule of the Metropolitan Sewer District's Contributions— | |
| Ohio Public Employees Retirement System—Traditional Plan | 103 |
| Schedule of the Metropolitan Sewer District's Changes in Net Pension Liability and Related Ratios— | |
| Cincinnati Retirement System | 104 |
| Schedule of the Metropolitan Sewer District's Contributions— | |
| Cincinnati Retirement System | 105 |
| Schedule of the Metropolitan Sewer District's Funding Progress for Other Post-Employment Benefits— | |
| Cincinnati Retirement System | 106 |
| Notes to the Required Supplementary Information | 107 |

| | |
|---|-----|
| COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES: | |
| Combining Balance Sheet—Nonmajor Governmental Funds. | 114 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances— Nonmajor Governmental Funds. | 118 |
| Schedules of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual: | |
| General Fund. | 122 |
| Health and Human Services Levies—Special Revenue Fund. | 128 |
| Motor Vehicle Gas Tax—Special Revenue Fund. | 131 |
| Health and Community Services Nongrants—Special Revenue Fund. | 132 |
| Health and Community Services Grants—Special Revenue Fund. | 136 |
| Transportation Improvement District—Special Revenue Fund. | 137 |
| General Obligation Nonvoted—Debt Service Fund. | 138 |
| Special Assessments—Debt Service Fund. | 139 |
| Combining Statement of Fund Net Position—Nonmajor Enterprise Funds. | 142 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Position— Nonmajor Enterprise Funds. | 144 |
| Combining Statement of Cash Flows—Nonmajor Enterprise Funds. | 146 |
| Combining Statement of Fund Net Position—Internal Service Funds. | 150 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Position— Internal Service Funds. | 151 |
| Combining Statement of Cash Flows—Internal Service Funds. | 152 |
| Combining Statement of Assets and Liabilities—Agency Funds. | 154 |
| Combining Statement of Changes in Assets and Liabilities—Agency Funds. | 155 |

STATISTICAL SECTION

STATISTICAL SCHEDULES:

| | |
|--|-----|
| Net Position by Component—Last Ten Fiscal Years | 159 |
| Changes in Net Position—Last Ten Fiscal Years. | 160 |
| Fund Balances of Governmental Funds—Last Ten Fiscal Years | 162 |
| Changes in Fund Balances of Governmental Funds—Last Ten Fiscal Years | 163 |
| Assessed Value and Estimated Actual Value of Taxable Property—Last Ten Fiscal Years | 164 |
| Property Tax Rates—Direct and Overlapping Governments—Last Ten Fiscal Years | 166 |
| Principal Property Taxpayers | 168 |
| Property Tax Levies and Collections—Real, Utility and Tangible Taxes—Last Ten Years | 169 |
| Ratios of Outstanding Debt by Type—Last Ten Fiscal Years | 170 |
| Legal Debt Margin Information—Total Debt Limit—Last Ten Fiscal Years | 172 |
| Legal Debt Margin Information—Unvoted Debt Limit—Last Ten Fiscal Years | 173 |
| Pledged Revenue Coverage—Metropolitan Sewer District—Last Ten Fiscal Years | 174 |
| Pledged Revenue Coverage—Last Ten Fiscal Years | 175 |
| Ratios of Net General Bonded Debt Outstanding—Last Ten Fiscal Years | 178 |
| Demographic and Economic Statistics—Last Ten Fiscal Years | 179 |
| Principal Employers—Current Year and Nine Years Ago | 180 |
| Full-Time Equivalent County Government Employees by Function/Program—Last Ten Fiscal Years | 181 |
| Operating Indicators by Function/Program—Last Ten Fiscal Years | 182 |
| Capital Asset Statistics by Function—Last Ten Fiscal Years | 184 |

**Introductory
Section**

**The County of
Hamilton, Ohio**

This page intentionally left blank.



County of Hamilton

DUSTY RHODES
— AUDITOR —

COUNTY ADMINISTRATION BUILDING
138 EAST COURT STREET
CINCINNATI, OHIO 45202

June 26, 2018

To the Honorable Board of County Commissioners
and Citizens of Hamilton County:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Hamilton for the year ended December 31, 2017. This report contains the financial and statistical data that provide a complete and full disclosure of all material financial aspects of the County.

Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(B) require that the County produce annual financial statements pursuant to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The County's management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The County of Hamilton is required to undergo an annual single audit in conformity with the provisions of 2 CFR (Code of Federal Regulations) Part 200. Information related to this single audit, including a schedule of federal financial assistance, the independent auditor's report on internal control and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued audit report.

The basic financial statements of the County as of and for the year ended December 31, 2017, included in this CAFR have been audited by the Ohio Auditor of State. The independent auditor's report is located at the front of the financial section of this report. The State Auditor has issued an unmodified ("clean") opinion on the County's financial statements.

GAAP requires that management provide a Management's Discussion and Analysis (MD&A), a narrative introduction, overview and analysis to accompany the basic financial statements. The MD&A complements

this letter and should be read in conjunction with it. The MD&A appears immediately after the independent auditor's report.

Reporting Entity

The County of Hamilton was named for the former Secretary of the Treasury Alexander Hamilton, and was created by proclamation of Arthur St. Clair, Governor of the Northwest Territory, on January 2, 1790. The County was the second county formed in the State of Ohio, with Cincinnati as the County seat. The County is situated in the extreme southwestern corner of the State and covers an area of 407.4 square miles. The County encompasses 49 cities, villages and townships, of which Cincinnati is the largest. The County is the third largest in the State of Ohio in terms of population (currently estimated at 813,822). Located on the Ohio River, Hamilton County forms the core of the Cincinnati-Middletown Metropolitan Statistical Area, a 15-county, three-state area located at the intersection of Ohio, Kentucky and Indiana. The metro area has an estimated population of 2,179,082, which makes it the 29th largest metropolitan area in the country per the U.S. Census Bureau.

The County has operated under the statutory form of government since its founding. As an agent of the State, County government serves the entire County in a variety of ways.

The County's legislative and taxing authority are vested in an elected, three-member Board of County Commissioners that is responsible for, among other things, passing resolutions, issuing bonds, adopting budgets and hiring the County Administrator. The County Administrator is responsible for carrying out the policies and resolutions of the Board of County Commissioners, and for appointing the heads of the departments under the control of the Board.

The County Auditor is also elected and serves as both the chief fiscal officer for the County and the real property assessor for all political subdivisions within the County. As chief fiscal officer, the Auditor is responsible for maintaining the County's centralized accounting, payroll and benefits systems; for preparing the Comprehensive Annual Financial Report; and for issuing warrants and processing payments made on behalf of County agencies. The Auditor prepares the general tax list of the County, calculates the voted and unvoted tax rates for real estate and, once collected, distributes the tax receipts to the appropriate political subdivisions and agencies within the County. As real property assessor, the Auditor is responsible for a full reappraisal of approximately 353,000 parcels of real property in the County every six years, with an interim update three years later.

The Treasurer is the custodian of County funds and is responsible for collecting all tax moneys and applying payments to the appropriate tax accounts. As specified by law, the Treasurer is also responsible for investing idle County funds.

In addition to those discussed immediately above, other elected officials serving four-year terms are the Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder and Sheriff. The Court of Appeals Judges, Common Pleas Judges and the County-wide Municipal Court Judges are all elected to six-year terms.

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

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

statements is reporting for a component unit of Hamilton County, the Convention Facilities Authority (CFA) for Hamilton County, Ohio. The CFA is a legally separate entity for which the County is financially accountable because the County appoints a voting majority of CFA's governing body and has the ability to impose its will on the CFA. The CFA was created in 2002 for the purpose of financing the Cincinnati Convention Center (now known as the Duke Energy Center) renovation and expansion. (See the notes to the financial statements for additional information about the CFA.) A complete discussion of the County's reporting entity is provided in note I A to the basic financial statements.

The annual budget is the starting point for the County's financial planning and control. The budgeting process is primarily the province of the Board of County Commissioners (BOCC) but involves collective review by County officials at several stages. The BOCC typically adopts the final budget by December. If a final budget is not adopted before January 1, the start of the County's fiscal year, then the BOCC must adopt a temporary appropriation measure, and then approve the final budget by April 1.

The appropriated budget is prepared by (1) fund, (2) agency/function and (3) appropriation level (personnel services, other expenditures and capital outlay), otherwise known as the legal level of budgetary control (the level at which agencies may not overspend appropriations). Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and appropriation measures are to be certified by the County Auditor as not appropriating more moneys than set forth in those latest official estimates.

Factors Affecting Financial Condition

Local Economy

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

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

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

Long-Term Financial Planning and Major Initiatives

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

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

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

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

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

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

GFOA Certificate of Achievement

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

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

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the Auditor's Finance Department, as well as other Auditor's Office staff. I would like to express my appreciation to all members of the Department who assisted and contributed to the preparation of this report. Due credit also should be given to the County administration for their efforts to fulfill their responsibilities with regard to the operations of the County. I would also like to thank all of the elected officials, department heads, and their staff for their support and assistance in this endeavor.

Sincerely,

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

Dusty Rhodes
Auditor



Government Finance Officers Association

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

Presented to

**County of Hamilton
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

COUNTY OF HAMILTON, OHIO ELECTED OFFICIALS

As of December 31, 2017

Board of County Commissioners

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

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

Auditor
Clerk of Courts
Coroner
Engineer
Prosecutor
Recorder
Sheriff
Treasurer

Ohio Court of Appeals First District

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

Charles M. Miller
Beth A. Myers
Marilyn Zayas

Common Pleas Court Judges

General Division

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

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

Domestic Relations Division

Jon Sieve, Administrative Judge
Amy L. Searcy

Susan Tolbert

Probate Court Division

Ralph E. Winkler, Presiding Judge

Juvenile Court Division

John M. Williams, Administrative Judge

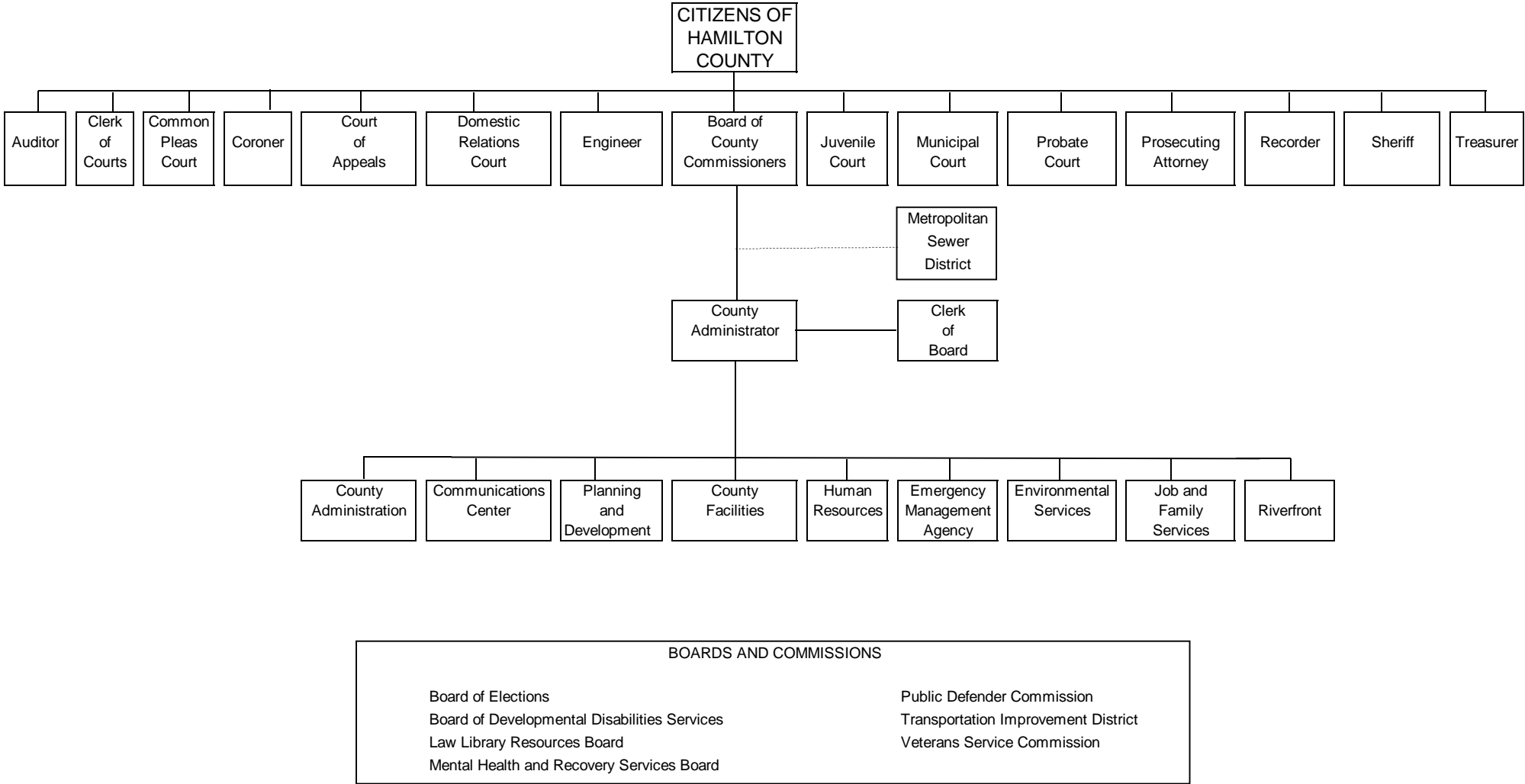
Melissa Powers

Municipal Court Judges

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

Curt Kissinger
Duane Mallory.
William Mallory
Fanon Rucker
Heather Russell
Tyrone Yates

**ORGANIZATION CHART
COUNTY OF HAMILTON, OHIO**



This page intentionally left blank.

**Financial
Section**

**The County of
Hamilton, Ohio**

This page intentionally left blank.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Hamilton County
138 East Court Street
Cincinnati, Ohio 45202

To the Board of County Commissioners:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hamilton County, Ohio, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Health and Human Services Levies funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2018, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

June 26, 2018

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

The discussion and analysis of Hamilton County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2017. The intent of this discussion and analysis is to present a narrative overview of the County's financial performance as a whole. Readers should also review the transmittal letter, at the front of this report, and the County's financial statements and notes, which follow this section, to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2017 are as follows:

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

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Hamilton

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

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

The discussion and analysis in this section is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: (1) the government-wide financial statements, (2) the fund financial statements and (3) the notes to the financial statements. This report also contains other supplementary information that further explains and supports information in the basic financial statements.

1. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—are designed to provide both long-term and short-term information about the County's overall financial status.
2. The fund financial statements report detailed financial information about individual parts of the County's operations. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The most significant funds—major funds—are presented in separate columns on the fund financial statements. All other funds—nonmajor funds—are presented in total in one column.
3. The financial statement notes provide more detailed data and explanations for some financial statement information.

REPORTING HAMILTON COUNTY AS A WHOLE

Government-Wide Financial Statements

This document contains information about the separate funds used by Hamilton County to account for services and programs provided to our citizens. Additionally, the review of the County as a financial whole assesses all financial transactions and measures the County's financial position and liquidity. The government-wide financial statements—the Statement of Net Position and the Statement of Activities—are designed to provide readers with a broad overview of the County's finances.

Statement of Net Position and Statement of Activities

The Statement of Net Position and the Statement of Activities report both long-term and short-term information about the County's overall financial status using the accrual basis of accounting, similar to the method of accounting used by private-sector companies.

- **Statement of Net Position.** The Statement of Net Position presents information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference between all elements reported as net position. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to County creditors (liabilities), and supplies the basis for evaluating the County's capital structure, for computing the rates of return and for assessing the liquidity and financial flexibility of the County.
- **Statement of Activities.** The Statement of Activities provides information about all of the County's current-year revenues and expenses, and measures the success of the County's operations over the past year. Use of the accrual basis of accounting for financial reporting means all current-year revenues and expenses are reported regardless of when cash is received or paid.

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

These two government-wide statements report the County's net position and the change in net position. The change is important because it tells the reader whether, for the County as a whole, the financial position has improved or diminished. In evaluating the overall position of the County, nonfinancial information—such as changes in the County's tax or employment base, the condition of County capital assets, changing economic conditions, population and customer growth, and new or changed rules and regulations—also need to be considered.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the Statement of Activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In the Statement of Net Position and the Statement of Activities, County functions are divided into the following two distinct kinds of activities:

- ◆ **Governmental Activities**—Most of the County's programs and services mandated by State statute are reported as governmental activities, including general government, judicial, public safety, social services, health, public works, environmental control, economic and community development, and recreational activities. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.
- ◆ **Business-Type Activities**—Most of the County's programs or services intended to recover all or a significant portion of their costs through user fees and charges are reported as business-type activities. The County charges fees to recoup the cost of operations and capital expenses associated with these activities.

The separately audited financial statements of the Metropolitan Sewer District of Greater Cincinnati (MSD), the County-owned sewer district operated by the City of Cincinnati under a management contract, have been included in this report as a proprietary enterprise fund with appropriate note disclosure.

The government-wide financial statements include not only the County itself (known as the primary government) but also any component units, if applicable. Component units are legally separate entities for which the primary government is financially accountable. For 2017, the Convention Facilities Authority (CFA) is a discretely presented component unit, and its financial data is reported on the government-wide statements.

The Hamilton County Transportation Improvement District (TID) is reported as a blended component unit. Even though the TID is a legally separate entity, it is reported as if it were part of the County because its governing board is substantively the same as that of the County. The TID is reported as part of the other governmental funds.

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

REPORTING HAMILTON COUNTY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state

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

and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Based on restrictions on the use of moneys, the County maintains many funds that account for the multitude of services provided to its citizens.

The fund financial statements report detailed financial information about individual parts of the County's operations, focusing on the County's most significant funds—major funds. Major funds are presented in separate columns on the fund financial statements, with all nonmajor funds presented in total in one column.

Governmental Funds, Proprietary Funds and Fiduciary Funds

All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources (cash and other financial assets that can readily be converted to cash flow in and out), as well as on balances of spendable resources available at the end of the fiscal year. Governmental fund statements explain how services were financed in the short term, as well as what dollars remain for future spending. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the governmental funds provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately in the Balance Sheet and in the Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the Health and Human Services Levies fund, which are considered to be major governmental funds. Data from the other nonmajor governmental funds, which include special revenue, debt service and capital projects funds, are combined into a single, aggregate presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The County is required by Ohio law to adopt budgets for the General Fund, special revenue funds and debt service funds. A budgetary comparison statement for the General Fund and each annually budgeted major special revenue fund has been provided as part of the basic governmental fund financial statements. In the supplementary information, budgetary comparisons are presented at the legal level of budgetary control for all governmental funds with legally adopted annual budgets.

The basic governmental fund financial statements can be found in this report immediately following the government-wide financial statements.

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

Proprietary Funds. Proprietary fund statements present both short-term and long-term financial information about County operations financed and operated in a manner similar to a private business. On the Statement of Fund Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position, proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The final required statement for proprietary funds is the Statement of Cash Flows. This statement reports cash receipts, cash payments and net changes in cash and cash equivalents resulting from operations, investing and financing activities. This statement provides answers to such questions as where did cash come from, what was cash used for and what was the change in the cash balance during the reporting period.

Generally, the purpose of a proprietary fund is to provide a service or product to operating units within the reporting entity (the County) or to the public at a reasonable cost. Proprietary funds may also be used where the Board of County Commissioners has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The County charges fees to recoup the cost of operations and capital expenses associated with these activities.

The County maintains two different types of proprietary funds: enterprise funds and internal service funds.

- ❖ *Enterprise Funds.* Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains eight enterprise funds: the Metropolitan Sewer District of Greater Cincinnati (MSD) fund, to account for sewer services provided to County residents; the Paul Brown Stadium fund, to account for the operations of the Bengals football stadium; the Baseball Stadium fund, to account for the operations of the Great American Ball Park and the Cincinnati Reds Hall of Fame and Museum; the Riverfront Development fund, to account for various construction projects (including parking) located between the stadiums; the Main Street Parking Garage fund, to account for the operations of the Main Street Parking Garage; the Sales Tax Stabilization fund, to account for revenue to be used as a contingency account for future debt service payments; the Rotary fund, to track the cost of various activities of the Sheriff's Department within the County; and the Communications Center fund, to account for the financial activity relating to 911 services for Hamilton County.

Financial information is presented separately in the proprietary funds financial statements for the Metropolitan Sewer District fund, the Paul Brown Stadium fund and the Baseball Stadium fund, all of which are considered to be major enterprise funds. All other nonmajor enterprise funds are combined in total in one column.

- ❖ *Internal Service Funds.* Internal service funds are used to accumulate and allocate costs internally between the County's various functions, or to account for operations that provide services to County departments, agencies or other governments on a cost-reimbursement basis. Because the services provided by the County's governmental internal service funds—the Workers' Compensation Reserve fund, the Auditor's Computer Center fund, and the Medical Self-Insurance fund—benefit governmental functions, they have been included with governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found in this report immediately following the basic governmental fund financial statements.

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

Fiduciary Funds. The fiduciary fund financial statements provide information about funds used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found in this report immediately following the basic proprietary fund financial statements.

Notes to the Financial Statements

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

The notes to the financial statements can be found in this report immediately following the basic fiduciary fund financial statement.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents individual fund data for each of the nonmajor governmental funds, nonmajor enterprise funds, and internal service funds. There is also certain required supplementary information related to the net pension liability and retirement systems.

This supplementary information can be found in this report immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Hamilton County's financial statements comply with the reporting model required by the Governmental Accounting Standards Board. A comparative analysis of current-year and prior-year financial data is included in this report.

Net Position

Net position may serve over time as a useful indicator of the County's financial health. At the end of 2017, Hamilton County was able to report positive balances in all categories of net position for the County as a whole and for its business-type activities. The unrestricted net position of governmental activities was negative (\$267.1) due to the implementation of GASB 68. (See further discussion below.)

Hamilton County's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$1,680.5 million in 2017. This represents \$473.3 million in governmental activities and \$1,207.2 million in business-type activities.

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

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

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

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

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

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

During 2015, the County adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*, which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the standards required by GASB 68, the net pension liability equals the County's proportionate share of each plan's collective

1. present value of estimated future pension benefits attributable to active and inactive employees' past service
2. minus plan assets available to pay these benefits

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the Statement of Net Position.

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

In accordance with GASB 68, the County's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the County is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

By far, the largest portion of the County's net position, \$1,051.0 million, reflects its investment in capital assets, which includes property, plant, equipment and infrastructure assets, net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position was \$476.2 million of governmental activities and \$7.0 million of business-type activities in 2017.

Changes in Net Position

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

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

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

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

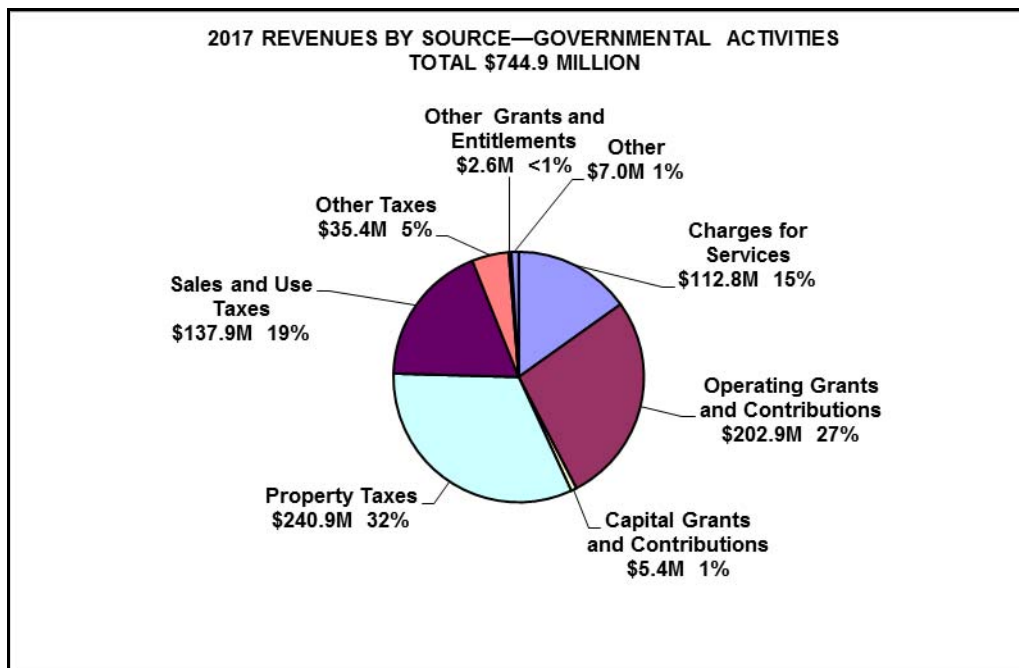
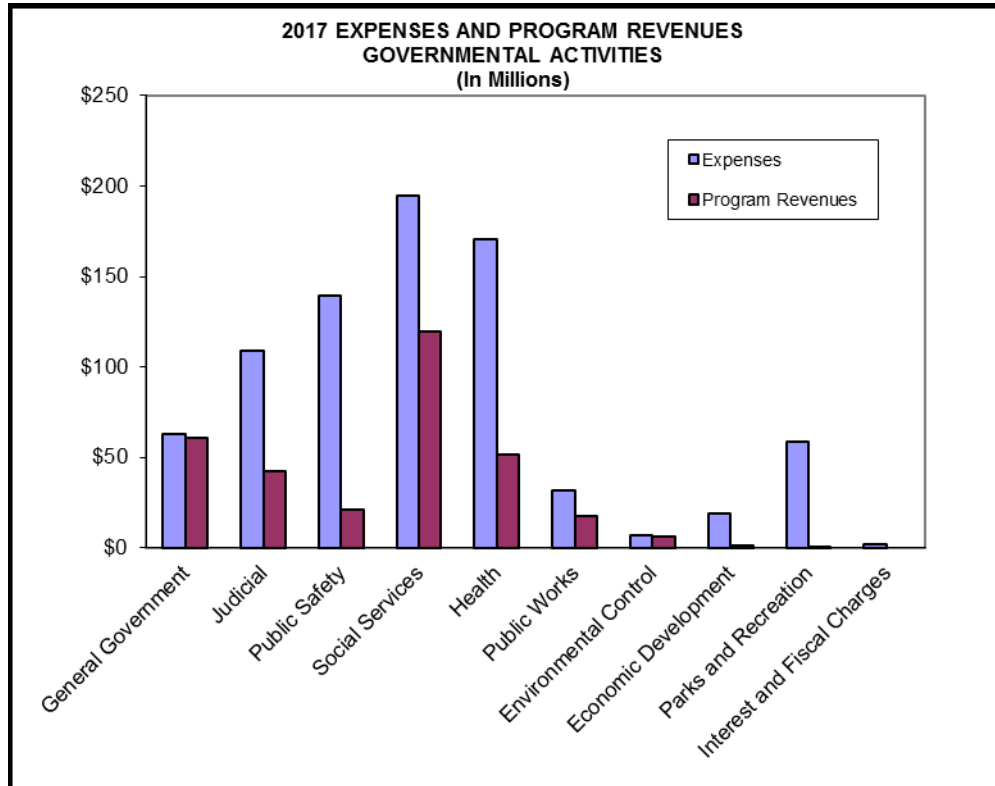
**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

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

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

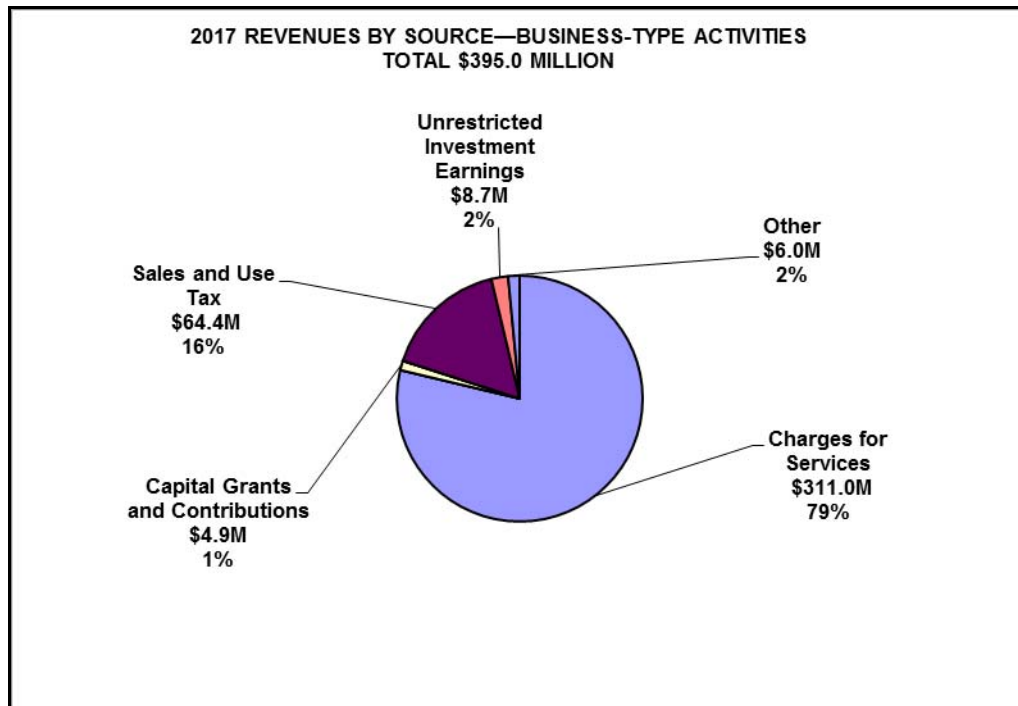
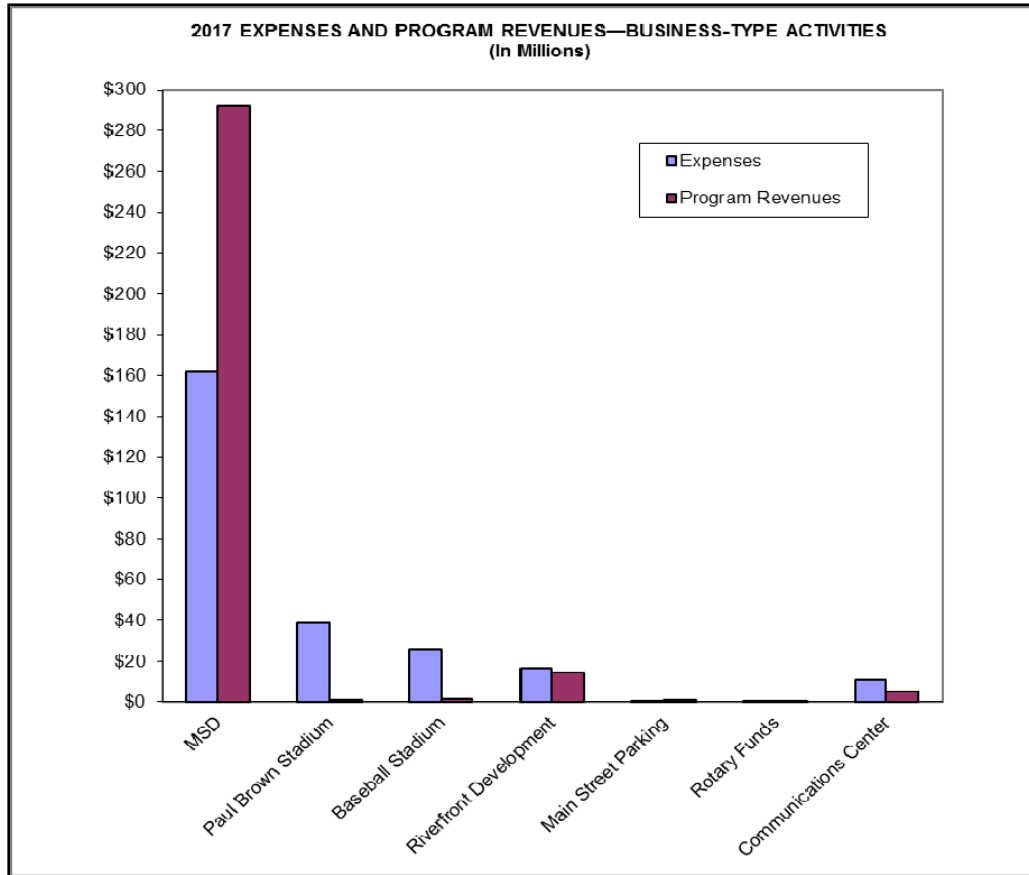
**COUNTY OF HAMILTON, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED**

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



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

Business-Type Activities. Business-type activities increased Hamilton County's net position by \$154.4 million, or 10 percent, in 2017.



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

The County's direct charges to users of County business-type services, charges for services, were \$311.0 million or 79 percent of business-type activities' revenues in 2017. A significant portion of these charges, \$287.6 million, were Metropolitan Sewer District sewer service charges and surcharges that will provide for necessary operating expenses, annual debt support, support of the District's capital program and the satisfaction of bond covenants. The other major revenue source in 2017 was sales and use tax revenues of \$64.4 million.

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

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Hamilton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of Hamilton County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County commissioners.

As the County completed the year, its governmental funds reported a combined ending fund balance of \$520.2 million. Almost 10 percent of this amount (\$49.3 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$0.3 million); (2) legally required to be maintained intact (\$5.2 million); (3) restricted for particular purposes (\$363.3 million); (4) committed for particular purposes (\$90.0 million), or (5) assigned for particular purposes (\$12.1 million).

General Fund. The General Fund is the chief operating fund of the County, available for any authorized purpose and used to account for all financial resources except those required to be accounted for in another fund. In 2017, unassigned fund balance of the General Fund was \$53.0 million, while total fund balance was \$70.6 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. In 2017, unassigned fund balance represents approximately 23 percent of the total General Fund expenditures and net other financing uses, while total fund balance represents 31 percent of that same amount.

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

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

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

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

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

Proprietary Funds

Proprietary enterprise funds provide the same type of information reported in the government-wide financial statements as business-type activities but in more detail.

Metropolitan Sewer District Fund, Paul Brown Stadium Fund and Baseball Stadium Fund. The Metropolitan Sewer District fund, the Paul Brown Stadium fund and the Baseball Stadium fund are major enterprise funds. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered mainly through fees and user charges.

*Metropolitan Sewer District Fund.** The Metropolitan Sewer District fund is used to account for County-provided sewer services to residential, commercial and industrial users in Hamilton County. Sewer charges are the major revenue source for financing operations and maintenance for the sewer system.

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

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

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

Paul Brown Stadium Fund. The Paul Brown Stadium fund is used to account for revenue received from stadium tenants and for the operation of Paul Brown Football Stadium. The fund net position of the Paul Brown Stadium fund was a negative \$65.0 million in 2017, an increase of \$14.0 million, which included \$8.9 million transferred in related to the issuance of debt.

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

Baseball Stadium Fund. The Baseball Stadium fund is used to account for the operations of Great American Ball Park Baseball Stadium and the Cincinnati Reds Hall of Fame and Museum. The fund net position of the Baseball Stadium fund was \$12.6 million, a decrease of \$4.8 million compared to 2016.

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

Other Enterprise Funds. The \$168.5 million fund net position of Other Enterprise Funds reflects only a \$2.4 million change from 2016; however, there are significant reductions in both revenues and expenses compared to the prior year because of the removal of the activity of the Rotary Funds, which are now being reported with the County's General Fund. For more information about Other Enterprise Funds, refer to the Combining Statement of Revenues, Expenses and Changes in Fund Net Position found in the section following the Notes to the Financial Statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County's annual budget, the starting point for the County's financial planning and control, is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Typically, the Board of County Commissioners (BOCC) adopts the annual operating budget for the County, including MSD, on or about the first of each year. For 2017, an approved temporary budget was in place until the final budget was approved in March. All disbursements and transfers of cash between funds require appropriation by the County Commissioners.

The adopted budget may be amended in one of three ways: (1) transfer of appropriations between funds, departments or appropriation levels, all of which must be approved by the BOCC; (2) additional appropriations, which also require BOCC approval; and (3) transfers within appropriated levels, which require County Administrator approval. (With regard to this latter category, however, such transfers within appropriated levels are not necessary since agencies may legally spend within their total budget for a given appropriation level without further approval.) The Office of Budget and Strategic Initiatives reviews departmental requests for transfers and supplemental appropriations throughout the year and assists departments in monitoring budget activity. All budgetary amendments and supplemental appropriations made during 2017 are included in the revised budget amounts presented in the budget-to-actual comparisons.

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

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

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

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

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Hamilton County has invested \$2,467.2 million (net of accumulated depreciation) as of 2017 year-end in a broad range of capital assets, which include property, plant, equipment and infrastructure assets.

Net capital assets related to governmental activities amount to \$307.0 million. Net capital assets related to business-type activities amount to \$2,160.2 million and include \$1,576.5 million net capital assets of MSD.

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

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

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

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

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

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

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

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

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

Additional information regarding the County's capital assets can be found later in this report in the Capital Assets section of the Notes to the Basic Financial Statements.

Long-Term Obligations

Hamilton County's total long-term obligations outstanding at year-end, excluding premiums and discounts, were \$2,014.8 million (\$533.2 million related to governmental activities and \$1,481.6 million related to business-type activities). This includes liabilities for bonds, loans, capital leases, forgivable mortgages and loan, workers' compensation, compensated absences, net pension liability and other post-employment obligations.

Outstanding Debt Issues. At the end of 2017, the County had a number of debt issues outstanding. These issues, excluding any unamortized discounts and premiums, included \$148.6 million of general obligation bonds, \$2.5 million of general obligation special assessment bonds, \$893.8 million of sewer revenue bonds and other obligations of MSD, \$411.9 million of stadium sales tax bonds, and \$8.6 million in loans.

General obligation bonds and notes are backed by the full faith and credit of the government. General obligation special assessment bonds are debt for which the County is liable in the event of default by the property owners subject to the assessment. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an additional ½ percent sales tax approved by County voters in 1996.

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

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

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

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

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

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

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

Manuscript Bonds. Manuscript bonds of \$0.7 million were issued to reimburse MSD for costs of acquiring and constructing sewer system improvements. Manuscript bonds are accounted for as interfund liabilities.

Credit Ratings. The County currently obtains credit ratings on all of its bonds and maintains ratings as of 2017 as follows:

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

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

Ratings

Aaa (Moody's), AAA (S&P, Fitch)—prime, maximum safety
Aa1, Aa2, Aa3 (Moody's), AA+, AA, AA- (S&P, Fitch)—high grade, high quality
A1, A2, A3 (Moody's), A+, A, A- (S&P, Fitch)—upper medium grade

Insurer

AMBAC—American Municipal Bond Assurance Corporation

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

Legal Debt Margins. The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3 percent of the first \$100 million or part of the tax list, plus 1½ percent of the tax list in excess of \$100 million and not in excess of \$300 million, plus 2½ percent of the tax list in excess of \$300 million. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1 percent of the tax list of the County. Contained in the Uniform Bond Law of the State of Ohio are exceptions

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

for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3 percent, 1½ percent and 2½ percent limitation described above is \$482.1 million. The total County net debt subject to this limitation is \$155.2 million, leaving a borrowing capacity of \$326.9 million within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1 percent limitation is \$193.4 million. The total County debt subject to such limitation is \$155.2 million, leaving a borrowing capacity of \$38.2 million within the 1 percent limitation for unvoted non-exempt debt.

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

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

For more information regarding the County's debt, see the section of the Notes to the Basic Financial Statements (found later in this report) titled Long-Term Debt and Other Obligations.

ECONOMIC FACTORS, NEXT YEAR'S BUDGETS AND RATES, AND OTHER SIGNIFICANT MATTERS*

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

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

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

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

MSD is currently undergoing a special audit. The effects of the outcome of this special audit on the information reported and disclosed are currently unknown.

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

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

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

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Hamilton County Auditor Dusty Rhodes, 138 East Court Street, Cincinnati, Ohio 45202, (513) 946-4000, or visit the Auditor's website at www.hamiltoncountyauditor.org.

**COUNTY OF HAMILTON, OHIO
STATEMENT OF NET POSITION**

December 31, 2017

(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

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

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

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2017
(Amounts in Thousands)

| | | |
|--|------------------|-----------------------|
| Total Governmental Funds Balances | \$ | 520,174 |
| <p>Amounts reported for governmental activities in the Statement of Net Position are different from the amounts reported in the governmental funds because of the following:</p> | | |
| <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p> | | |
| Capital Assets | \$ 1,300,402 | |
| Accumulated Depreciation | <u>(993,585)</u> | |
| Total | | 306,817 |
| <p>Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.</p> | | |
| Property Taxes | 11,925 | |
| Grants and Other Intergovernmental Revenue | 30,176 | |
| Nongrants | 130 | |
| Special Assessments | <u>5,361</u> | |
| Total | | 47,592 |
| <p>Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and medical self-insurance to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Position.</p> | | |
| | | 11,051 |
| <p>Long-term liabilities and related deferred inflows/outflows, including bonds and notes payable, loans and loan contracts, compensated absences, net pension liability, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.</p> | | |
| General Obligation Bonds and Notes | (113,727) | |
| Deferred Amount on Refunding | (96) | |
| Unamortized Premium | (17,581) | |
| Special Assessment Bonds | (2,429) | |
| Loan Contracts | (3,538) | |
| State Loan | (2,118) | |
| Compensated Absences | (43,208) | |
| Deferred Outflows--Pension | 142,212 | |
| Deferred Inflows--Pension | (4,670) | |
| Net Pension Liability | (366,722) | |
| Accrued Interest Payable | <u>(486)</u> | |
| Total | | <u>(412,363)</u> |
| Net Position of Governmental Activities | \$ | <u><u>473,271</u></u> |

See accompanying notes to the basic financial statements.

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

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

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

(Amounts in Thousands)

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

Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the governmental funds because of the following:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of the capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

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

In the governmental funds, the proceeds from the sales of capital assets increase financial resources. In the Statement of Activities, however, the assets sold had been capitalized previously and have book values that need to be removed. The difference between the proceeds and the book values is the gain or loss that is recognized in the Statement of Activities. The change in net position differs from the change in fund balance by the net book values of the capital assets sold.

| | | |
|--|-------|-------|
| Reduction of Revenue for Proceeds Received on Sale of Capital Assets | (21) | |
| Gain Earned on Sale of Capital Assets | 19 | |
| Loss on Sale of Capital Assets | (115) | |
| Net Book Value of Capital Assets Sold | | (117) |

Property taxes that will not be collected for several months after the County's fiscal year ends, not considered to be available revenues to pay for current-period expenditures, are deferred in the governmental funds. Similarly, certain other revenues that do not provide current financial resources are deferred and not reported as revenues in the governmental funds but are included in the Statement of Activities.

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

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

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

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds also report premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

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

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

Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.

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

The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and medical self-insurance to individual funds. The net decrease of these internal service funds are reported with governmental activities. (697)

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

See accompanying notes to the basic financial statements.

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

(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017
(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

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

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

| | Business-Type Activities— Enterprise Funds | | |
|---|---|-----------------------|---------------------|
| | Metropolitan Sewer District | Paul Brown Stadium | Baseball Stadium |
| OPERATING REVENUES | | | |
| Charges for Services | \$ - | \$ 603 | \$ 730 |
| Lease Rent Revenue | - | 635 | 540 |
| Sewerage Service Charges | 269,243 | - | - |
| Sewerage Surcharges | 18,351 | - | - |
| Other | 3,806 | 92 | 73 |
| TOTAL OPERATING REVENUES | <u>291,400</u> | <u>1,330</u> | <u>1,343</u> |
| OPERATING EXPENSES | | | |
| Personnel Services | 52,299 | 1,681 | 105 |
| Net Pension Expense | (55,154) | - | - |
| Utilities, Fuel and Supplies | 18,910 | 2,390 | 1,272 |
| Purchased Services | 32,744 | 3,330 | 1,197 |
| Claims | - | - | - |
| Depreciation and Amortization | 59,073 | 15,424 | 13,071 |
| Other | 15,079 | 898 | 424 |
| TOTAL OPERATING EXPENSES | <u>122,951</u> | <u>23,723</u> | <u>16,069</u> |
| OPERATING INCOME (LOSS) | <u>168,449</u> | <u>(22,393)</u> | <u>(14,726)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment Earnings | 8,873 | (15) | (57) |
| Sales and Use Tax for Debt Service | - | 27,247 | 15,014 |
| Sales and Use Tax | - | 15,327 | 6,856 |
| Payment in Lieu of Taxes | - | (6,262) | (4,643) |
| Interest Expense | (39,121) | (7,964) | (5,062) |
| Gain (Loss) on Retirement of Capital Assets | - | (644) | (110) |
| Fiscal Charges on Long-Term Debt | - | (51) | (82) |
| TOTAL NONOPERATING REVENUES (EXPENSES) | <u>(30,248)</u> | <u>27,638</u> | <u>11,916</u> |
| INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS | <u>138,201</u> | <u>5,245</u> | <u>(2,810)</u> |
| Capital Contributions | 4,731 | - | - |
| Transfers In | - | 8,728 | - |
| Transfers Out | - | (15) | (1,979) |
| CHANGE IN NET POSITION | <u>142,932</u> | <u>13,958</u> | <u>(4,789)</u> |
| NET POSITION—BEGINNING | <u>948,218</u> | <u>(78,978)</u> | <u>17,373</u> |
| TOTAL NET POSITION—ENDING | <u>\$ 1,091,150</u> | <u>\$ (65,020)</u> | <u>\$ 12,584</u> |

See accompanying notes to the basic financial statements.

| Business-Type Activities— Enterprise Funds | | Governmental Activities |
|---|---------------------------------------|---------------------------------------|
| Other Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| \$ 20,847 | \$ 22,180 | \$ 48,423 |
| 85 | 1,260 | - |
| - | 269,243 | - |
| - | 18,351 | - |
| 2,020 | 5,991 | 2 |
| <u>22,952</u> | <u>317,025</u> | <u>48,425</u> |
| 5,564 | 59,649 | 1,934 |
| - | (55,154) | - |
| 1,316 | 23,888 | 65 |
| 6,966 | 44,237 | 3,834 |
| - | - | 43,308 |
| 10,878 | 98,446 | 63 |
| 1,614 | 18,015 | 57 |
| <u>26,338</u> | <u>189,081</u> | <u>49,261</u> |
| <u>(3,386)</u> | <u>127,944</u> | <u>(836)</u> |
| (115) | 8,686 | 143 |
| - | 42,261 | - |
| - | 22,183 | - |
| - | (10,905) | - |
| (1,525) | (53,672) | - |
| (3) | (757) | - |
| (134) | (267) | - |
| <u>(1,777)</u> | <u>7,529</u> | <u>143</u> |
| <u>(5,163)</u> | <u>135,473</u> | <u>(693)</u> |
| 189 | 4,920 | - |
| 9,281 | 18,009 | - |
| <u>(1,941)</u> | <u>(3,935)</u> | <u>(4)</u> |
| 2,366 | 154,467 | (697) |
| 166,171 | 1,052,784 | 11,748 |
| <u>\$ 168,537</u> | <u>\$ 1,207,251</u> | <u>\$ 11,051</u> |

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

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

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

(Amounts in Thousands)

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

See accompanying notes to the basic financial statements.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Hamilton County is governed by a board of 3 commissioners elected by the voters of the County. The County Commissioners serve as the County's taxing authority, its primary contracting body and the chief administrators of many of its public services. Other elected officials include the Auditor, Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, Treasurer, 6 Court of Appeals Judges, 20 Common Pleas Court Judges and 14 County Municipal Court Judges.

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

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

Blended Component Unit. The Hamilton County Transportation Improvement District (TID) is a body corporate and politic, organized and existing under Chapter 5540 of the Ohio Revised Code. The TID provides the opportunity to finance, construct, maintain, repair and operate roads, bridges, parking facilities and accompanying improvements within the County. It serves all the citizens of Hamilton County and is governed by a board that includes five voting and two nonvoting members. The voting members are the three County Commissioners, the County Engineer and a representative from the City of Cincinnati. The nonvoting members are appointed by the speaker of the House of Representatives of the General Assembly and by the President of the Senate of the General Assembly. Even though the TID is a legally separate entity, it is reported as if it were part of the County because its governing board is substantively the same as that of the County, and the County Engineer has operational responsibility. The TID is reported as a separate fund in the combining statements.

Discretely Presented Component Unit. The Convention Facilities Authority (CFA) of Hamilton County, Ohio, is an up to 11 member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code as amended. It is controlled by Hamilton County, which may appoint 6 members. The City of Cincinnati may appoint 3 members, and the remaining 2 members are from other municipalities. Each member may serve a four-year term and may not serve more than three consecutive terms. The CFA was created in 2002 for the purpose of financing the renovation and expansion of the Cincinnati Convention Center, now known as the Duke Energy Center. No financial activity took place until the revenue bonds were sold in 2004. The County is considered financially accountable for the CFA because the County appoints a voting majority of the CFA's governing body and the County has the ability to impose its will on the CFA. The CFA is not, however, fiscally dependent on the County. Complete financial statements for the CFA may be obtained from the City of Cincinnati, Office of Finance and Budget, 801 Plum Street, Cincinnati, Ohio 45202.

Fiscal Agent Related Entities. As counties are structured in Ohio, the County Auditor and County Treasurer serve as fiscal officer and custodian of funds, respectively, for various non-County entities. As fiscal officer, the Auditor maintains the accounts and certifies the availability of appropriated funds prior to the processing of warrants for payment. As custodian of funds, the Treasurer invests public moneys held on deposit in the County

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

treasury and redeems the Auditor's warrants. In the case of the separate districts and commissions listed below, the County Auditor and County Treasurer serve as statutory fiscal agent and custodian of funds, respectively. The County, however, is not otherwise accountable for these entities. Accordingly, only the cash for the following boards and commissions that is being held by the County Treasurer is reflected in accompanying agency funds statements:

The *Hamilton County Family and Children First Council* was formed under Ohio Revised Code Section 121.37. The Council is composed of several community partners who work to streamline and coordinate existing government services for families seeking assistance for their children. The Hamilton County Department of Job and Family Services served as administrative agent for the Council until June 30, 2017, until they were replaced by Hamilton County Developmental Disabilities Services.

The *Hamilton County General Health District (Health District)* provides public health services to its residents and communities to prevent the spread of communicable diseases and promote good health. The Health District is governed by a five-member Board of Health (BOH), four of whom are elected by the District Advisory Council, which consists of the President of the Board of County Commissioners, the chief executive of each municipal corporation not constituting a city health district, and the chairperson of the board of township trustees. The other BOH member is elected by the District Licensing Council, which consists of representatives of entities licensed by the Health District. The BOH appoints the Health Commissioner and approves the budget and various resolutions including fees and operating policies. The Health Commissioner is empowered to direct the activities of the Health District, including hiring and adjusting employee wages, approving grant budgets and executing contracts. The Health District is responsible for its own fiscal management and undergoes an annual financial audit. The Health District is dependent on the County to provide facilities, legal counsel and custodianship over its funds.

The *Hamilton County Regional Planning Commission* serves the Board of County Commissioners by providing advisory planning services to the unincorporated areas (12 townships) of the County. It also serves 37 County municipalities that are members of the Commission and pay annual fees. The Commission itself is made up of 7 representatives: 4 township representatives appointed by the Board of County Commissioners, 1 municipality representative appointed by the Board of County Commissioners, 1 municipal planning commission representative elected by municipal planning commissions and 1 City of Cincinnati representative appointed by the Cincinnati Planning Commission. The Regional Planning Commission appoints an Executive Director and can hire and fix compensation of employees. The Commission is dependent on the County to provide facilities and legal counsel and to act as fiscal agent and custodian of its funds. The budget is approved by the Commission, which is responsible for fiscal management through its authority to enter into contracts and prepare certain financial reports.

The *Hamilton County River City Correctional Center (RCCC)*, a Community-Based Correctional Facility, is a local alternative to prison with the primary purpose of rehabilitation for nonviolent felony offenders. Funding is provided through the Community Corrections Act, from the Bureau of Community Sanctions of the Ohio Department of Rehabilitation and Correction (ODRC). The RCCC is governed by a Facility Governing Board, two-thirds of which is appointed by the Hamilton County Court of Common Pleas and one-third by the Board of County Commissioners. The Facilities Governing Board approves the annual budget and any revisions thereto. Ongoing fiscal management occurs with oversight from both the RCCC Executive Director and the Business Manager.

The *Hamilton County Soil and Water Conservation District (SWCD)* is a separate political subdivision of the State of Ohio and Hamilton County, organized under the Ohio Soil Conservation Act of 1941. Since its inception, the SWCD has been governed by a publicly elected board of volunteer supervisors that are authorized to contract and sue on behalf of the District. The Supervisors adopt their own budget, authorize District expenditures, and hire and fire staff. Funding comes from the County General Fund, a percentage match from the Ohio Department of Agriculture, and the Hamilton County Storm Water District. The District is committed to assist the citizens of Hamilton County through education, technical assistance and leadership in the conservation of our soil and water resources.

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

Jointly Governed Organizations. Hamilton County Board of Developmental Disabilities is a member of the Southwestern Ohio Regional Council of Governments (COG) formed by Hamilton, Clermont, Butler and Warren Counties in 2009. Since 2015, two additional county boards have joined the COG: Greene and Montgomery. The role of this Council is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the member counties. Hamilton County Mental Health and Recovery Services Board is a member of the Three C Recovery and Health Care Network Council of Governments, which was created by the Hamilton County Mental Health and Recovery Services Board (Cincinnati); The Alcohol, Drug and Mental Health Board of Franklin County (Columbus); and The Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County (Cleveland). The purpose of this Council is for creating a Shared Health Care and Recovery Enterprise System (SHARES) to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards and for additional boards that may join the COG in the future. (See note VI C, Jointly Governed Organizations.) The Southwest Ohio Regional Transit Authority (SORTA) is jointly governed with the City of Cincinnati. The County has no ongoing financial interest or responsibility in SORTA. Separate financial statements are available by contacting SORTA at 602 Main Street, Suite 1100, Cincinnati, Ohio 45202. Hamilton County and the City of Cincinnati also jointly govern the Southwest Ohio Region Workforce Investment Board (SWORWIB). While the County is the fiscal agent and administrative entity for this board, the County has no ongoing financial interest or responsibility to the board. Separate financial statements are available by contacting SWORWIB at 100 Scarlet Oaks Drive, Room 102, Cincinnati, Ohio 45241.

Related Organizations. The Board of County Commissioners is responsible for appointing the majority of the members of the Board of Building Appeals, Board of Building Standards, Commission on Women and Girls, Community Development Advisory Committee, Local Corrections Planning Board, County Land Reutilization Corporation, Economic Inclusion Advisory Committee, Elderly Services Programs Advisory Council, Hospital Commission, Public Defender Commission, and Public Library Board of Cincinnati and Hamilton County. Hamilton County Commissioners also appoint half of the board members for the Greater Cincinnati Redevelopment Authority. The Hamilton County Probate Court Judge appoints the Board of Park Commissioners of the Hamilton County Park District. In none of the aforementioned instances does the County's accountability extend beyond making the appointments. These organizations do not have significant operational or financial relationships with the County.

B. Basis of Presentation

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

The County's basic financial statements consist of government-wide statements and fund financial statements. The government-wide statements include a Statement of Net Position and a Statement of Activities. The fund financial statements provide a more detailed level of financial information.

Government-Wide Financial Statements. The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government and its component unit, whose financial activities are reported separately from those of the primary government. Agency funds are not included in the government-wide statements. The statements distinguish between those activities of the County that are governmental, which normally are supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The activity of the governmental internal service funds is eliminated to avoid doubling up revenues and expenses. For the most part, the effect of interfund activity has been removed

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

from these statements. The exceptions to this general rule are charges between the Rotary enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fund Financial Statements. During the year, in order to aid financial management and to demonstrate legal compliance, the County segregates in separate funds the transactions related to certain County functions or activities. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The total for all internal service funds is presented in a separate column on the face of the proprietary fund statements. Separate financial statements are provided for the agency funds, even though they are not included in the government-wide statements.

C. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds. Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for the general operating revenues and expenditures of the County not recorded elsewhere. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

The *Health and Human Services Levies* special revenue fund accounts for the revenue from health and human services levies. Levies and expenditures are determined by policies of the Board of County Commissioners.

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

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

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

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Board of County Commissioners has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The expenses of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

The following are the County's major enterprise funds:

Metropolitan Sewer District (MSD) is the County-owned sewer district operated by the City of Cincinnati under a management contract. The MSD fund accounts for County-provided wastewater service to residential and industrial users in Hamilton County. Sewer charges serve as the major revenue source for financing operations and maintenance of the sewer system. MSD employees are employees of the City. Per the contract with the City, the County has exercised its option to have a separate financial audit of MSD. Additionally, bond indentures require separately audited financial statements of MSD. These audited statements are included in this report as a major enterprise fund with appropriate note disclosure.

Paul Brown Stadium fund accounts for revenue received from football stadium tenants and for the operations of the stadium.

Baseball Stadium fund accounts for revenue and expenses associated with the operations of the baseball stadium (Great American Ball Park) and the Cincinnati Reds Hall of Fame and Museum.

Internal service funds account for the financing of services provided by one department or agency of the County to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds report on (1) workers' compensation, (2) the Auditor's computer center and (3) medical self-insurance.

Fiduciary Funds. The County's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. These funds account for (1) assets held by the County as agent for the entities described in note I A as Fiscal Agent Related Entities and (2) various taxes, assessments and State-shared resources collected on behalf of other local governments.

D. Measurement Focus

Government-Wide Financial Statements. The government-wide financial statements are prepared using the *economic resources* measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the County and its component unit are included on the Statement of Net Position. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements. All governmental funds are accounted for using a flow of *current financial resources* measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements.

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of *economic resources* measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

E. Basis of Accounting

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

Revenues—Exchange and Non-exchange Transactions. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. *Measurable* means the amount of the transaction can be determined; *available* means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Hamilton County considers revenues available if they are expected to be received within 60 days of year-end.

Non-exchange transactions, in which the County or CFA receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note V B). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County or CFA must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County or CFA on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales tax, local government funds, interest, fees and charges for services.

Unearned Revenue. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue, as are some taxes, local government funds and casino revenue and, in the enterprise funds, lease revenue that must be recognized over the life of the lease.

Deferred Inflows/Outflows of Resources. In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources include deferred charges on refundings and pension reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pension are explained in notes VI F-H. The deferred charges on refundings result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include deferred charges on refundings, property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds Balance Sheet and represents receivables that will not be collected within the available period. For the County, unavailable revenue includes delinquent property taxes, special assessments, intergovernmental revenues, loans, and grants not yet received though eligibility requirements have been met. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified in the Reconciliation of Balance Sheet—Governmental Funds—to Government-Wide Statement of Net Position. Deferred inflows of resources related to pension are reported on the government-wide Statement of Net Position (see notes VI F-H).

Expenses/Expenditures. On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

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

F. Budgetary Process

The County is required by Ohio law to adopt annual budgets for the General Fund, some special revenue funds and all debt service funds. Under the direction of the County Administrator, staff of the Commissioners' Office and County Administration Department prepares the budget and issues a separate budgetary report. The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the County certifying the proposed budget to the County Auditor by July 20. By January 1, the County Commissioners may adopt annual or temporary measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and the tax rates certified by the County Auditor. Appropriations cannot exceed estimated resources. By April 1, the County Commissioners must adopt an annual appropriation resolution.

The certificate of estimated resources may be amended during the year for projected increases or decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. Modifications to the original budget are approved by the Board of County Commissioners throughout the year as allowed by State statute. All budgetary amendments and supplemental appropriations made during 2017 are included in the revised budget amounts presented in the budget-to-actual comparisons. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures and encumbrances to exceed appropriations within three major categories—Personnel Services, Other Expenditures and Capital Outlay.

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

The budgetary process does not include annual budgeting for certain grants and the Capital Projects funds. For these funds, appropriations are made on a multiyear basis with the free balance and encumbrances being reappropriated annually. The administrative control is on a grant or project basis and, therefore, comparisons with annually appropriated funds do not provide meaningful data. The County adopts annual budgets for proprietary funds; however, budgetary data is not presented for proprietary funds due to the nature of the funds, where demand for goods and services largely determines the level of revenues and expenses. There is no legal requirement to report on such budgets.

The annual budget for MSD is prepared on a non-GAAP budgetary basis of accounting, is approved by the Board of County Commissioners and is administered by the City of Cincinnati. Budgetary control is exercised at the divisional level, and between personnel and other costs.

G. Cash, Cash Equivalents and Investments

The County's cash consists of cash on hand and demand deposits. County investments with original maturities of one year or less are recorded at cost or amortized cost. Investments of the County that have original maturities of one year or more are recorded at fair value, which is based on quoted market prices. For presentation on the financial statements, funds included within the Treasurer's cash management pool and County, CFA or MSD investments with original maturities of three months or less are considered to be cash and cash equivalents.

Cash resources of individual funds, including proprietary funds, are combined to form a pool of cash and investments that is managed by the County Treasurer. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as Equity in Pooled Cash and Investments on the financial statements. Certain moneys for MSD are held and invested by the City and trustees. These bank accounts and investments are represented by Cash and Cash Equivalents Held by the City of Cincinnati and Held by Trustees asset accounts.

In 2017, investments were limited to federal securities, commercial paper notes and STAR Ohio (the State Treasury Asset Reserve of Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The County measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value. For the fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

See note V A for a detailed disclosure of cash, cash equivalents and investments held by the County.

The CFA's receipts are accounted for by its fiscal agent, the City of Cincinnati, or trustee. Cash received by the fiscal agent or trustee is maintained in accounts in the CFA's name.

MSD is required by Ohio law to invest in only U.S. obligations; federal agency securities; Ohio bonds and other obligations of the State or such obligations of political subdivisions of the State, provided that the subdivisions are located within Hamilton County; time certificates of deposit or deposit accounts in an eligible institution; and no-load money market mutual funds consisting only of investments mentioned above. Investments are required to mature within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of MSD.

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

Under existing Ohio statutes, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during 2017 amounted to \$7,519, which includes \$44 assigned from other County funds. In the Statement of Revenues, Expenditures, and Changes in Fund Balances, the Health and Human Services Levies Funds and Nonmajor Governmental Funds show negative totals for Investment Earnings because the fair market value adjustment posted to 2017 was insufficient to offset the reversal of the 2016 fair market value adjustment.

The County has segregated bank accounts for moneys held separate from the County's central bank accounts. Additionally, the Southwest Ohio Council of Governments and Three C Recovery and Health Care Network Council of Governments are currently holding deposits that belong to the County. These monies are presented as Cash and Cash Equivalents—Segregated Accounts.

H. Inventories

Inventories of governmental funds are valued at cost. Costs are determined by the first-in, first-out (FIFO) method. The costs of inventory items are recognized as expenditures in the governmental funds when consumed.

MSD's supplies and materials are stated at the lower of cost or market on a FIFO basis.

I. Prepaid Expenses

MSD payments made to vendors for services that will benefit periods beyond fiscal year ended December 31, 2017, are recorded as Prepaid Expenses using the consumption method. Under this method, a current asset is recorded for the prepaid amount and expenses are reflected in the year in which services are consumed. In 2016, MSD also paid the final portion of its share of the City of Cincinnati's Early Retirement Incentive Program (ERIP) offered in 2007, which paid the full liability through 2023.

J. Interfund Transactions

On fund financial statements, receivables and payables resulting from long-term interfund loans are classified as Advances to/from Other Funds or as Interfund Receivable/Payable. Receivables and payables resulting from interfund transactions other than loans are classified as Due to/from Other Funds. Interfund transactions are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as Internal Balances.

K. Restricted Assets

The Trust Agreement for MSD's Series A Revenue bonds (see note V F) requires the establishment of certain trust accounts, including a Bond Account, Bond Reserve Account, and Surplus Account to be held by the trustee. The Bond Account will be used to accumulate periodic principal and interest payments. The Bond Reserve Account will be funded in an amount equal to the highest annual future debt service requirement. The Surplus Account is available to be used for any other sewer system purpose. The Trust Agreement also requires the creation of a Construction Account to be held by the City to pay for project costs. For Paul Brown and baseball stadiums, per the bond indenture requirements, restricted assets include sales tax withholdings required to be held by the custodial trustee for semiannual debt service for 2011 and 2016 sales tax-supported bonds. The bond retirement fund's amount with a trustee is required to be held for a crossover refunding. At December 31, 2017, the following balances (at fair value) were maintained in trust accounts:

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

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

L. Capital Assets

Capital assets, which include real property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets used by proprietary funds are also reported in the financial reports of the respective funds.

The County defines a capital asset as an asset with an initial cost of at least \$5,000 (amount not in thousands) and an estimated useful life of at least two years. Most capital assets are capitalized at cost or estimated historical cost. Donated capital assets or assets the County takes ownership of as a result of seizure or forfeiture are recorded at their acquisition values as of the date received. Capitalized amounts are updated for additions and retirements during the year. MSD assets acquired prior to its inception in 1968 that are not identifiable with specific historical costs are not included in the capital assets balance. Assets acquired by MSD through contributions, such as contributions from land developers and federal and State grants, are capitalized and recorded in the plant records at the contributor's reported cost. Land acquired for MSD's use is titled to either the City or the County. The cost of the land has been recorded on the books of MSD, since it has the full benefits of the land as an economic resource.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Construction in progress includes the cost of in-force labor and costs incurred for projects not placed in use as of December 31, 2017. Additionally, in the enterprise funds, this amount includes interest capitalized on debt during the period of construction. For 2017, the amount of capitalized interest was \$243 for the County and \$233 for MSD.

Capital assets are depreciated except for land, some land improvements, and construction in progress. Depreciation is computed using the straight-line method over the following useful lives, unless history or other factors indicate a different estimate would be more appropriate:

| | |
|-------------------------------|---------------|
| Bridges | 50 years |
| Buildings and Structures | 40 years |
| MSD Sewer Laterals | 40 years |
| Parking Garages | 30 years |
| Stadia | 28 years |
| Roads | 20 years |
| Building Improvements | 20 years |
| Depreciable Land Improvements | 20 years |
| Office and Service Equipment | 2 to 25 years |

Infrastructure assets consist of roads and bridges. They are reported as governmental activities. Infrastructure assets acquired prior to January 1, 2002, consist of the bridges and roads that were acquired or that received substantial improvements subsequent to January 1, 1980, and are reported at estimated historical cost using deflated replacement cost.

Any material gain or loss arising from the disposal of capital assets for proprietary funds has been credited or charged to income or expense of the respective fund. The net gain or loss for governmental funds has been credited to General Revenues or charged to expenses of the General Government function in the Statement of Activities.

M. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Compensatory time is accrued as a

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

liability as the benefits are earned. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded as Matured Compensated Absences Payable in the funds from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported in governmental funds. For governmental funds, the portion of unpaid compensated absences expected to be paid within a year is noted next to the total Compensated Absences in the Long-Term Debt and Other Obligations table (see note V F). This amount is a portion of what is reported as Long-Term Liabilities Due within One Year in the government-wide Statement of Net Position. In proprietary funds, the entire amount of accrued compensated absences is reported as a fund liability. The current amounts are an average of the annual expenses.

Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative written approval for carryover is obtained. Sick time not taken may be accumulated until retirement. Employees eligible to retire under a County-recognized retirement plan, with a minimum of 10 years of service, are paid one-half (up to 630 hours for 70-hour pay periods; 720 hours for 80-hour pay periods) of accumulated sick time upon retirement.

Certain agencies of the County that are not under the control of the Board of County Commissioners may have slight variances in policies on compensated absences. Compensated absences are accrued in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

N. Accrued Liabilities and Long-Term Obligations

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

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

O. Bond Premiums and Discounts, Prepaid Insurance

On the government-wide financial statements and in the enterprise funds, bond premiums/discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. On the governmental fund financial statements, premiums and discounts, as well as issuance costs, are recognized in the period in which the debt is issued. Bond premiums/discounts are reported as an Other Financing Source/Use. Issuance costs, even if withheld from the actual net proceeds received, are reported as Debt Service expenditures.

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

P. Fund Balance

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

Nonspendable: The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e., they are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. The nonspendable fund balances include materials and supplies inventory (category a), unclaimed monies reduced by the amount of the estimated liability for payments to claimants (category b), and interfund advances (category b).

Restricted: The restricted classification is used when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments (e.g., State statutes) or (b) imposed by law through constitutional provisions or enabling legislation (County resolutions). Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party, such as citizens, public interest groups or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners remove or change the constraint via another resolution. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Assigned fund balance includes amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned amounts represent the remaining amount that is not restricted or committed. Assigned fund balance addresses the government's intent and should be expressed by the County Commissioners or a County official delegated that authority by resolution or by State statute. In the General Fund, assigned amounts represent encumbered amounts for outstanding obligations (purchases on order), appropriation of fund balance in the subsequent year's budget, and the amount reserved for judgments and claims.

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

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

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

Q. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or CFA, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. MSD's restricted net position relates to debt service. MSD did not have net position restricted by enabling legislation. The County, MSD and CFA apply restricted resources first when an expenditure/expense is incurred for purposes for which both restricted and unrestricted net position is available.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activities of the proprietary funds. For the County, these revenues are charges for services for wastewater treatment, stadium rental income, parking fees, and charges to political subdivisions and County departments for services provided by the County, including the costs of providing law enforcement staff, computer services, emergency communications, and workers' compensation and employees' health insurance coverage. For the CFA, operating revenues include contributions for financing the Convention Facility and the hotel taxes for repayment of debt. Operating expenses are the necessary costs incurred to provide the good or service that is the primary activity of the fund or CFA. For the County, these expenses include personnel, utilities and supplies, claims, depreciation and purchased services. For the CFA, operating expenses were for the return of residual funds to the City and County, project costs, audit fees and insurance. Revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

S. Capital Contributions

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction, or from transfers from governmental funds. These assets, which are recorded at their acquisition values as of the date received, are not subject to repayment. Capital contributions in 2017 totaled \$4,920.

T. Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements. Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Transfers In and Transfers Out. Interfund transfers are reported as Other Financing Sources (Uses) in governmental funds and after Nonoperating Revenues (Expenses) in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

U. Estimates

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

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

V. Basis of Budgeting

While reporting financial position, results of operations and changes in fund balance on the basis of GAAP, the basis of budgeting as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. A Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual—is presented in the basic financial statements for the General Fund and major special revenue funds with annually appropriated budgets. The major differences for those funds between the basis of budgeting and the GAAP basis are the following:

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

Adjustments necessary to convert the results of operations at the end of the year on the basis of budgeting to the GAAP basis are presented in the following table:

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

II. CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE

A. Change in Accounting Principles

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

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

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

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

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

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

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

B. Restatement of Fund Balance

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

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

III. FUND BALANCE

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

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

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

At December 31, 2016, the County had a reserve balance account of \$766 within the General Fund. This account was established by resolution to accumulate currently available resources for the purpose of mitigating the effects of cyclical changes in revenues and expenditures. The amount of money to be reserved in this account in any fiscal year shall not exceed 5 percent of the revenue credited in the preceding fiscal year to the General Fund. The resources reserved for stabilization may be used as determined by resolution of the Board of County Commissioners. Changes to the fund may be established by resolution within the guidelines specified by Ohio Revised Code. During 2017, the Commissioners passed a resolution to release the \$766 to the unreserved General Fund balance. The County has also established a General Fund reserve policy. The Board of County Commissioners set a goal of 15 percent of the current year's ongoing budgeted expenditures as a reserve. If the reserve is not at that level, the Board will increase the reserve by .5 percent of the General Fund budgeted expenditures each year until the 15 percent level is attained. The reserve may be used to stabilize revenues, retire outstanding debt or pay judgments.

IV. STEWARDSHIP AND ACCOUNTABILITY

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

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

These deficits were caused by deferring revenue for which eligibility requirements had not yet been met and/or the time lag between reimbursements for grant expenditures versus when the expenditures were incurred.

The deficit net position of (\$65,020) in the Paul Brown Stadium enterprise fund is due to the outstanding debt on the capital assets exceeding the cost of the assets net of depreciation.

V. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Moneys held by the County are classified by State statute into two categories:

1. Active moneys are public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, in negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
2. Moneys held by the County that are not considered active are classified as inactive.

The County's Statement of Investment Policy, approved by the County's Investment Advisory Committee authorizes investments permitted under Ohio law, which states that inactive moneys are to be deposited or invested in the following:

1. U.S. Treasury notes, bills, bonds or other obligations or securities issued by the U.S. Treasury, any other obligation guaranteed as to principal and interest by the United States, or any book-entry, zero-coupon U.S. security that is a direct obligation of the United States;
2. bonds, notes, debentures or any other obligations or securities issued directly by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Government National Mortgage Association;
3. time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
4. bonds and other obligations of the State of Ohio or its political subdivisions;

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives, as well as the issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are all prohibited.

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

The following information categorizes deposits and investments and identifies risks related to deposits and investments as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, and GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

Cash on Hand. At year-end, the County had \$3,446 in undeposited cash on hand. This amount is included on the Statement of Net Position of the County as part of Equity in Pooled Cash and Investments.

Deposits—County. At year-end, the County's carrying amount of deposits was \$177,297 and the bank balance was \$180,574.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's policy for deposits is that any balance not covered by the Federal Deposit Insurance Corporation will be collateralized by the financial institutions with pledged securities. Of the year-end bank balance, \$7,591 was covered by federal depository insurance or by collateral held by the County's agent in the County's name. At December 31, 2017, \$132,074 of the bank balance was exposed to custodial credit risk. Certain timing issues related to fluctuations in depository balances contributed to the uncollateralized balance. These insufficiencies were corrected the next business day. The remaining amount of the bank balance, \$40,909, was also exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

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

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

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

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

Credit Risk. It is the County's policy to limit its investments in no-load money market mutual funds to funds rated in the highest category by nationally recognized statistical rating organizations and to limit investments in other obligations that are not U.S. government obligations or those explicitly guaranteed by the U.S. government to investments that have a credit quality rating of the top two ratings issued.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has implemented several controls to mitigate custodial risk. All security transactions are executed on a delivery versus payment basis. All securities are delivered to the County's custodian bank before payment is made to the broker dealer for the security. Securities delivered to the custodian are held in the name of the County. If the market conditions or liquidity needs require the sale of the security, the County will identify securities that mitigate the amount of the loss.

Concentration of Credit Risk. The County's investment policy provides for diversification to avoid undue concentration in one type of securities. The County has invested more than 5 percent of the County's investments in U.S. Treasury notes and the FHLB, FNMA and FFCB, as noted in the table above.

Interest Rate Risk. Interest rate risk arises because fixed-income securities will increase or decrease in market value as interest rates fluctuate during the life of such securities. Accordingly, Ohio Revised Code requires that an investment must mature within five years from the date of purchase unless matched to specific obligations or debt of the County, and must be purchased with the expectation that it will be held to maturity. Additionally, policy specifies that the portfolio be structured to diversify investments to reduce the risk of loss resulting from over-concentration of assets in a specific maturity or a specific type of investment.

Deposits—MSD. MSD has active deposits as described above. Its inactive deposits are public deposits that MSD has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts, including, but not limited to, passbook accounts. In addition to deposits of active and inactive moneys, MSD may have deposits of interim moneys. These are moneys that are not needed for immediate use but that will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

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

At December 31, 2017, the carrying amount of MSD's deposits totaled \$163,838. Amounts held by the City are invested on MSD's behalf in accordance with the City's Municipal Code. These amounts are collateralized as part of the City's cash and investment balances.

Custodial Credit Risk (Defined Above). MSD's policy for deposits states that collateral is required for demand deposits and certificates of deposit at 105 percent of all deposits not covered by federal deposit insurance. Protection of MSD's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities, school districts and district corporations. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required. Although the pledging bank has an investment and securities pool used to collateralize all public deposits, which are held in the financial institution's name, noncompliance with federal requirements could potentially subject MSD to a successful claim by the FDIC. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized under the provisions of GASB 3 and subject to custodial credit risk.

For additional GASB 40 disclosure requirements, refer to the financial statements as of June 30, 2017, the most recent available, for the City of Cincinnati.

Investments—MSD. State statute, Board of County Commissioners' resolutions, and the 1985 Trust Indenture as amended, authorize MSD to invest in obligations of the U.S. Treasury, its agencies or its instrumentalities; certificates of deposit; repurchase agreements; money market deposit accounts; municipal depository funds; super NOW accounts; sweep accounts; separate trading of registered interest and principal of securities; mutual funds; bonds and other obligations of the State; and the State Treasurer's investment pool. The following investment policies are the same for MSD as defined in the County's investment policy above: (1) limitations on repurchase agreements, (2) prohibited investments, and (3) guidelines governing dealers and payments. Investments made by MSD are summarized below:

| <u>Measurement/Investment</u> | <u>Measurement Amount</u> | <u>Percent of Total Investments</u> |
|-------------------------------------|-------------------------------|---|
| Fair Value—Level 1 Inputs | | |
| U.S. Treasury Securities | \$ 121,251 | 22.70 |
| Fair Value—Level 2 Inputs | | |
| U.S. Agency Securities | 242,065 | 45.31 |
| Fair Value—Level 3 Inputs | | |
| Deposits Held by City of Cincinnati | 163,838 | 30.67 |
| Money Market Funds | 7,077 | 1.32 |
| Total County Investments | <u>\$ 534,231</u> | <u>100.00</u> |

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

Custodial Credit Risk (Defined Above). Funds held by trustees are eligible investments as defined by the Trust Agreement and are in the name of the trustee for the benefit of MSD. As stated in GASB 40, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. The Federal National Mortgage Association notes, Federal Home Loan

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

Mortgage Corporation notes and Federal Home Loan Bank notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in MSD's name. The money market funds are invested in a treasury obligation fund with a Moody's credit rating of Aaa. MSD has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk. MSD uses the City of Cincinnati's investment policy, which addresses concentration of credit risk by requiring investments to be diversified to reduce risk of loss resulting from over-concentration of assets in a specific issue or class of security. The table above includes the percentage of each investment type held by MSD at December 31, 2017.

MSD has no policy that addresses interest rate risk.

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

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

The CFA's investment policy is limited by the Cooperative Agreement with the City and the County. The eligible investments include obligations guaranteed as to principal and interest by the United States or by an agency or instrumentality of the federal government or a no-load money market fund, which consists of these obligations. The CFA may also invest in time certificates of deposits of eligible institutions; bonds and other obligations of the State, City or political subdivision of the State; Ohio subdivision's fund; and certain written repurchase agreements.

The CFA does not have a written credit risk policy, concentration of credit risk policy, investment rate risk policy or foreign currency risk policy.

Reconciliation of Balance Sheet Cash with Deposits and Investments. The classifications of cash and cash equivalents, and investments on the combined financial statements for the primary government are based on criteria set forth in GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*. A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications of deposits and investments, including MSD, presented above per GASB 3 is as follows:

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

B. Receivables

Receivables at December 31, 2017, consisted of taxes, interest, special assessments, lease rent, accounts (billings for user-charged services, including unbilled utility services), and intergovernmental receivables arising from grants, entitlements and shared revenues. Property tax receivables and MSD's accounts receivable are shown net of an allowance for uncollectibles. Receivables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability.

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

Property Taxes. Property taxes include amounts levied against real, public utility and tangible (personal) property. The assessed value by property classification upon which the 2017 tax collection was based is as follows:

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

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 2.26 mills of this 10-mill limit for its General Fund. In addition to the 2.26 mills, voted levies in the amount of 16.59 mills have been approved for health and hospitalization, law enforcement, developmental disabilities and mental health, children’s services, zoological parks, senior services and family treatment services.

A summary of the voted levies follows:

| <u>Purpose</u> | <u>Voter Authorized Rate⁽¹⁾</u> | <u>Rates Levied for Current Year Collection⁽²⁾</u> | | <u>Final Collection Year</u> |
|----------------------------|--|---|-----------------------------------|--------------------------------------|
| | | <u>Residential/ Agricultural</u> | <u>Commercial/ Industrial</u> | |
| University Hospital | 4.07 | 1.71 | 2.72 | 2017 |
| Police Information Center | 0.54 | 0.17 | 0.30 | Continuing |
| Developmental Disabilities | 4.13 | 3.95 | 4.13 | 2019 |
| Mental Health | 2.99 | 1.65 | 2.33 | 2017 |
| Children’s Services | 2.77 | 1.88 | 2.69 | 2021 |
| Zoo | 0.46 | 0.35 | 0.45 | 2018 |
| Senior Services | 1.29 | 1.00 | 1.26 | 2017 |
| Family Treatment Services | 0.34 | 0.34 | 0.34 | 2019 |
| Total Voted Millage | 16.59 | 11.05 | 14.22 | |

⁽¹⁾dollar amount per \$1,000 of assessed valuation

⁽²⁾reduction factors applied to levies

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from the reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount from real property taxes as in the year in which the levy was approved. The reduction factors are computed annually and applied separately for residential/agricultural property and commercial/industrial property. Increases to voted levy revenues occur with the addition of new construction that is added to the tax duplicate each year.

The County Commissioners allocated approximately 29.74 percent of the ½ cent permissive sales tax receipts to reduce residential property taxes in the County. In 2017, this represented a 3.35 percent reduction for all owner-occupied homeowners in the County.

Taxes collected on real property (other than public utilities) in one calendar year are levied on the preceding calendar year’s assessed values as of January 1 of that preceding year, the lien date. Assessed values are established the preceding year by the County Auditor at 35 percent of appraised market value. A physical reappraisal of all real property is required every six years, with a statistical update every third year. The last physical reappraisal was completed during 2017.

The County Treasurer bills and collects real property taxes on behalf of all taxing districts in the County, including the County. Taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid

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

semi-annually, the first payment is due December 31 with the remainder payable by June 20 of the following year. The County's practice is to extend the December 31 due date to January. Unpaid taxes become delinquent after December 31 of the year they are due with penalties and interest assessed. Foreclosure proceedings may be initiated by the County Prosecutor if delinquent taxes are not paid within one year.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the collection year, the lien date. The majority of public utility tangible personal property currently is assessed at 25 percent of its true value. Public utility taxes are payable on the same date as real property taxes described previously.

The County Auditor periodically remits to the taxing districts their portions of the taxes collected. The final settlements of real and public utility property taxes are made in April and August. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County. The County accrues property taxes as receivables since they can be measured and recorded when levied and recognized as deferred inflows since they are collected in advance of the year for which they are levied. Property taxes are recognized as revenue in the year for which they are levied.

Property tax revenues were recorded in the following funds in 2017:

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

Property tax revenues include levies collected from both the current levy and delinquent levies. The cumulative delinquency as of December 31, 2017, was \$13,342 of real and public utility taxes and \$2,932 of tangible personal property taxes, for a total of \$16,274. The delinquent property tax revenue was not recorded in the financial statements due to the uncertainty of collection. Recording the delinquency would not have an impact on the fund balance of the County since it would be offset by a reserve for delinquent accounts.

Sales and Use Tax. On March 19, 1996, voters of Hamilton County approved a .5 percent increase (from .5 percent to 1.0 percent) in the County's general sales tax. The County Commissioners approved by resolution that this additional tax will be used for development of the riverfront area, including construction of the football and baseball stadiums. On November 4, 2014, voters of Hamilton County approved a five-year .25 percent increase (from 1 percent to 1.25 percent) in the sales tax. The proceeds are to be used for the renovation and restoration of the historic Union Terminal, which houses the Museum Center, Ohio Historical Society Library, and several other organizations. Vendor collections of sales tax are paid to the State Treasurer by the 25th day of the month following collection. The Ohio Department of Taxation (ODT) certifies to the Ohio Department of Budget and Management (OBM) the amount of the tax to be returned to the County. The ODT certification must be made within 45 days of the end of each month. The OBM then has 5 days in which to draw the warrant payable to the County.

Hotel Occupancy Tax. The CFA receives hotel occupancy tax quarterly from the County and City.

Intergovernmental. State subsidies for local property tax reductions are recorded as Intergovernmental Receivable when measurable and Intergovernmental Revenues when measurable and available. Federal and State grants and assistance awards made on the basis of entitlement are recorded as Intergovernmental Receivable and Revenues when entitlement occurs. All other federal and State reimbursement-type grants and other intergovernmental reimbursements are recorded as receivables and revenues when the related

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

expenditures/expenses are incurred. A summary of the Intergovernmental Receivables for the year ended December 31, 2017, follows:

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

Loans. The Hamilton County Housing Rehab Program provides low-interest loans to income-qualifying homeowners to provide an affordable means for making major repairs on their homes. The program is funded by the Board of County Commissioners through the Hamilton County Community Block Grant Program, with funds from the U.S. Department of Housing and Urban Development. Funds from loan repayments by previous program recipients are made available for use through a revolving loan fund. These loans (\$130) are classified as Accounts Receivable on the Balance Sheet—Governmental Funds.

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

In 2002, the County Commissioners adopted the Home Improvement Program (HIP). HIP allows homeowners in Hamilton County to borrow money from banks to repair or remodel their homes or rental property at interest rates 3 percent below the lowest rate the banks would normally offer. These loans are collateralized by Hamilton County certificates of deposit (CDs). These CDs totaled \$2,040 at December 31, 2017, and are included in Equity in Pooled Cash and Investments on the Balance Sheet—Governmental Funds.

C. Restricted Assets

Restricted assets in the enterprise funds include the following cash, cash equivalents and investments:

| | |
|---|------------|
| Restricted Cash and Cash Equivalents: | |
| Held by the City of Cincinnati: | |
| Construction Account | \$ 102,575 |
| Amount to Be Transferred to Surplus Account | 50,697 |
| Held by Trustees | 97,202 |
| Total Restricted Cash and Cash Equivalents | 250,474 |
| Restricted Investments: | |
| Held by Trustees—Held to Maturity | 277,316 |
| Total Restricted Assets | \$ 527,790 |

D. Capital Assets

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

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

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

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

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

Depreciation expense was charged to functions/funds as follows:

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

E. Interfund Balances and Transfers

Interfund balances at December 31, 2017, consisted of the following amounts and represent charges for services or reimbursable expenses except for the General Fund's coverage of the negative cash balance for a nonmajor governmental fund (\$1,332).

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

Due to/from balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records and (3) payments are made between funds. All are expected to be paid within one year.

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

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

Advances to/from balances are amounts that are owed, other than charges for goods and services rendered, by a particular fund to another fund and that are not due within one year. Interfund receivables/payables represent manuscript bonds issued by the County and purchased by the Health and Human Services Levies Fund. TIF (tax increment financing) revenues will be used for repayment.

| | Receivables | | Payables | |
|----------------------------------|------------------|-------------------------|------------------|---------------------------|
| | Manuscript Bonds | Advances to Other Funds | Manuscript Bonds | Advances from Other Funds |
| General Fund | \$ - | \$ 113 | \$ - | \$ - |
| Health and Human Services Levies | 20,805 | - | - | - |
| Other Governmental Funds | - | - | - | 113 |
| Other Enterprise Funds | - | - | 20,805 | - |
| Totals | \$ 20,805 | \$ 113 | \$ 20,805 | \$ 113 |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to segregate money for anticipated capital projects, to provide additional resources for current operations or debt service, and to return money to the fund from which it was originally provided once a project is completed. Interfund transfers for the year ended December 31, 2017, consisted of the following:

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

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

F. Long-Term Debt and Other Obligations

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

| Governmental Activities | <u>Maturity</u> | <u>Interest Rate %</u> | <u>Balance January 1</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance December 31</u> | <u>Due in One Year</u> |
|--|-----------------|------------------------|--------------------------|------------------|--------------------|----------------------------|------------------------|
| <i>Long-Term Debt</i> | | | | | | | |
| <u>Year Issued/Purpose/Amount Issued</u> | | | | | | | |
| <u>General Obligation Bonds—Unvoted</u> | | | | | | | |
| 2001 Various Purpose—\$1,455 | 2021 | 3.00-5.00 | \$ 350 | \$ - | \$ (65) | \$ 285 | \$ 70 |
| 2001 Water West Phase 2—\$1,660 | 2021 | 3.00-5.00 | 550 | - | (100) | 450 | 105 |
| 2005 Various Purpose Refunding—\$28,715 | 2017 | 3.00-5.00 | 2,335 | - | (2,335) | - | - |
| 2006 Emergency Mgmt. and Ops. Ctr.—\$725 | 2025 | 4.00-4.50 | 410 | - | (35) | 375 | 40 |
| 2007 Various Purpose Refunding—\$18,130 | 2024 | 3.75-4.15 | 1,795 | - | (1,355) | 440 | 440 |
| 2008 Various Purpose—\$8,795 | 2018 | 3.00-4.00 | 1,985 | - | (975) | 1,010 | 1,010 |
| 2009 Emergency System Alert—\$1,615 | 2024 | 2.00-4.25 | 935 | - | (825) | 110 | 110 |
| 2009 Urban Redevelopment—\$12,550 | 2039 | 1.875-6.8 | 10,605 | - | (295) | 10,310 | 310 |
| 2011 Energy Conservation—\$5,512 | 2040 | 2.40-5.25 | 4,354 | - | (331) | 4,023 | 352 |
| 2012 Energy Conservation Phase 1—\$9,400 | 2027 | 2.0-3.125 | 7,220 | - | (600) | 6,620 | 610 |
| 2015 Improvement and Refunding—\$10,830 | 2030 | 3.00-5.00 | 10,240 | - | (2,133) | 8,107 | 1,330 |
| 2017 Various Purpose Refunding—\$81,997 | 2039 | 4.00-5.00 | - | 81,997 | - | 81,997 | 340 |
| Deferred Amounts: | | | | | | | |
| For Issuance Premiums | | | 1,231 | 17,363 | (1,013) | 17,581 | - |
| Total General Obligation Bonds—Unvoted | | | 42,010 | 99,360 | (10,062) | 131,308 | 4,717 |
| <u>Special Assessment Bonds</u> | | | | | | | |
| 1997 Sewer District—\$340 | 2017 | 5.125-5.30 | 25 | - | (25) | - | - |
| 1998 Sewer District—\$705 | 2018 | 4.65-4.75 | 105 | - | (50) | 55 | 55 |
| 1999 Sewer District—\$170 | 2019 | 5.5 | 40 | - | (10) | 30 | 15 |
| 2000 Sewer District—\$545 | 2020 | 5.40-5.55 | 155 | - | (35) | 120 | 40 |
| 2001 Sewer District—\$150 | 2021 | 4.00-5.10 | 50 | - | (10) | 40 | 10 |
| 2002 Sewer District—\$295 | 2022 | 3.50-5.05 | 115 | - | (20) | 95 | 15 |
| 2003 Sewer District—\$460 | 2023 | 1.25-5.75 | 205 | - | (25) | 180 | 25 |
| 2004 Water and Sewer—\$625 | 2024 | 1.8-4.9 | 295 | - | (35) | 260 | 30 |
| 2005 Sewer District—\$110 | 2025 | 4.35-4.40 | 55 | - | (5) | 50 | 5 |
| 2006 Sewer District—\$76 | 2026 | 4.65-4.75 | 38 | - | (4) | 34 | 4 |
| 2007 Sewer District—\$750 | 2027 | 4.15-4.65 | 485 | - | (35) | 450 | 40 |
| 2008 Sewer District—\$262 | 2028 | 4.625-5.50 | 180 | - | (15) | 165 | 10 |
| 2009 Sewer District—\$710 | 2029 | 2.50-4.50 | 505 | - | (30) | 475 | 35 |
| 2010 Sewer District—\$387 | 2030 | 2.00-4.35 | 285 | - | (15) | 270 | 15 |
| 2011 Sewer District—\$275 | 2031 | 4.75 | 220 | - | (15) | 205 | 10 |
| Total Special Assessment Bonds | | | 2,758 | - | (329) | 2,429 | 309 |
| Total Governmental Long-Term Debt | | | 44,768 | 99,360 | (10,391) | 133,737 | 5,026 |
| <i>Other Long-Term Liabilities</i> | | | | | | | |
| <u>Compensated Absences</u> | | | | | | | |
| | | | 44,152 | 40,234 | (41,049) | 43,337 | 3,762 |
| <u>State Loans</u> | | | | | | | |
| | | | 2,265 | | (147) | 2,118 | 147 |
| <u>Loan Contracts</u> | | | | | | | |
| | | | 2,989 | - | (175) | 2,814 | 175 |
| <u>Forgivable Mortgage</u> | | | | | | | |
| | | | 792 | - | (68) | 724 | 68 |
| <u>Claims Payable</u> | | | | | | | |
| | | | 860 | 1,092 | (598) | 1,354 | 1,118 |
| <u>Net Pension Liability</u> | | | | | | | |
| | | | 277,743 | 88,979 | - | 366,722 | - |
| Total Governmental Long-Term Liabilities | | | <u>\$ 373,569</u> | <u>\$229,665</u> | <u>\$ (52,428)</u> | <u>\$ 550,806</u> | <u>\$10,296</u> |

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

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

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

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

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

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

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

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

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

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

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

Long-Term Bonds. All long-term bonds of the County are retired from the debt service funds except for debt payable from enterprise funds. General obligation bonds and notes are backed by the County's ability to levy a voted or unvoted property tax within limitations of State law. General obligation special assessment bonds are backed by the County's ability to levy an assessment against individual property owners within limitation of State law. The County is liable for this debt in the event of default by the property owners subject to the assessment. At year-end, delinquent receivables related to special assessment debt was \$31. Sewer revenue bonds are backed by user charges against individual ratepayers. Sales tax bonds are backed by a lien on the receipts of an additional .5 percent sales tax approved by the County voters on March 19, 1996. The available pledged revenues and principal and interest requirements for 2017 were as follows:

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

General obligation bonds are generally issued as 20-year serial bonds with various amounts of principal maturing each year. Under State law applicable to the County, general obligation bond anticipation notes may be issued from time to time up to a maximum maturity of 20 years from the date of issuance of the original notes.

The Uniform Bond Law of the State of Ohio provides that the total net indebtedness created or incurred by any county shall never exceed a sum equal to 3.0 percent of the first \$100,000 or part of the tax list, plus 1.5 percent of the tax list in excess of \$100,000 and not in excess of \$300,000, plus 2.5 percent of the tax list in excess of \$300,000. In addition, the net indebtedness created or incurred by any county without vote of the electors shall never exceed a sum equal to 1.0 percent of the tax list of the county. Contained in the Uniform Bond Law of the State of Ohio are exceptions for debt limitations. Among the kinds of debt exempted are debt issued for special assessments, sewer works, self-supported revenue bonds and jail facilities.

The total voted and unvoted non-exempt debt of the County that could be issued subject to the 3.0 percent, 1.5 percent and 2.5 percent limitation described above is \$482,084. The total County net debt subject to this limitation is \$155,189, leaving a borrowing capacity of \$326,895 within the limitation from combined voted and unvoted non-exempt debt. The total County unvoted, non-exempt debt that could be issued subject to the 1.0 percent limitation is \$193,434. The total County debt subject to such limitation is \$155,189, leaving a borrowing capacity of \$38,245 within the 1.0 percent limitation for unvoted non-exempt debt.

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

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

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

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

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

Series A and B Revenue Bonds. In 2015, 2014, 2013 and 2010, MSD issued County of Hamilton, Ohio, Series A Sewer System Refunding Revenue bonds. In 2010 and 2013, MSD also issued Series B Sewer System Refunding Revenue bonds. In 2009 and 2007, MSD issued Series A Sewer System Improvement Revenue Bonds. In 2009 and 2010, MSD also issued Series B Sewer System Improvement Revenue Bonds (Build America Bonds). The proceeds of all of these bonds were used to permanently fund certain previous capital expenditures, provide funds for new projects, defease portions of previous bond issues, fund the new bond reserve requirements and pay the costs of issuance. The 2010, 2009 and 2007 bonds may be redeemed prior to their maturities in accordance with provisions of the bond resolutions. The redemption process for the bonds includes declining premiums up to 2 percent of principal. Under the terms of the amended revenue bond trust indenture, MSD has agreed to certain covenants, among other things to restrict additional borrowing, maintain rates sufficient to meet debt service requirements and maintain specified balances under trust agreements. The revenue bond issues contain covenants that require MSD to maintain a maximum level of debt service coverage of 125 percent.

Ohio Water Development Authority Contracts. All contracts between the Ohio Water Development Authority (OWDA) and MSD require the County to prescribe and charge such rates for sewer usage that are sufficient (after expenses of operation and maintenance) to pay principal and interest on OWDA contracts. The principal is repayable in equal semi-annual installments to maturity.

Ohio Water and Sewer Rotary Commission. Advances from the Ohio Water and Sewer Rotary Commission represent tap-in fees and acreage assessments to be forwarded to the Commission upon collection from customers. Such advances do not bear interest unless they are determined to be in default.

Ohio Public Works Commission. MSD has entered into agreements with the Ohio Public Works Commission (OPWC) for financing of certain qualified capital projects. As the projects progress, the commitments are drawn down as funds are paid by OPWC directly to the contractors. The principal is repayable in semi-annual installments to the date of maturity for each project.

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

Water Pollution Control Loan Fund. MSD has received low-interest loan commitments from the Ohio Water Pollution Control Loan Fund for certain qualified projects. As the projects progress, the commitments are drawn down. The principal is repayable in semi-annual installments to the date of maturity of each project.

Prior Defeased Debt. The County and MSD have defeased various general obligation serial bonds and revenue serial bonds through refinancing and operations. Separate irrevocable trust funds are established and funded to fully service defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and is not included in the financial statements. At December 31, 2017, \$16,855 general obligation bonds were considered defeased. For MSD, the amount of defeased debt outstanding was \$180,205.

Revenue Bonds. In 2014, the CFA issued First Lien Improvement Bonds for \$69,890 for the purpose of funding new projects and for refunding the 2004 First and Second Lien Improvement Bonds. The 2014 bonds have a final maturity date of December 1, 2033, and carry interest rates of 2–5 percent. The revenues pledged to the trustee to support the debt include the County 3.5 percent, City 2002 1.5 percent and City 1.0 percent hotel tax.

Capital Lease. In 2015, the County entered into a five-year capital lease-purchase agreement for \$7,739 for a new scoreboard for Paul Brown Stadium. MSD issued a capital lease for a new engineering building in 2010. The capital asset acquired under the lease is \$15,000. These lease obligations meet the criteria of a capital lease as defined by Financial Accounting Standards Board guidance. The scoreboard is reported with furniture, fixtures and equipment, and the MSD asset is reported with other buildings in the capital asset activity in note V D.

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

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

Compensated Absences. Employees with a minimum of one year of service become vested in accumulated unpaid vacation time. For County employees, Ohio law requires that vacation time not be accumulated for more than three years. Normally, all vacation time is to be taken in the year available unless administrative approval for carryover is obtained. Unpaid vacation time is payable upon termination of employment. In general, employees are eligible to be paid for unpaid overtime and unused compensatory time upon termination of employment. A portion of unpaid sick time is payable upon retirement. All sick, vacation and overtime/compensatory time payments are made at the employee's current wage rate. The liability is accrued by fund and is reported in the Statement of Net Position. The County pays obligations related to employees' compensation from the funds benefitting from their service.

Interest on Long-Term Obligations. The following interest costs were incurred and expensed or capitalized as part of the cost of additions to capital assets:

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

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

Other Long-Term Obligations. Other long-term obligations of the County consist of (1) four loans from the State of Ohio for road improvement projects, (2) a State loan to be used for the construction of an intermodal transit facility, (3) a State loan to be used for the riverfront development, (4) a forgivable mortgage for renovation work on a building, (5) loan contracts for the purchase of and improvement to various properties in the County, (6) claims payable estimate for workers' compensation, (7) net pension liability and (8) net other post-employment benefits obligation. These are reported as part of Long-Term Liabilities in the government-wide Statement of Net Position.

State Loans. The Hamilton County Engineer's Office has four interest-free loans with the Ohio Public Works Commission. These were fully issued in 2006, 2015 (two) and 2016, in the amounts of \$1,553, \$555, \$540 and \$301, respectively. Repayment has commenced on all of the loans. The final maturity dates range from 2028 to 2036. The proceeds of all of these loans are being used to finance road improvement projects. The loans will be repaid from the County's permissive auto tax.

In May 2009, the County obtained a loan from the State of Ohio in the amount of \$11,685 to be used for the construction of an intermodal transit facility, which is secured by parking revenues, sales tax receipts, and, on a contingent basis, by other non-tax revenues of the County. The loan will be repaid in 2012–2019. Interest rates on the loan range from 3.00 to 4.25 percent.

In October 2009, the County secured a loan for \$5,475 from the State to be used for the riverfront development. The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati. Repayment of the loan began in 2015 and will conclude in 2024. The interest rate for the first five years is 0 percent. Thereafter, the interest rate is 3 percent.

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

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

Forgivable Mortgage. In 2003, a forgivable mortgage in the amount of \$1,697, to be used for improvement to a facility, was executed between Hamilton County Alcohol and Drug Addiction Services (now part of the Mental Health and Recovery Services Board—MHR SB) and Ohio Department of Alcohol and Drug Addiction Services. The contract provides that the property must be used to provide alcohol and other drug services for a period of 25 years from contract inception. Should MHR SB discontinue alcohol and other drug services at this facility, the balance of the contract would become due immediately. The balance on the mortgage will be reduced each month through February 2029. There is no interest charged on this obligation.

| Year Ending December 31 | Mortgage Forgiveness |
|----------------------------|-------------------------|
| 2018 | \$ 68 |
| 2019 | 68 |
| 2020 | 68 |
| 2021 | 68 |
| 2022 | 68 |
| 2023-2027 | 339 |
| 2028-2031 | 45 |
| Total | \$ 724 |

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

Loan Contracts. The County's loan contracts are made between the Hamilton County Mental Health and Recovery Services Board (MHR SB) and the Ohio Department of Mental Health (ODMH), for the purchase of and improvement to various properties in the County for use in providing mental health services. The terms of the contracts are essentially equivalent to a mortgage on the property, with MHR SB being obligated to provide mental health services for a period of 40 years from the inception of the contract. Should MHR SB discontinue mental health services at a particular facility, the balance of the contract would become due immediately. Failure to pay the balance could result in foreclosure by ODMH. The balance due is reduced on a month-by-month basis over the term of the contract as long as the facility is used for mental health services. The amount outstanding on these loan contracts at December 31, 2017, amounted to \$2,814. There is no interest charged on these obligations.

| Year Ending December 31 | Loan Contracts Forgiveness |
|----------------------------|-------------------------------|
| 2018 | \$ 175 |
| 2019 | 175 |
| 2020 | 175 |
| 2021 | 175 |
| 2022 | 176 |
| 2023-2027 | 876 |
| 2028-2032 | 761 |
| 2033-2037 | 225 |
| 2038-2042 | 67 |
| 2043-2046 | 9 |
| Total | <u>\$ 2,814</u> |

Claims Payable. Claims payable represent the County's estimated liability for workers' compensation coverage for all employees. Claims will be paid from the Workers' Compensation Reserve internal service fund (see note VI A).

Net Pension Liability and Net Other Post-Employment Benefits Obligation. The County's and MSD's long-term liabilities for net pension are \$366,722 and \$99,307, respectively. MSD's net other post-employment benefits obligation is \$10,413. (See also notes VI F-H.) The County pays obligations related to employees' compensation from the funds benefitting from their service.

Conduit Debt Obligations. Periodically, the County issues Hospital Facility, Economic Development, Health-Care System or Facility, Multifamily Housing or Student Housing revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. These bonds are backed by the property financed and are payable solely from payments received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County and, therefore, are not reported in the financial statements. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. As of December 31, 2017, the aggregate principal amount outstanding for these bonds was as follows:

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

G. Leases

Operating Leases—Lessee. At December 31, 2017, the County had entered into various long-term operating leases for office and storage space and for land for communications towers. The lease terms range from 2 years to 11 years. Operating lease payments are recorded in the period they are paid. These payments are made from the General Fund and from the Health and Human Services Levies and nonmajor special revenue funds. Sublease

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

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

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

Operating Leases—Lessor. The County has contractual agreements for the rental of properties, including stadiums, office space, retail space, adult educational and residential facilities, land and communications towers, to commercial and not-for-profit enterprises. These rentals are reported as operating leases for accounting purposes. Total rent received in 2017 was \$321 in governmental funds and \$648 in business-type funds.

In June of 1999, the County entered into a 35-year lease agreement with the Cincinnati Reds. Terms of the lease state that the Reds will pay the County \$2,500 a year for the first 9 years, beginning in 2003, and \$1 (amount not in thousands) a year for the remaining 26 years. In 2009, the lease was amended. The new agreement calls for the Reds to pay the County \$1,500 per year through 2011 and \$1 (amount not in thousands) per year to 2037. Additionally, there was an annual utility reimbursement through 2011 of \$625.

In May of 1997, the County entered into a contract that binds the Cincinnati Bengals from the date of the newly constructed stadium to June 30, 2026. The Bengals in turn agreed to pay the County rent for the first 9 years after the stadium was completed. That final rental payment was received in 2009. The lease agreement was amended in 1998, 2000, 2010, and 2014. Currently, the Bengals pay base rent of \$500 (through 2018) plus one-fifth of \$117 over five years, based on the amount over \$10,000 the County spent to purchase and install the new scoreboard. Additionally, in 2015, there was a onetime addition to rent of \$471 as part of the agreement that the County would pay to extend the ribbon board in the stadium.

Future rental revenues for leases are as follows:

| Year Ending December 31 | Operating Lease Revenues | |
|----------------------------|-----------------------------|----------------------------|
| | Business-Type Activities | Governmental Activities |
| 2018 | \$ 620 | \$ 563 |
| 2019 | 603 | 287 |
| 2020 | 31 | 75 |
| 2021 | 8 | 5 |
| Total | \$ 1,262 | \$ 930 |

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

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

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

VI. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage. The County purchases commercial insurance to cover losses due to theft of, damage to or destruction of assets, and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are retained by the County. There has been no reduction in insurance coverage or limits from coverage provided in 2016. Over the past three years, claim amounts from risks covered by commercial insurance have not exceeded the specific policy's limit.

The County retains risk of loss related to court judgments resulting from tort and general liability claims of County officials and employees. A portion of the General Fund balance has been assigned for paying potential court-ordered judgments, and at December 31, 2017, this amounted to \$206.

Beginning in 1990, the County established an internal service fund titled Workers' Compensation Reserve to account for and finance its workers' compensation claims risk. All departments of the County participate in the program and make per capita payments to the internal service fund. The claims liability reported in the workers' compensation internal service funds at December 31, 2017, is based on the requirements of Governmental Accounting Standards Board Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. For most of 2017, the County used a prospectively billed program provided under the Bureau of Ohio Workers' Compensation to cover injured workers' claims. Prior to year end, the County switched to a prospectively billed program.

The historical changes in claims payable during the past two years are as follows:

| Year | Beginning Balance | Claims and Changes in Estimates | Claims Payments | Ending Balance |
|------|-------------------|---------------------------------|-----------------|----------------|
| 2016 | \$ 1,161 | \$ 1,023 | \$ (1,324) | \$ 860 |
| 2017 | 860 | 1,092 | (598) | 1,354 |

The County provides employees' health-care coverage through a self-insurance program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. Anthem reviews all claims for Anthem plans, which are then paid by the County. Separately, the County purchases stop-loss coverage from SunLife of \$500 per employee and an aggregate limit of 120 percent of expected claims and a \$5,000 lifetime (per member) maximum.

The County pays into the self-insurance internal service fund based on one of three plan options, according to the grid below (amounts not rounded). In 2017, the County collected the majority of the monthly employer cost of the plans in May. The premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

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

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

A portion of the claims liability (\$3,388) reported in the Medical Self-Insurance Fund at December 31, 2017, is estimated by the external actuarial and is based on the requirements of GASB 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the self-insurance fund's claims liability payable during the past two years are as follows:

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

The County participates in the Ohio Fire Marshall Underground Storage Tank Insurance program for environmental risks of underground fuel storage tanks.

MSD is part of the City of Cincinnati Risk Management Program. The City purchases (1) commercial insurance to cover losses due to theft of, damage to or destruction of assets, (2) general liability insurance for specific operations and (3) professional liability insurance for certain operations. All other risks of loss are self-insured. Separately, MSD carries property insurance pursuant to an all-risk policy on MSD's buildings and equipment per the revenue bond trust agreement. There has been no reduction in coverage since 2003. Insurance settlements for claims resulting from risks covered by commercial insurance have not exceeded the insurance coverage in any of the past four years.

B. Related Party Transactions

Cincinnati Water Works provides billing and collection services on customers' accounts for MSD. Fees for these services for 2017 were \$5,880. Fees are also paid to other municipalities and villages within the County for collection of sewerage bills.

The City provides overhead services to MSD, such as check disbursement and investment and legal services. The fees for these services for 2017 were \$2,335. In addition, the City's Municipal Garage provides gasoline and repairs vehicles for MSD. Fees for these services were \$1,443 for 2017.

C. Jointly Governed Organizations

The County's Board of Developmental Disabilities is a participant in the Southwestern Ohio Council of Governments (COG). The Council consists of members representing each of the participating counties. Other County Boards of Developmental Disabilities may petition for membership to the Council; however, membership must be approved by a two-thirds vote of the Council members. The Council is a jointly governed organization whose role is to coordinate the powers and duties of the member boards to better serve and benefit persons with developmental disabilities within the member counties. In 2017, Hamilton County contributed \$158 to the council, and the council is currently holding \$886 in deposits that belong to the County and are represented by Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Southwestern Ohio Council of Governments may be obtained at 412 South East Street, Lebanon, OH 45036. (See note I A.)

Hamilton County Mental Health and Recovery Services Board (HCMHRSB) is a member of the Three C Recovery and Health Care Network Council of Governments. The purpose of this Council is for creating a Shared Health Care and Recovery Enterprise System (SHARES) to support management of client enrollment, benefit management, provider contracting, payment processes and utilization management for the member boards and for

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

additional boards that may join the COG in the future. The COG Board of Trustees consists of six members, two from each of the founding counties. Other mental health and/or alcohol and other drug county boards may petition for membership to the COG; however, membership must be approved by a unanimous vote of all COG members in good standing at the time of the vote. In 2017, Hamilton County contributed \$540 toward the operation of the COG. On December 31, 2017, the account balance of the COG was \$406, of which \$135 is allocated to HCMHRSB. This amount is reported as Cash and Cash Equivalents—Segregated Accounts—on the Statement of Net Position and the fund financial statements for the Health and Human Services Levies. Financial information for the Three C Recovery and Health Care Network Council of Governments may be obtained at 2350 Auburn Avenue, Cincinnati, Ohio 45219. (See note I A.)

D. Significant Commitments and Contingent Liabilities

The County has contracted construction commitments for the following:

| <u>Project</u> | <u>Spent to Date</u> | <u>Remaining Commitment</u> |
|------------------------|--------------------------|---------------------------------|
| Riverfront Development | \$ 225,579 | \$ 1,473 |

At year-end, valid outstanding encumbrances are reappropriated and become part of the subsequent year's budget. The encumbrances as of December 31 are as follows:

| | |
|---------------------------------------|-------------------|
| General Fund | \$ 9,961 |
| Health and Human Services Levies Fund | 38,150 |
| Other Governmental Funds | <u>81,813</u> |
| Total | <u>\$ 129,924</u> |

The City of Cincinnati and the Board of County Commissioners of Hamilton County, Ohio, are parties to a Global Consent Decree, which was lodged in 2003 with the U.S. District Court for the Southern District of Ohio, Western Division. This decree focuses on combined sewer overflows, the implementation of the Sanitary Sewer Overflow Correction plan established in the Interim Partial Consent Decree, and other wet weather issues. The court approved the decrees on June 9, 2004. In August 2010, MSD's Revised Wet Weather Plan was approved by the federal government. The Plan commits MSD to complete a Phase 1 group of projects totaling \$1.145 billion (in 2006 dollars and including \$526 million that MSD has already spent on projects [amounts not rounded]) by 2018 before scheduling future work (Phase 2). The consent decree documents are posted on the MSD website, msdgc.org, under Consent Decree.

As part of MSD's capital improvement program, MSD has entered into a number of contracts for construction, design and other services. Commitments under these contracts aggregate approximately \$82,700 as of December 31, 2017.

Pursuant to a Memorandum of Understanding between the City and the County, dated September 30, 2002, a Cooperative Agreement between the City and the County, dated February 9, 2004, and a Project Service Agreement between the City and the CFA, dated February 3, 2004, the City and the County have agreed, among other things, that the City will (1) own the Duke Energy Center, (2) be responsible for the operation and maintenance of the Duke Energy Center and (3) manage the design and construction of the project. Construction of the improvements began in May 2004 and was completed in June 2006. There have been seven supplemental agreements. The most recent was executed December 17, 2015.

The CFA entered into a lease with the City of Cincinnati for the existing and expanded Duke Energy Center for the term of the improvement bonds, issued through December 2033, for an amount sufficient to retire City Bond

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

Anticipation Notes of \$15,500. These notes were issued in anticipation of the revenue bond sale by the CFA. At the end of the lease, the City will own the existing and expanded Duke Energy Convention Center Facilities. In addition, the City and CFA have entered into a lease whereby the City will operate the existing and expanded Duke Energy Center for the term of the improvement bonds through December 2033.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County Prosecuting Attorney that resolution of these matters could fall within the scope of a material claim, though any dollar amount cannot be reasonably estimated at this time.

E. Deferred Compensation Plan

Employees of the County may elect to participate in a deferred compensation plan administered by one of the following: (1) The Ohio Public Employees Deferred Compensation Plan; (2) Voya Financial Services, Inc.; or (3) The County Commissioners Association of Ohio. Under these plans, employees could defer up to 25 percent of their annual salary not to exceed \$18,000 (amount not in thousands) in 2017. The deferred amounts, as well as any income related to the deferral, are not subject to federal or State income tax until actually received by the employee. In accordance with GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and Internal Revenue Code Section 457, assets of the aforementioned plans were placed in trust for the exclusive benefit of the participants and beneficiaries during 1999. The amounts held in all three plans are no longer reported as assets of the County.

F. Net Pension Liability

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

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

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

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

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

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

G. Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

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

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

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPERS. The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's and MSD's proportions of the net pension liability were based on their shares of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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

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

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

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

The \$27,963 and \$309 reported as deferred outflows of resources related to pension resulting from County and MSD contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ending December 31 | County | MSD |
|-------------------------|-------------------|-----------------|
| 2018 | \$ 44,160 | \$ 577 |
| 2019 | 47,566 | 495 |
| 2020 | 19,454 | 215 |
| 2021 | (1,601) | (18) |
| Total | \$ 109,579 | \$ 1,269 |

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sensitivity of the County's and MSD's Proportionate Shares of the Net Pension Liability to Changes in the Discount Rate. The following table presents the County's and MSD's proportionate shares of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

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

H. City of Cincinnati Retirement System (CRS)

Plan Description. The majority of MSD's full-time employees participate in the Retirement System of the City of Cincinnati (CRS). CRS is accounted for as a single-employer defined benefit public employee retirement system. CRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund. The financial report that includes financial statements, required supplementary information, and detailed information about CRS's fiduciary net position may be obtained by visiting <http://www.cincinnati-oh.gov/finance/cafr/>. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of CRS in the Board of Trustees of the City of Cincinnati Retirement System.

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

Information in the remainder of this footnote is provided for the MSD's portion, being reported as an agency fund of the City, which also participates and contributes to CRS, with a measurement date of June 30, 2017.

A major plan revision was approved by the City Council on March 16, 2011, and adopted by the Board of County Commissioners. The plan allows for a two-and-a-half year transition period from July 1, 2011, to January 1, 2014. Active members who are eligible or become eligible to retire and elect to retire during this transition period can retire with 30 years of creditable service or at age 60 with at least five years of creditable service and will receive benefits according to the current plan as described below.

A Collaborative Settlement Agreement (CSA) was executed on May 7, 2015, and approved by the U.S. District Court on October 5, 2015. The CSA impacts employees who were retired on or before July 1, 2011 and employees who were in service on July 1, 2011, and who were vested (had 5 years of service credit) on that date. Employees who are members of the Cincinnati Retirement System who did not meet those criteria remained subject to the plan provisions adopted in Ordinances #84-2011 and #85-2011.

The CSA implemented a number of changes to the CRS, including but not limited to the following:

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

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

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

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

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

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

Funding Policy. Each member contributed at a rate of 9 percent of his salary for fiscal year 2017. The percent contributed by employees is provided by Chapter 203 Section 73 of the Cincinnati Municipal Code.

MSD makes employer contributions based on a percentage of the covered payroll of all CRS members. For 2017, the contribution rate was 16.25 percent on covered payroll. MSD's contributions to the City of Cincinnati Retirement System's Pension Fund for the fiscal year ending December 31, 2017, were \$5,941.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CRS. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. MSD reported a net pension liability of \$95,384 and negative pension expense of \$58,245.

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

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

Both pre-retirement and post-retirement mortality rates were based on the RP-2000 combined mortality table, male rates set forward two years and female rates set forward one year and using a Scale AA projection to 2020. Post-disability mortality rates were based on the RP-2000 disabled retiree mortality table, female rates set back 5 years.

The actuarial assumptions used in the December 31, 2016, valuation were based on the results of the last actuarial experience study, dated October 28, 2011.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of

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

arithmetic real rates of return for each major asset class as listed in the last actuarial experience study, dated October 28, 2011, are summarized in the following table:

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

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made as set out in the Collaborative Settlement Agreement. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of MSD's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following chart represents MSD's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.50 percent, as well as the sensitivity to a 1 percent increase and 1 percent decrease in the current discount rate):

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

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

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

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

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

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

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

At June 30, 2017, MSD reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Net |
|---|--------------------------------------|-------------------------------------|-----------------|
| MSD Contributions Subsequent to the Measurement Date | \$ 3,001 | \$ - | \$ 3,001 |
| Differences between Expected and Actual Experience | 356 | - | 356 |
| Net Difference between Projected and Actual Investment earnings | 233 | - | 233 |
| Change in Proportion | 2,261 | (605) | 1,656 |
| Change in Assumptions | - | (3,566) | (3,566) |
| | <u>\$ 5,851</u> | <u>\$ (4,171)</u> | <u>\$ 1,680</u> |

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

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

I. Post-Employment Benefits—Ohio Public Employees Retirement System

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

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

In order to qualify for post-employment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. See OPERS's CAFR referenced below for additional information.

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

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

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

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

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

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

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

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

Plan Description. The CRS provides health care coverage to eligible retirees, their spouses and their dependent children. Active members in Group C who have earned 15 years of membership service at the time of termination are eligible upon retirement. All other active members are eligible for retiree health care upon their retirement after reaching age 60 with 20 years of membership service, or any age with 30 years of service, of which 20 years must be earned with CRS. The health care coverage provided by the CRS is considered an other post-employment benefit (OPEB) as described in GASB Statement No. 45. The CRS is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as an OPEB trust fund. The financial report that includes financial statements, required supplementary information and detailed information about CRS's fiduciary net position may be obtained by visiting <http://www.cincinnati-oh.gov/finance/cafr/>.

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

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

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

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

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

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

The cost of OPEB is recognized as an expense as claims are paid. No employer contribution was used to fund post-employment benefits for the fiscal years ended June 30, 2017, 2016 and 2015. As of the December 31, 2016, City-wide valuation, the health care plan's unfunded actuarial accrued liability was negative \$35,819. The actuarial value of assets was \$485,845. The actuarial accrued liability was \$450,026. The unfunded actuarial accrued liability as a percentage of covered payrolls of \$168,785 was negative 21.2 percent. Calculations are based on the OPEB benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of cost sharing between the employer and the plan members at that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. The required supplementary schedule, which immediately follows the notes, contains multiyear trend information about the actuarial value of the plan assets and whether it is increasing or decreasing over time relative to the actuarial accrued liability for benefits. MSD's annual OPEB cost and net OPEB obligation to CRS for the current fiscal period was as follows:

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

K. Tax Abatements

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

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

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

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

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

The County does not have any abatement agreements.

L. Subsequent Events

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

This page intentionally left blank.

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM—TRADITIONAL PLAN
LAST FOUR YEARS ⁽¹⁾
(Dollar Amounts in Thousands)

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

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

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

**COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM—TRADITIONAL PLAN**

LAST FOUR YEARS ⁽¹⁾⁽²⁾

(Dollar Amounts in Thousands)

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

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

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

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

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

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

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

COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM–TRADITIONAL PLAN
LAST TEN YEARS
(Dollar Amounts in Thousands)

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

**COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CHANGES IN
NET PENSION LIABILITY AND RELATED RATIOS
CINCINNATI RETIREMENT SYSTEM**

LAST FOUR YEARS⁽¹⁾⁽²⁾

(Dollar Amounts in Thousands)

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

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

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

**COUNTY OF HAMILTON, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE METROPOLITAN SEWER DISTRICT'S CONTRIBUTIONS
CINCINNATI RETIREMENT SYSTEM
LAST TEN YEARS**

(Dollar Amounts in Thousands)

| | FISCAL YEAR | | | | | | | | | |
|---|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
| Actuarially Determined Employer Contributions | \$ 8,541 | \$ 12,356 | \$ 13,756 | \$ 16,087 | \$ 13,051 | \$ 9,923 | \$ 10,792 | \$ 15,289 | \$ 7,765 | \$ 6,527 |
| Actual Employer Contributions | (5,941) | (5,169) | (4,328) | (5,303) | (6,179) | (6,676) | (6,128) | (5,676) | (4,805) | (4,201) |
| Contribution Deficiency (Excess) | <u>\$ 2,600</u> | <u>\$ 7,187</u> | <u>\$ 9,428</u> | <u>\$ 10,784</u> | <u>\$ 6,872</u> | <u>\$ 3,247</u> | <u>\$ 4,664</u> | <u>\$ 9,613</u> | <u>\$ 2,960</u> | <u>\$ 2,326</u> |
| MSD Covered-Employee Payroll | \$ 34,942 | \$ 31,809 | \$ 31,232 | \$ 30,550 | \$ 31,369 | \$ 33,671 | \$ 31,651 | \$ 30,976 | \$ 29,549 | \$ 26,694 |
| Actual Contributions as a Percentage of Covered-Employee Payroll | 17.00% | 16.25% | 13.86% | 17.36% | 19.70% | 19.83% | 19.36% | 18.32% | 16.26% | 15.74% |

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

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

⁽¹⁾Information presented for the entire system.

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

Changes in Assumptions - OPERS

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

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

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

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

This page intentionally left blank.

COUNTY OF HAMILTON, OHIO

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

**COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING FINANCIAL STATEMENTS
NONMAJOR SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for specific governmental revenues (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action and to account for expenditures for specified purposes.

ANNUALLY BUDGETED

| | |
|--|---|
| Public Assistance | To account for revenues from federal, State and County governments and expenditures used to provide services to eligible County residents. |
| Motor Vehicle Gas Tax | To account for motor vehicle gas tax federal and State revenues that are distributed to various municipalities and townships for repair and building of streets and bridges. |
| Health and Community Services Nongrants | To account for revenues other than grants that are to be used for health and community services. |
| Health and Community Services Grants | To account for revenues from the federal, State and County governments and expenditures thereof as prescribed under the various health and community service functions. |
| Transportation Improvement District | To account for activity of the Transportation Improvement District, a blended component unit of the County. |

MULTIYEAR BUDGETED

| | |
|-------------------------------------|---|
| Judicial Services Grants | To account for revenue from the federal, State and County governments and expenditures used to provide legal services to eligible County residents. |
| Public Safety Grants | To account for revenue from the federal, State and County governments and expenditures thereof as prescribed under the various public safety functions. |
| Health Grants | To account for revenue from the federal, State and County governments and expenditures used to provide health-related services to eligible County residents. |
| Environmental Control Grants | To account for revenue from the federal, State and County governments and expenditures for the purpose of environmental protection for the community. |
| Economic Development Grants | To account for revenue from the federal, State and County governments and expenditures used for economic development. |

**COUNTY OF HAMILTON, OHIO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING FINANCIAL STATEMENTS
NONMAJOR DEBT SERVICE FUNDS**

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs.

| | |
|------------------------------------|---|
| General Obligation Nonvoted | To account for the retirement of principal and interest of various bond issues not approved by the electorate. The revenue source for this fund is transfers from various other funds. |
| Special Assessments | To account for the retirement of principal and interest on special assessment debt. The revenues are generated from special assessment tax collections. |

NONMAJOR CAPITAL PROJECTS FUND

The Capital Projects fund is established to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by the proprietary funds).

This page intentionally left blank.

COUNTY OF HAMILTON, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2017

(Amounts in Thousands)

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

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

(continued)

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

This page intentionally left blank.

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

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

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

(continued)

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

This page intentionally left blank.

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

(Amounts in Thousands)

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

(Continued)

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

(Amounts in Thousands)

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

(Continued)

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

(Amounts in Thousands)

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

(Continued)

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

(Amounts in Thousands)

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

(Continued)

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

(Amounts in Thousands)

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

(Continued)

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

(Amounts in Thousands)

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

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

(Amounts in Thousands)

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

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

(Amounts in Thousands)

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

(Continued)

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES LEVIES—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

(Amounts in Thousands)

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

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
MOTOR VEHICLE GAS TAX—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Amounts in Thousands)

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-----------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Property Taxes and Special Assessments | \$ 2 | \$ 2 | \$ 7 | \$ 5 |
| State Shared Taxes | 23,142 | 23,142 | 22,914 | (228) |
| Charges for Services | 3,404 | 3,404 | 3,445 | 41 |
| Fines and Forfeitures | 226 | 226 | 199 | (27) |
| Intergovernmental | 3 | 20,520 | 8,341 | (12,179) |
| Investment Earnings | 80 | 80 | 487 | 407 |
| Other | 192 | 192 | 238 | 46 |
| TOTAL REVENUES | <u>27,049</u> | <u>47,566</u> | <u>35,631</u> | <u>(11,935)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| GENERAL GOVERNMENT | | | | |
| Planning and Development | | | | |
| Personnel Services | 1,135 | 1,126 | 974 | 152 |
| Other Expenditures | 218 | 214 | 116 | 98 |
| Capital Outlay | 107 | 107 | 69 | 38 |
| Total Planning and Development | <u>1,460</u> | <u>1,447</u> | <u>1,159</u> | <u>288</u> |
| TOTAL GENERAL GOVERNMENT | <u>1,460</u> | <u>1,447</u> | <u>1,159</u> | <u>288</u> |
| PUBLIC WORKS | | | | |
| County Engineer | | | | |
| Personnel Services | 12,272 | 12,171 | 9,259 | 2,912 |
| Other Expenditures | 10,895 | 10,508 | 8,124 | 2,384 |
| Capital Outlay | 32,170 | 70,759 | 60,664 | 10,095 |
| Total County Engineer | <u>55,337</u> | <u>93,438</u> | <u>78,047</u> | <u>15,391</u> |
| TOTAL PUBLIC WORKS | <u>55,337</u> | <u>93,438</u> | <u>78,047</u> | <u>15,391</u> |
| DEBT SERVICE | | | | |
| Debt Service | | | | |
| Principal Retirement | 150 | 150 | 150 | - |
| Total Debt Service | <u>150</u> | <u>150</u> | <u>150</u> | <u>-</u> |
| TOTAL DEBT SERVICE | <u>150</u> | <u>150</u> | <u>150</u> | <u>-</u> |
| TOTAL EXPENDITURES | <u>56,947</u> | <u>95,035</u> | <u>79,356</u> | <u>15,679</u> |
| DEFICIENCY OF REVENUES OVER EXPENDITURES | <u>(29,898)</u> | <u>(47,469)</u> | <u>(43,725)</u> | <u>3,744</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 8,256 | 18,233 | 11,906 | (6,327) |
| Transfers Out | (7,800) | (11,407) | (11,373) | 34 |
| TOTAL OTHER FINANCING SOURCES (USES), NET | <u>456</u> | <u>6,826</u> | <u>533</u> | <u>(6,293)</u> |
| NET CHANGE IN FUND BALANCE | <u>(29,442)</u> | <u>(40,643)</u> | <u>(43,192)</u> | <u>(2,549)</u> |
| FUND BALANCE AT BEGINNING OF YEAR | 12,141 | 12,141 | 12,141 | - |
| Prior-Year Encumbrances Appropriated | 30,912 | 30,912 | 30,912 | - |
| FUND BALANCE AT END OF YEAR | <u>\$ 13,611</u> | <u>\$ 2,410</u> | <u>\$ (139)</u> | <u>\$ (2,549)</u> |

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------|-------------------------|---------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Property Taxes | \$ - | \$ - | \$ 2,369 | \$ 2,369 |
| Sales and Use Tax | 16,500 | 16,500 | 17,398 | 898 |
| Charges for Services | 28,364 | 28,364 | 25,261 | (3,103) |
| Licenses and Permits | 5,109 | 5,109 | 5,166 | 57 |
| Fines and Forfeitures | 3,286 | 3,286 | 3,994 | 708 |
| Intergovernmental | 9,364 | 9,659 | 9,201 | (458) |
| Investment Earnings | 10 | 10 | 44 | 34 |
| Other | 5,071 | 6,636 | 9,423 | 2,787 |
| TOTAL REVENUES | <u>67,704</u> | <u>69,564</u> | <u>72,856</u> | <u>3,292</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| GENERAL GOVERNMENT | | | | |
| Non-Departmentals | | | | |
| Personal Services | - | 25 | 14 | 11 |
| Other Expenditures | 15 | 228 | 185 | 43 |
| Total Non-Departmentals | <u>15</u> | <u>253</u> | <u>199</u> | <u>54</u> |
| Auditor | | | | |
| Personnel Services | 4,657 | 4,617 | 3,349 | 1,268 |
| Other Expenditures | 6,856 | 6,744 | 5,749 | 995 |
| Capital Outlay | - | 100 | - | 100 |
| Total Auditor | <u>11,513</u> | <u>11,461</u> | <u>9,098</u> | <u>2,363</u> |
| Treasurer | | | | |
| Personnel Services | 1,196 | 1,189 | 1,177 | 12 |
| Other Expenditures | 2,572 | 2,517 | 2,457 | 60 |
| Capital Outlay | 20 | 20 | 15 | 5 |
| Total Treasurer | <u>3,788</u> | <u>3,726</u> | <u>3,649</u> | <u>77</u> |
| Recorder | | | | |
| Personnel Services | 183 | 187 | 184 | 3 |
| Other Expenditures | 191 | 186 | 145 | 41 |
| Capital Outlay | 54 | 54 | 22 | 32 |
| Total Recorder | <u>428</u> | <u>427</u> | <u>351</u> | <u>76</u> |
| Law Library | | | | |
| Personnel Services | 480 | 476 | 439 | 37 |
| Other Expenditures | 689 | 649 | 591 | 58 |
| Total Law Library | <u>1,169</u> | <u>1,125</u> | <u>1,030</u> | <u>95</u> |
| TOTAL GENERAL GOVERNMENT | <u>16,913</u> | <u>16,992</u> | <u>14,327</u> | <u>2,611</u> |

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Amounts in Thousands)

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

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Amounts in Thousands)

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

(Continued)

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES NONGRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Amounts in Thousands)

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

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
HEALTH AND COMMUNITY SERVICES GRANTS—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

(Amounts in Thousands)

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

**COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
TRANSPORTATION IMPROVEMENT DISTRICT—SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|----------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUES | | | | |
| Intergovernmental | \$ - | \$ 600 | \$ 18 | \$ (582) |
| Investment Earnings | - | 2 | 2 | - |
| TOTAL REVENUES | <u>-</u> | <u>602</u> | <u>20</u> | <u>(582)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| PUBLIC WORKS | | | | |
| Transportation Improvement District | | | | |
| Other Expenditures | 261 | 1,753 | 335 | 1,418 |
| Total Transportation Improvement District | <u>261</u> | <u>1,753</u> | <u>335</u> | <u>1,418</u> |
| TOTAL PUBLIC WORKS | <u>261</u> | <u>1,753</u> | <u>335</u> | <u>1,418</u> |
| TOTAL EXPENDITURES | <u>261</u> | <u>1,753</u> | <u>335</u> | <u>1,418</u> |
| DEFICIENCY OF REVENUES OVER EXPENDITURES | <u>(261)</u> | <u>(1,151)</u> | <u>(315)</u> | <u>836</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers In | - | 800 | 60 | (740) |
| TOTAL OTHER FINANCING SOURCES | <u>-</u> | <u>800</u> | <u>60</u> | <u>(740)</u> |
| NET CHANGE IN FUND BALANCE | (261) | (351) | (255) | 96 |
| FUND BALANCE AT BEGINNING OF YEAR | 559 | 559 | 559 | - |
| Prior-Year Encumbrances Appropriated | 261 | 261 | 261 | - |
| FUND BALANCE AT END OF YEAR | <u>\$ 559</u> | <u>\$ 469</u> | <u>\$ 565</u> | <u>\$ 96</u> |

COUNTY OF HAMILTON, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL OBLIGATION NONVOTED—DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

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

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

(Amounts in Thousands)

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

This page intentionally left blank.

**COUNTY OF HAMILTON, OHIO
NONMAJOR ENTERPRISE FUNDS**

COMBINING FINANCIAL STATEMENTS

The enterprise funds are established to account for operations that are financed and operated in a manner similar to business in the private sector. The expenses (including depreciation) of providing goods and services primarily or solely to the general public are financed or recovered primarily through user charges.

| | |
|-----------------------------------|---|
| Riverfront Development | To account for revenue received for the construction and operations of riverfront developments. |
| Main Street Parking Garage | To account for revenue received for the construction and operations of the Main Street Parking Garage. |
| Sales Tax Stabilization | To set aside a reserve to meet future debt service payments. |
| Rotary | To track the cost of various activities of the Sheriff's Department within the County. |
| Communications Center | To account for the financial activity relating to emergency 911 services for Hamilton County. |

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2017
(Amounts in Thousands)

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

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

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

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

Business-Type Activities

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

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

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

| Business-Type Activities | | |
|---------------------------------|----------------------------------|--|
| Rotary Funds | Communications Center | Total Nonmajor Enterprise Funds |
| \$ 2,292 | \$ 4,671 | \$ 22,476 |
| - | 51 | 85 |
| (8) | (2,526) | (8,665) |
| (598) | (5,079) | (5,993) |
| - | - | 2,020 |
| - | (243) | (1,508) |
| <u>1,686</u> | <u>(3,126)</u> | <u>8,415</u> |
| 1,558 | 3,962 | 5,520 |
| (400) | (41) | (448) |
| (2,844) | - | (2,844) |
| <u>(1,686)</u> | <u>3,921</u> | <u>2,228</u> |
| - | (3,412) | (21,906) |
| - | (1,375) | (3,025) |
| - | (4) | (148) |
| - | 887 | 1,082 |
| - | 3,268 | 3,761 |
| - | (1,493) | (1,493) |
| - | 189 | 251 |
| - | (2,114) | (3,596) |
| <u>-</u> | <u>(4,054)</u> | <u>(25,074)</u> |
| - | - | 6 |
| - | 4 | (123) |
| <u>-</u> | <u>4</u> | <u>(117)</u> |
| - | (3,255) | (14,548) |
| - | 4,412 | 63,412 |
| <u>\$ -</u> | <u>\$ 1,157</u> | <u>\$ 48,864</u> |
| \$ 580 | \$ (5,787) | \$ (3,386) |
| - | 2,619 | 10,878 |
| 1,558 | 11 | 1,629 |
| - | 3 | (272) |
| (440) | 2 | (442) |
| (12) | 4 | (14) |
| - | 22 | 22 |
| <u>\$ 1,686</u> | <u>\$ (3,126)</u> | <u>\$ 8,415</u> |
| \$ - | \$ 1,157 | \$ 48,863 |
| - | - | 1 |
| <u>\$ -</u> | <u>\$ 1,157</u> | <u>\$ 48,864</u> |

This page intentionally left blank.

**COUNTY OF HAMILTON, OHIO
INTERNAL SERVICE FUNDS**

COMBINING FINANCIAL STATEMENTS

The internal service funds are established to account for the financing of goods or services provided by one department of the County to other departments of the County on a cost-reimbursement basis.

| | |
|--------------------------------------|--|
| Workers' Compensation Reserve | To provide self-insurance to the County through a retrospective rating plan with the State of Ohio for workers' compensation. |
| Auditor's Computer Center | To account for the financial activity relating to the data processing center. |
| Medical Self-Insurance | To account for the financial activity of the County's health-care coverage for its employees. |

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2017
(Amounts in Thousands)

| | Governmental Activities | | | |
|--|--|--|--|--|
| | Workers' Compensation Reserve | Auditor's Computer Center | Medical Self- Insurance | Total Governmental Activities |
| ASSETS | | | | |
| Current Assets: | | | | |
| Equity in Pooled Cash and Investments | \$ 7,815 | \$ 1,163 | \$ 7,919 | \$ 16,897 |
| Accounts Receivable | 16 | - | 5 | 21 |
| Total Current Assets | 7,831 | 1,163 | 7,924 | 16,918 |
| Depreciable Capital Assets, Net: | | | | |
| Buildings, Structures and Improvements | - | 41 | - | 41 |
| Furniture, Fixtures and Equipment | - | 765 | - | 765 |
| Less Accumulated Depreciation | - | (542) | - | (542) |
| Total Depreciable Capital Assets, Net | - | 264 | - | 264 |
| Total Capital Assets, Net | - | 264 | - | 264 |
| Total Noncurrent Assets | - | 264 | - | 264 |
| TOTAL ASSETS | 7,831 | 1,427 | 7,924 | 17,182 |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | - | 11 | 233 | 244 |
| Accrued Wages and Benefits Payable | 5 | 47 | 8 | 60 |
| Intergovernmental Payable | 1 | 6 | 1 | 8 |
| Claims Payable | 1,118 | - | 4,336 | 5,454 |
| Compensated Absences | - | 16 | - | 16 |
| Total Current Liabilities | 1,124 | 80 | 4,578 | 5,782 |
| Noncurrent Liabilities: | | | | |
| Claims Payable—Net of Current Portion | 236 | - | - | 236 |
| Accrued Compensated Absences | - | 113 | - | 113 |
| Total Noncurrent Liabilities | 236 | 113 | - | 349 |
| TOTAL LIABILITIES | 1,360 | 193 | 4,578 | 6,131 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | - | 264 | - | 264 |
| Unrestricted | 6,471 | 970 | 3,346 | 10,787 |
| TOTAL NET POSITION | \$ 6,471 | \$ 1,234 | \$ 3,346 | \$ 11,051 |

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

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

COUNTY OF HAMILTON, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Amounts in Thousands)

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

**COUNTY OF HAMILTON, OHIO
AGENCY FUNDS**

COMBINING FINANCIAL STATEMENTS

The agency funds are established to account for assets received and held by the County acting in the capacity of an agent or custodian.

Undivided Tax

To account for all undivided taxes collected by the County and their distribution to the proper beneficiaries.

Other Agency Funds

To account for payroll taxes and other related payroll deductions collected as custodian. To account for the collection of moneys held by the County agencies outside of the County Treasury.

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

(Amounts in Thousands)

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

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

(Amounts in Thousands)

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

This page intentionally left blank.

**Statistical
Section**

**The County of
Hamilton, Ohio**

This page intentionally left blank.

**COUNTY OF HAMILTON, OHIO
STATISTICAL SECTION**

STATISTICAL SCHEDULES

This part of Hamilton County’s comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

CONTENTS

| | |
|--|-----|
| Financial Trends | 159 |
| These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time. | |
| Revenue Capacity | 164 |
| These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax. | |
| Debt Capacity | 170 |
| These schedules represent information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future. | |
| Demographic and Economic Information | 179 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place. | |
| Operating Information | 181 |
| These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs. | |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year.

This page intentionally left blank.

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

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

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾As restated.

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

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

| | FISCAL YEAR | | | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2008 | 2009 | 2010 ⁽¹⁾ | 2011 ⁽¹⁾ | 2012 | 2013 ⁽¹⁾ | 2014 | 2015 | 2016 | 2017 |
| Business-Type Activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Metropolitan Sewer District | \$ 189,069 | \$ 201,273 | \$ 217,915 | \$ 234,905 | \$ 245,614 | \$ 250,382 | \$ 257,465 | \$ 272,507 | \$ 276,623 | \$ 287,594 |
| Paul Brown Stadium | 672 | 774 | 809 | 832 | 831 | 831 | 997 | 1,325 | 1,305 | 1,238 |
| Baseball Stadium | 1,163 | 980 | 1,071 | 1,240 | 1,211 | 1,278 | 1,458 | 1,419 | 1,271 | 1,270 |
| Riverfront Development | 6,664 | 5,731 | 6,493 | 6,291 | 8,895 | 12,181 | 11,322 | 12,664 | 13,069 | 14,300 |
| Main Street Parking Garage | 913 | 758 | 722 | 785 | 913 | 840 | 951 | 983 | 1,005 | 1,187 |
| Rotary Funds | 7,843 | 6,238 | 9,376 | 8,214 | 7,961 | 7,952 | 10,212 | 12,221 | 10,529 | 734 |
| Communications Center | 5,518 | 4,962 | 5,250 | 5,555 | 5,675 | 5,620 | 5,311 | 5,954 | 5,441 | 4,711 |
| Workers' Compensation Reserve for Stadiums ⁽²⁾ | - | - | - | - | - | - | - | - | - | - |
| Capital Grants and Contributions | 25,075 | 12,385 | 23,684 | 29,751 | 7,175 | 14,921 | 9,679 | 9,673 | 8,553 | 4,920 |
| Total Business-Type Activities Program Revenues | <u>236,917</u> | <u>233,101</u> | <u>265,320</u> | <u>287,573</u> | <u>278,275</u> | <u>294,005</u> | <u>297,395</u> | <u>316,746</u> | <u>317,796</u> | <u>315,954</u> |
| Total Primary Government Program Revenues | <u>\$ 732,383</u> | <u>\$ 726,342</u> | <u>\$ 646,037</u> | <u>\$ 667,069</u> | <u>\$ 671,572</u> | <u>\$ 603,907</u> | <u>\$ 639,395</u> | <u>\$ 622,752</u> | <u>\$ 630,166</u> | <u>\$ 637,006</u> |
| NET EXPENSE | | | | | | | | | | |
| Governmental Activities | \$ (456,780) | \$ (387,965) | \$ (408,994) | \$ (376,958) | \$ (378,390) | \$ (366,354) | \$ (322,846) | \$ (350,826) | \$ (400,651) | \$ (473,291) |
| Business-Type Activities | (19,652) | (25,459) | (62,398) | (35,681) | (16,857) | (57,040) | (29,678) | (3,232) | 102,980 | 61,272 |
| Total Primary Government Net Expense | <u>\$ (476,432)</u> | <u>\$ (413,424)</u> | <u>\$ (471,392)</u> | <u>\$ (412,639)</u> | <u>\$ (395,247)</u> | <u>\$ (423,394)</u> | <u>\$ (352,524)</u> | <u>\$ (354,058)</u> | <u>\$ (297,671)</u> | <u>\$ (412,019)</u> |
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property Taxes | \$ 248,073 | \$ 241,924 | \$ 238,961 | \$ 236,518 | \$ 226,392 | \$ 228,717 | \$ 235,070 | \$ 231,836 | \$ 234,973 | \$ 240,921 |
| Sales and Use Taxes | 64,923 | 67,072 | 72,029 | 75,345 | 72,929 | 77,921 | 81,242 | 114,860 | 141,013 | 137,837 |
| Other Taxes | 42,259 | 44,206 | 43,606 | 39,480 | 36,919 | 33,306 | 35,356 | 34,945 | 35,105 | 35,406 |
| Grants and Entitlements not Restricted to Specific Programs | 51,348 | 59,590 | 34,474 | 23,784 | 15,787 | 11,264 | 11,263 | 9,055 | 5,082 | 2,623 |
| Gifts and Donations | - | - | 82 | 314 | 86 | 82 | 186 | 92 | 196 | 169 |
| Unrestricted Investment Earnings | 16,733 | 8,124 | 7,277 | 5,899 | 7,443 | 3,648 | 3,742 | 6,023 | 6,978 | 6,621 |
| Gain on Sale of Capital Assets | - | - | 1,546 | 98 | 12,551 | 24 | 37 | 58 | 37 | 19 |
| Other Revenue | - | - | - | 299 | 2,280 | 1,619 | 497 | 448 | 220 | 258 |
| Extraordinary Item | - | - | - | - | - | - | - | (22,500) | - | - |
| Transfers | (1,850) | (16,006) | (1,663) | (1,329) | (18) | (5,875) | (5,508) | (3,286) | (4,024) | (14,074) |
| Total Governmental Activities | <u>421,486</u> | <u>404,910</u> | <u>396,312</u> | <u>380,408</u> | <u>374,369</u> | <u>350,706</u> | <u>361,885</u> | <u>371,531</u> | <u>419,580</u> | <u>409,780</u> |
| Business-Type Activities | | | | | | | | | | |
| Sales and Use Taxes | 36,609 | 49,026 | 50,222 | 50,518 | 49,981 | 56,063 | 59,764 | 65,973 | 68,845 | 64,444 |
| Unrestricted Investment Earnings | 11,046 | (391) | 6,436 | 4,736 | 7,698 | 4,208 | 42,505 | (19,508) | 9,307 | 8,686 |
| Gain on Sale of Capital Assets | - | - | 126 | 217 | 181 | 546 | - | - | 465 | - |
| Other Revenue | 12 | - | 3,994 | 4,867 | 3,782 | 9,070 | 8,162 | 7,305 | 6,264 | 5,991 |
| Transfers | 1,850 | 16,006 | 1,663 | 1,329 | 18 | 5,875 | 5,508 | 3,286 | 4,024 | 14,074 |
| Total Business-Type Activities | <u>49,517</u> | <u>64,641</u> | <u>62,441</u> | <u>61,667</u> | <u>61,660</u> | <u>75,762</u> | <u>115,939</u> | <u>57,056</u> | <u>88,905</u> | <u>93,195</u> |
| Total Primary Government | <u>\$ 471,003</u> | <u>\$ 469,551</u> | <u>\$ 458,753</u> | <u>\$ 442,075</u> | <u>\$ 436,029</u> | <u>\$ 426,468</u> | <u>\$ 477,824</u> | <u>\$ 428,587</u> | <u>\$ 508,485</u> | <u>\$ 502,975</u> |
| CHANGE IN NET POSITION | | | | | | | | | | |
| Governmental Activities | \$ (35,294) | \$ 16,945 | \$ (12,682) | \$ 3,450 | \$ (4,021) | \$ (15,648) | \$ 39,039 | \$ 20,705 | \$ 18,929 | \$ (63,511) |
| Business-Type Activities | 29,865 | 39,182 | 43 | 25,986 | 44,803 | 18,722 | 86,261 | 53,824 | 191,885 | 154,467 |
| Total Primary Government | <u>\$ (5,429)</u> | <u>\$ 56,127</u> | <u>\$ (12,639)</u> | <u>\$ 29,436</u> | <u>\$ 40,782</u> | <u>\$ 3,074</u> | <u>\$ 125,300</u> | <u>\$ 74,529</u> | <u>\$ 210,814</u> | <u>\$ 90,956</u> |

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾As restated.

⁽²⁾Beginning in 2008, business-type internal service fund activity is consolidated with the activity of the appropriate business-type program.

⁽³⁾In 2008, indirect costs increased for the social services function because oversight of building maintenance and other building costs, as well as human resource services, were restructured as part of the general government function and are now charged back to social services as indirect costs.

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

| | FISCAL YEAR | | | | | | | | | |
|---|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | 2008 | 2009 | 2010 ⁽¹⁾ | 2011 | 2012 | 2013 ⁽¹⁾ | 2014 | 2015 | 2016 | 2017 |
| GENERAL FUND | | | | | | | | | | |
| Nonspendable | \$ 6,358 | \$ 6,010 | \$ 6,208 | \$ 7,646 | \$ 9,244 | \$ 7,962 | \$ 8,804 | \$ 4,542 | \$ 5,992 | \$ 5,348 |
| Committed | - | - | - | 284 | 203 | 217 | 302 | 275 | 286 | 218 |
| Assigned | 7,142 | 9,266 | 10,248 | 11,235 | 13,110 | 13,524 | 16,514 | 19,821 | 12,909 | 12,127 |
| Unassigned | 32,649 | 33,207 | 48,172 | 56,368 | 49,763 | 54,699 | 52,403 | 57,993 | 59,096 | 52,970 |
| TOTAL GENERAL FUND | <u>\$ 46,149</u> | <u>\$ 48,483</u> | <u>\$ 64,628</u> | <u>\$ 75,533</u> | <u>\$ 72,320</u> | <u>\$ 76,402</u> | <u>\$ 78,023</u> | <u>\$ 82,631</u> | <u>\$ 78,283</u> | <u>\$ 70,663</u> |
| ALL OTHER GOVERNMENTAL FUNDS | | | | | | | | | | |
| Nonspendable | \$ 3,026 | \$ 3,671 | \$ 2,948 | \$ 3,575 | \$ 4,889 | \$ 4,961 | \$ 293 | \$ 115 | \$ 120 | \$ 153 |
| Restricted | 192,421 | 203,565 | 235,680 | 268,118 | 266,517 | 266,882 | 303,190 | 328,157 | 358,916 | 363,294 |
| Committed | 5,946 | 5,770 | 6,042 | 14,086 | 19,996 | 15,375 | 8,309 | 9,579 | 14,736 | 89,803 |
| Unassigned | (10,391) | (9,810) | (7,553) | (12,193) | (1,821) | (4,257) | (5,470) | (1,652) | (1,193) | (3,739) |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | <u>\$ 191,002</u> | <u>\$ 203,196</u> | <u>\$ 237,117</u> | <u>\$ 273,586</u> | <u>\$ 289,581</u> | <u>\$ 282,961</u> | <u>\$ 306,322</u> | <u>\$ 336,199</u> | <u>\$ 372,579</u> | <u>\$ 449,511</u> |

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾As restated.

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

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

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾As restated.

**COUNTY OF HAMILTON, OHIO
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
 OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

(Amounts in Thousands)

| Tax Year/ Collection Year | ASSESSED VALUES | | | | | | | | | Total Direct Tax Rate | Estimated Actual Taxable Value ⁽²⁾ | Assessed Value as a Percentage of Actual Value ⁽¹⁾ |
|------------------------------------|-------------------------|------------------------|------------------------|--------------------------|-------------------------------|-------------------------------------|-------------------------------|---------------------------|---|--------------------------------|--|--|
| | REAL PROPERTY | | | | | PERSONAL PROPERTY | | | TOTAL | | | |
| | Residential Property | Commercial Property | Industrial Property | Agricultural Property | Public Utility Property | Tangible Property ⁽²⁾ | Public Utility Property | Tax Exempt Property | Taxable Assessed Value ⁽¹⁾ | | | |
| 2007/2008 | \$ 14,019,425 | \$ 4,015,680 | \$ 938,633 | \$ 59,606 | \$ 4,176 | \$ 519,895 | \$ 604,816 | \$ 4,553,994 | \$ 20,162,231 | 19.53 | \$ 63,007,426 | 32.00% |
| 2008/2009 | 14,206,751 | 4,300,440 | 990,862 | 59,429 | 7,148 | 61,888 | 608,626 | 4,760,067 | 20,235,144 | 19.60 | 57,734,995 | 35.05% |
| 2009/2010 | 14,216,289 | 4,258,435 | 998,345 | 52,560 | 8,003 | 34,201 | 650,513 | 4,934,617 | 20,218,346 | 19.45 | 57,795,426 | 34.98% |
| 2010/2011 | 14,158,842 | 4,074,153 | 989,564 | 53,209 | 8,000 | - | 683,436 | 5,088,595 | 19,967,204 | 19.45 | 56,463,352 | 35.36% |
| 2011/2012 | 12,700,329 | 3,827,089 | 940,474 | 49,068 | 8,448 | - | 723,511 | 4,940,025 | 18,248,919 | 19.03 | 51,519,616 | 35.42% |
| 2012/2013 | 12,671,139 | 3,717,857 | 932,521 | 47,004 | 9,026 | - | 773,714 | 5,075,748 | 18,151,261 | 19.03 | 51,197,562 | 35.45% |
| 2013/2014 | 12,659,012 | 3,678,998 | 931,342 | 46,724 | 9,600 | - | 843,929 | 5,305,713 | 18,169,605 | 19.03 | 51,189,789 | 35.49% |
| 2014/2015 | 12,724,934 | 3,688,759 | 887,143 | 57,051 | 9,999 | - | 899,654 | 5,406,076 | 18,267,540 | 18.85 | 51,421,839 | 35.52% |
| 2015/2016 | 12,773,715 | 3,694,211 | 887,127 | 56,447 | 9,608 | - | 927,266 | 5,595,125 | 18,348,374 | 18.85 | 51,629,126 | 35.54% |
| 2016/2017 | 12,796,935 | 3,753,498 | 875,044 | 58,630 | 12,171 | - | 966,586 | 5,813,194 | 18,462,864 | 18.85 | 51,922,538 | 35.56% |

Source: Hamilton County Auditor's Finance Department.

Note: Property in Hamilton County is reassessed every six years. In Ohio, taxable assessed value is 35% of appraised market value. Estimated actual value is calculated by dividing assessed value by that percent. Tax rates are per \$1,000 of assessed valuation. According to Ohio law, tax exempt property is classified separately and is not included in residential, commercial or industrial properties until it is no longer exempt and its use is determined at a later date.

⁽¹⁾Excludes tax-exempt property.

⁽²⁾The tangible personal property tax for businesses was phased out over a three-year period starting in 2006 with the last tax due in 2008. Telecommunication companies paid the tangible personal property tax on a declining basis with the last tax due in 2010.

This page intentionally left blank.

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

| | TAX YEAR/COLLECTION YEAR | | | | | | | | | |
|---|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
| HAMILTON COUNTY DIRECT RATES: | | | | | | | | | | |
| General Operating | 2.26 | 2.26 | 2.26 | 2.26 | 2.26 | 2.26 | 2.26 | 2.26 | 2.26 | 2.26 |
| Debt (Bond Retirement) | 0.13 | 0.14 | - | - | - | - | - | - | - | - |
| Drake Hospital | 0.84 | 0.84 | - | - | - | - | - | - | - | - |
| For University of Cincinnati Hospital | 4.49 | 4.49 | 4.49 | 4.49 | 4.07 | 4.07 | 4.07 | 4.07 | 4.07 | 4.07 |
| For County Police Information Center | 0.54 | 0.54 | 0.54 | 0.54 | 0.54 | 0.54 | 0.54 | 0.54 | 0.54 | 0.54 |
| For Developmental Disabilities Board | 3.62 | 3.62 | 4.13 | 4.13 | 4.13 | 4.13 | 4.13 | 4.13 | 4.13 | 4.13 |
| For Community Mental Health | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 | 2.99 |
| For Support of Children Services | 2.77 | 2.77 | 2.77 | 2.77 | 2.77 | 2.77 | 2.77 | 2.77 | 2.77 | 2.77 |
| For Recreation/Zoological Purposes | 0.40 | 0.46 | 0.46 | 0.46 | 0.46 | 0.46 | 0.46 | 0.46 | 0.46 | 0.46 |
| For Senior Services | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 |
| For Family Treatment & Services | - | - | 0.34 | 0.34 | 0.34 | 0.34 | 0.34 | 0.34 | 0.34 | 0.34 |
| For Museum Center | 0.20 | 0.20 | 0.18 | 0.18 | 0.18 | 0.18 | 0.18 | - | - | - |
| Total Direct Rate | 19.53 | 19.60 | 19.45 | 19.45 | 19.03 | 19.03 | 19.03 | 18.85 | 18.85 | 18.85 |
| TOWNSHIP RATES⁽¹⁾: | | | | | | | | | | |
| Anderson | 11.87 | 14.57 | 14.57 | 14.57 | 14.57 | 14.57 | 14.57 | 14.57 | 14.57 | 18.12 |
| Anderson Township Park District | 2.28 | 2.28 | 2.28 | 2.28 | 2.28 | 2.28 | 2.28 | 2.28 | 2.28 | 2.28 |
| Colerain | 17.33 | 17.33 | 17.33 | 18.26 | 18.26 | 18.26 | 18.26 | 20.21 | 20.21 | 20.21 |
| Columbia | 14.76 | 14.76 | 14.76 | 14.76 | 17.01 | 17.01 | 17.01 | 17.01 | 18.61 | 18.61 |
| Crosby | 10.24 | 10.24 | 10.24 | 10.24 | 10.24 | 10.24 | 10.24 | 10.24 | 10.24 | 10.24 |
| Delhi | 26.34 | 26.34 | 26.34 | 26.34 | 26.34 | 26.34 | 28.09 | 30.58 | 30.58 | 31.12 |
| Green | 9.81 | 11.71 | 11.71 | 11.71 | 11.71 | 11.71 | 11.71 | 14.66 | 14.66 | 14.66 |
| Harrison | 3.74 | 3.74 | 3.74 | 5.24 | 5.24 | 5.24 | 5.24 | 5.24 | 5.24 | 5.24 |
| Miami | 9.91 | 9.91 | 9.91 | 9.91 | 9.91 | 10.91 | 11.91 | 13.41 | 13.41 | 13.41 |
| Springfield | 20.30 | 20.30 | 22.80 | 22.80 | 22.80 | 23.80 | 23.80 | 23.80 | 23.80 | 23.80 |
| Sycamore | 8.75 | 8.75 | 8.75 | 8.75 | 8.75 | 8.75 | 8.75 | 8.75 | 8.75 | 8.75 |
| Symmes | 13.70 | 13.70 | 13.50 | 14.50 | 14.50 | 14.50 | 14.50 | 14.50 | 15.00 | 15.00 |
| Whitewater | 11.44 | 11.44 | 11.44 | 11.44 | 11.44 | 11.44 | 11.44 | 11.44 | 11.44 | 16.81 |
| SCHOOL DISTRICT RATES⁽¹⁾: | | | | | | | | | | |
| Cincinnati | 59.67 | 67.95 | 67.87 | 68.54 | 70.76 | 71.34 | 71.49 | 70.65 | 70.15 | 77.91 |
| Deer Park | 78.63 | 78.63 | 78.63 | 78.63 | 78.63 | 78.63 | 86.53 | 86.53 | 86.53 | 91.94 |
| Finneytown | 86.67 | 86.92 | 86.96 | 94.90 | 94.90 | 96.88 | 96.88 | 96.88 | 96.93 | 97.58 |
| Forest Hills | 61.46 | 61.65 | 61.65 | 61.65 | 61.65 | 65.55 | 65.55 | 70.50 | 70.50 | 68.81 |
| Indian Hill | 45.42 | 46.32 | 45.82 | 45.72 | 45.87 | 45.99 | 46.06 | 44.81 | 46.06 | 46.16 |
| Lockland | 51.59 | 51.59 | 50.79 | 48.59 | 48.59 | 48.59 | 47.19 | 47.09 | 47.09 | 47.09 |
| Loveland | 74.24 | 74.24 | 74.24 | 74.24 | 77.64 | 77.98 | 78.08 | 83.68 | 82.09 | 82.09 |
| Madeira | 94.77 | 95.39 | 94.02 | 94.02 | 101.27 | 101.94 | 101.82 | 101.82 | 101.55 | 107.77 |
| Mariemont | 97.87 | 97.87 | 97.72 | 106.47 | 106.97 | 107.77 | 107.77 | 113.92 | 113.92 | 113.92 |
| Milford | 69.10 | 74.60 | 74.60 | 74.60 | 75.05 | 75.05 | 79.65 | 79.65 | 80 | 80 |
| Mt. Healthy | 74.24 | 75.03 | 74.95 | 74.93 | 75.74 | 76.47 | 76.87 | 74.81 | 75.26 | 75.47 |
| North College Hill | 65.36 | 66.05 | 65.97 | 66.00 | 66.07 | 66.77 | 66.77 | 66.77 | 66.77 | 67.03 |
| Northwest | 53.39 | 53.56 | 53.57 | 53.60 | 54.22 | 59.57 | 59.57 | 59.57 | 58.87 | 58.87 |
| Norwood | 49.40 | 48.17 | 49.23 | 49.11 | 59.09 | 58.97 | 59.02 | 59.66 | 59.98 | 67.29 |
| Oak Hills | 46.35 | 45.90 | 45.83 | 45.80 | 46.02 | 46.05 | 50.97 | 51.15 | 51.15 | 51.15 |
| Princeton | 49.03 | 48.99 | 48.99 | 50.48 | 50.83 | 61.28 | 61.28 | 62.58 | 62.58 | 62.58 |
| Reading | 64.08 | 64.08 | 69.79 | 69.90 | 70.67 | 70.67 | 70.67 | 70.67 | 78.15 | 78.15 |
| St. Bernard | 49.17 | 53.20 | 52.87 | 53.01 | 58.68 | 58.28 | 57.34 | 58.46 | 58.56 | 64.07 |
| Southwest | 45.30 | 45.14 | 44.98 | 44.68 | 44.18 | 44.18 | 44.18 | 44.18 | 44.18 | 44.18 |
| Sycamore | 65.79 | 65.77 | 65.77 | 66.38 | 66.45 | 66.45 | 66.45 | 66.45 | 66.37 | 72.87 |
| Three Rivers | 44.90 | 44.90 | 44.90 | 49.87 | 49.87 | 49.87 | 49.87 | 49.87 | 49.22 | 49.22 |
| Winton Woods | 78.03 | 78.03 | 85.93 | 86.03 | 87.32 | 87.41 | 87.41 | 87.41 | 87.81 | 94.76 |
| Wyoming | 87.87 | 87.87 | 87.84 | 87.84 | 88.58 | 93.37 | 93.37 | 93.37 | 93.28 | 93.28 |
| Great Oaks Joint Vocational | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 | 2.70 |
| Butler Tech Joint Vocational | - | - | 1.93 | 1.93 | 1.93 | 1.93 | 1.93 | 1.93 | 1.93 | 1.93 |

COUNTY OF HAMILTON, OHIO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

| CITY & VILLAGE RATES ⁽¹⁾ : | TAX YEAR/COLLECTION YEAR | | | | | | | | | | |
|--|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2011/2012 | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
| Addyston | 7.59 | 7.59 | 7.59 | 7.59 | 7.59 | 7.59 | 7.59 | 7.59 | 8.09 | 8.09 | 8.09 |
| Amberley | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 17.00 | 17.00 | 17.00 | 17.00 |
| Arlington Heights | 11.52 | 11.52 | 11.52 | 11.52 | 11.52 | 11.52 | 11.52 | 11.52 | 11.52 | 20.52 | 20.52 |
| Blue Ash | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 |
| Cheviot | 14.52 | 14.52 | 20.13 | 20.13 | 20.13 | 20.13 | 20.13 | 20.13 | 20.13 | 20.13 | 20.13 |
| Cincinnati | 9.89 | 9.89 | 9.82 | 10.07 | 10.50 | 10.50 | 10.85 | 12.20 | 12.10 | 12.10 | 12.04 |
| Cleves | 12.99 | 12.99 | 12.99 | 6.99 | 10.09 | 10.09 | 10.09 | 13.99 | 13.99 | 13.99 | 13.99 |
| Deer Park | 10.45 | 10.45 | 10.45 | 10.45 | 10.45 | 10.45 | 10.45 | 10.45 | 10.45 | 10.45 | 12.45 |
| Elmwood Place | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 | 17.78 |
| Evendale | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fairfax | 2.76 | 2.76 | 2.76 | 2.76 | 2.76 | 2.76 | 2.76 | 2.76 | 2.76 | 1.80 | 2.76 |
| Fairfield | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 5.94 | 8.44 |
| Forest Park | 12.76 | 12.76 | 12.76 | 12.76 | 12.76 | 12.76 | 12.76 | 12.76 | 12.76 | 18.51 | 18.51 |
| Glendale | 21.03 | 20.08 | 20.08 | 20.08 | 20.08 | 20.08 | 21.58 | 21.58 | 21.58 | 21.58 | 21.58 |
| Golf Manor | 38.52 | 38.52 | 38.52 | 38.52 | 38.52 | 38.52 | 38.52 | 38.52 | 38.52 | 43.52 | 43.52 |
| Greenhills | 28.23 | 27.88 | 27.83 | 32.73 | 33.58 | 33.58 | 33.58 | 33.58 | 33.58 | 30.86 | 30.15 |
| Harrison | 13.00 | 11.19 | 14.50 | 14.50 | 14.50 | 14.50 | 14.50 | 14.50 | 14.50 | 16.90 | 15.09 |
| Indian Hill | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 | 0.96 |
| Lincoln Heights | 35.33 | 35.33 | 35.33 | 39.33 | 40.73 | 40.73 | 48.73 | 48.73 | 48.73 | 48.73 | 42.83 |
| Lockland | 7.52 | 7.52 | 7.52 | 7.52 | 7.52 | 7.52 | 7.52 | 7.52 | 7.52 | 7.52 | 11.52 |
| Loveland | 10.35 | 10.35 | 10.35 | 10.35 | 10.35 | 10.35 | 10.35 | 10.35 | 12.10 | 12.10 | 12.10 |
| Madeira | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| Mariemont | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 | 14.37 |
| Milford | 11.80 | 11.80 | 11.80 | 11.80 | 11.80 | 11.80 | 11.80 | 11.80 | 13.80 | 13.80 | 13.80 |
| Montgomery | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 | 10.05 |
| Mt. Healthy | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 | 11.11 |
| Newtown | 2.37 | 2.37 | 2.37 | 2.37 | 2.37 | 2.37 | 2.37 | 2.37 | 2.37 | 2.37 | 12.64 |
| North Bend | 10.09 | 10.09 | 10.09 | 10.09 | 10.09 | 10.09 | 10.09 | 11.38 | 11.38 | 9.44 | 9.44 |
| North College Hill | 7.98 | 7.98 | 7.98 | 7.98 | 7.98 | 7.98 | 7.98 | 12.88 | 12.88 | 11.58 | 11.58 |
| Norwood | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 | 11.40 |
| Reading | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 | 3.52 |
| St. Bernard | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 | 11.28 |
| Sharonville | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Silverton | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 | 8.15 |
| Springdale | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 | 3.08 |
| Terrace Park | 11.67 | 12.09 | 8.59 | 11.34 | 11.34 | 11.34 | 11.34 | 13.84 | 13.84 | 13.84 | 13.84 |
| Woodlawn | 5.08 | 5.08 | 5.08 | 5.08 | 5.08 | 5.08 | 5.08 | 5.08 | 10.08 | 10.08 | 10.08 |
| Wyoming | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| SPECIAL DISTRICT RATES⁽¹⁾: | | | | | | | | | | | |
| Deer Park/Silverton Joint Fire District | 6.40 | 6.40 | 6.40 | 6.40 | 6.40 | 6.40 | 6.4 | 7.90 | 7.90 | 7.90 | 7.90 |
| Eastern Joint Ambulance District | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Little Miami Joint Fire District | 9.75 | 9.75 | 12.05 | 12.05 | 12.05 | 12.05 | 12.05 | 12.05 | 12.05 | 12.05 | 12.05 |
| Western Joint Ambulance District | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 |
| Hamilton County Park District | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 | 1.03 |
| Public Library of Cincinnati & Hamilton County | - | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

Source: Hamilton County Auditor's Finance Department—Tax Year Data.

Note: The Ohio Constitution permits local governments, as a group within a taxing district, to levy up to 10 mills without a vote of the electorate. These levies, collectively called inside millage levies because they fall within the 10-mill limit, are also known as unvoted levies. The allocation of inside millage between entities is set by statute. The County's special revenue levy property tax rates may be increased only by a majority vote of the County's residents. The bond retirement rate is adjusted annually to meet the principal and interest payments required each year. A state-mandated County-wide property reappraisal was implemented in 2017.

⁽¹⁾Overlapping rates are those of local governments that apply to property owners within Hamilton County. Not all overlapping rates apply to all Hamilton County property owners.

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

(Amounts in Thousands)

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

Source: Hamilton County Auditor's Finance Department.

**COUNTY OF HAMILTON, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
REAL, UTILITY AND TANGIBLE TAXES
LAST TEN YEARS
(Amounts Not in Thousands)**

| Tax Year/ Collection Year | Current Levy | Delinquent Levy | Total Levy | Current Collection | Current Levy Collected | Delinquent Collection | Total Collection | Total Collections as a Percent of Current Levy |
|--|-------------------------|----------------------------|-------------------------|-------------------------------|-----------------------------------|----------------------------------|-----------------------------|---|
| 2007/2008 | \$ 272,851,350 | \$ 28,852,892 | \$ 301,704,242 | \$ 259,904,717 | 95.26% | \$ 13,535,836 | \$ 273,440,553 | 100.22% |
| 2008/2009 | 268,405,061 | 24,986,543 | 293,391,604 | 255,494,652 | 95.19% | 11,893,488 | 267,388,140 | 99.62% |
| 2009/2010 | 268,360,431 | 23,906,442 | 292,266,873 | 250,349,774 | 93.29% | 9,796,207 | 260,145,981 | 96.94% |
| 2010/2011 | 269,901,539 | 23,031,728 | 292,933,267 | 256,290,793 | 94.96% | 11,297,992 | 267,588,785 | 99.14% |
| 2011/2012 | 258,680,233 | 20,673,734 | 279,353,967 | 247,079,287 | 95.52% | 11,218,173 | 258,297,460 | 99.85% |
| 2012/2013 | 260,889,847 | 21,610,582 | 282,500,429 | 252,048,232 | 96.61% | 8,612,038 | 260,660,270 | 99.91% |
| 2013/2014 | 262,546,004 | 15,031,820 | 277,577,824 | 254,197,080 | 96.82% | 8,252,965 | 262,450,045 | 99.96% |
| 2014/2015 | 261,800,887 | 14,700,657 | 276,501,544 | 253,810,047 | 96.95% | 7,477,900 | 261,287,947 | 99.80% |
| 2015/2016 | 262,581,917 | 13,256,291 | 275,838,208 | 255,949,464 | 97.47% | 6,948,426 | 262,897,890 | 100.12% |
| 2016/2017 | 264,597,590 | 12,666,450 | 277,264,040 | 257,379,587 | 97.27% | 6,542,891 | 263,922,478 | 99.74% |
| Totals | \$ 2,650,614,859 | \$ 198,717,139 | \$ 2,849,331,998 | \$ 2,542,503,633 | | \$ 95,575,916 | \$ 2,638,079,549 | |

Source: Hamilton County Auditor's Finance Department.

Includes the rollback, homestead and \$10K personal property reimbursements from the State of Ohio.

Note: Delinquent collections of property taxes are not separable by tax year because the tax tracking system does not differentiate between tax years.

COUNTY OF HAMILTON, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

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

Source: Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾See the Schedule of Demographic and Economic Statistics on page 179 for personal income and population data.

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

⁽³⁾2016: Estimated figure using state figure CAFR-year. County data not available.

This page intentionally left blank.

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

(Amounts in Thousands)

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

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

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

Source: Hamilton County Auditor's Finance Department.

⁽¹⁾The debt limitation is the sum of the following:

| | |
|---|-------------------|
| three percent (3%) of the first \$100,000,000 of the assessed valuation | \$ 3,000 |
| plus one and a half percent (1.5%) of such valuation of \$100,000,000 | 3,000 |
| and not in excess of \$300,000,000 plus two and a half percent (2.5%) | (7,500) |
| of such valuation in excess of \$300,000,000 | (1,500) |
| | <u>\$ (1,500)</u> |

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

(Amounts in Thousands)

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

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

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

Source: Hamilton County Auditor's Finance Department.

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

COUNTY OF HAMILTON, OHIO
PLEGGED REVENUE COVERAGE—METROPOLITAN SEWER DISTRICT
LAST TEN FISCAL YEARS

(Amounts in Thousands)

| Fiscal Year | SEWER REVENUE BONDS | | | | | | |
|-------------|----------------------------|--------------------------|--|--|--------------|-----------|----------|
| | Sewerage Charges and Other | Less: Operating Expenses | Revenues Transferred to Surplus ⁽¹⁾ | Net Revenue Available for Debt Service | Debt Service | | Coverage |
| | | | | | Principal | Interest | |
| 2008 | \$ 202,406 | \$ 101,033 | \$ 15,716 | \$ 117,089 | \$ 28,825 | \$ 31,037 | 1.96 |
| 2009 | 209,073 | 103,825 | 18,100 | 123,348 | 30,235 | 31,391 | 2.00 |
| 2010 | 227,040 | 120,368 | 18,418 | 125,090 | 31,845 | 37,546 | 1.80 |
| 2011 | 244,254 | 111,823 | 31,090 | 163,521 | 33,520 | 40,635 | 2.21 |
| 2012 | 260,388 | 101,418 | 36,535 | 195,505 | 35,250 | 38,553 | 2.65 |
| 2013 | 270,919 | 126,289 | 28,024 | 144,630 ⁽²⁾ | 37,115 | 37,423 | 1.94 |
| 2014 | 276,941 | 120,018 | 33,513 | 156,923 | 42,435 | 35,211 | 2.02 |
| 2015 | 290,431 | 115,271 | 70,757 | 175,160 | 40,920 | 38,262 | 2.21 |
| 2016 | 292,553 | 11,347 | 85,680 | 281,206 | 43,125 | 35,375 | 3.58 |
| 2017 | 304,821 | 63,878 | 50,697 | 240,943 | 29,050 | 31,685 | 3.97 |

Source: Audited MSD financial reports.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sewerage Charges and Other includes sewerage service charges, sewer surcharges, all other operating revenues, interest income, capitalized interest income and tap-in/connection fees. Operating expenses do not include interest, depreciation or amortization expenses.

⁽¹⁾Half of pledged revenues are transferred to a surplus account.

⁽²⁾Revised formula per trust agreement.

This page intentionally left blank.

**COUNTY OF HAMILTON, OHIO
PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS**
(Amounts in Thousands)

ADJUSTABLE RATE PARKING SYSTEM REVENUE BONDS

| Fiscal Year | Parking Service Charges and Other ⁽¹⁾ | Less: Operating Expenses | Net Revenue Available for Debt Service | Debt Service | | Coverage |
|------------------------|--|--------------------------|--|-----------------------|----------|----------|
| | | | | Principal | Interest | |
| 2008 | \$ 6,664 | \$ 4,299 | \$ 2,365 | \$ 645 | \$ 474 | 2.11 |
| 2009 ⁽²⁾⁽³⁾ | 5,731 | 3,641 | 2,090 | 685 | 93 | 2.69 |
| 2010 | 6,612 | 4,680 | 1,932 | 725 | 49 | 2.50 |
| 2011 | 6,482 | 4,667 | 1,815 | 770 | 36 | 2.25 |
| 2012 | 9,179 | 6,032 | 3,147 | 815 | 33 | 3.71 |
| 2013 | 12,221 | 6,408 | 5,813 | 865 | 39 | 6.43 |
| 2014 | 11,434 | 6,780 | 4,654 | 915 | 60 | 4.77 |
| 2015 | 12,140 | 6,363 | 5,777 | 970 | 24 | 5.81 |
| 2016 | 13,069 | 6,701 | 6,368 | 1,030 | 77 | 5.75 |
| 2017 | 14,300 | 7,176 | 7,124 | 14,365 ⁽⁷⁾ | 107 | 0.49 |

Source: Audited Hamilton County financial statements and Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾Parking Service Charges and Other includes charges for services and sales and use tax revenues.

Operating Expenses do not include interest, depreciation or amortization expenses.

⁽²⁾In May 2009, the County obtained a loan from the State of Ohio in the amount of \$11,685 for construction of an intermodal transit facility. The loan is secured by parking revenues, sales tax receipts, and by other non-tax revenues of the County on a contingent basis. The loan will be repaid in 2012–2019. Loan interest rates range from 3.00% to 4.25%.

⁽³⁾In October 2009, the County secured a loan for \$5,475 from the State of Ohio for riverfront development.

The loan is secured by shared TIF (Tax Increment Financing) revenues of the County and the City of Cincinnati.

The loan will be repaid in 2015–2024. Loan interest rates are 0% for the first five years and 3% thereafter.

| SPECIAL ASSESSMENT BONDS | | | | SALES TAX BONDS ⁽⁴⁾ | | | | | |
|--------------------------------------|-----------------------------|----------|----------|--|------------------------------------|-----------|----------------------------------|----------|----------|
| Special Assessment Collections | Debt Service ⁽⁶⁾ | | Coverage | Sales Tax Collections ⁽⁴⁾ | Paul Brown Stadium Debt Service | | Baseball Stadium Debt Service | | Coverage |
| | Principal | Interest | | | Principal | Interest | Principal | Interest | |
| \$ 485 | \$ 314 | \$ 217 | 0.91 | \$ 65,381 | \$ 2,955 | \$ 17,522 | \$ 7,019 | \$ 9,002 | 1.79 |
| 467 | 310 | 216 | 0.89 | 60,630 | 3,219 | 17,372 | 7,595 | 8,659 | 1.65 |
| 512 | 364 | 225 | 0.87 | 62,172 | 2,140 | 17,201 | - | 8,269 | 2.25 |
| 498 | 331 | 224 | 0.90 | 65,044 | 73,418 ⁽⁵⁾ | 15,752 | 1,273 | 8,285 | 0.66 |
| 502 | 374 | 216 | 0.85 | 66,642 | 180 | 16,843 | 945 | 8,339 | 2.53 |
| 543 | 402 | 212 | 0.88 | 69,637 | 7,009 | 16,896 | 6,511 | 8,344 | 1.80 |
| 571 | 368 | 200 | 1.01 | 74,141 | 10,590 | 16,485 | 5,125 | 7,976 | 1.85 |
| 556 | 379 | 201 | 0.96 | 77,982 | 15,110 | 15,966 | 4,610 | 7,719 | 1.80 |
| 400 | 349 | 189 | 0.74 | 80,441 | 16,458 | 11,608 | 5,662 | 5,441 | 2.05 |
| 462 | 329 | 169 | 0.93 | 80,474 | 13,490 | 11,872 | 8,580 | 6,343 | 2.00 |

⁽⁴⁾On March 19, 1996, voters of Hamilton County approved a ½% increase in the County's general sales tax. The County Commissioners approved by resolution that this additional tax be used for the development of the riverfront area, including construction of the football and baseball stadiums—Paul Brown Stadium and Great American Ball Park. The sales tax bonds are not a general obligation of the County.

They are secured by the County's pledge and assignment of the revenue from the additional ½% sales tax.

⁽⁵⁾2011 includes payment of principal on refunded bonds.

⁽⁶⁾Includes manuscript bonds for 2012 and after.

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

COUNTY OF HAMILTON, OHIO
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

(Amounts in Thousands, Except Per Capita Amount)

| Fiscal Year | General Obligation Bonds | Less: Amounts Available in Debt Service Fund | Total | Percentage of Estimated Actual Taxable Value⁽¹⁾ of Property | Per Capita⁽²⁾ |
|------------------------|---|---|--------------|---|-------------------------------------|
| 2008 | \$ 107,980 | \$ 2,164 | \$ 105,816 | 0.17% | \$ 123.98 |
| 2009 | 108,610 | 2,094 | 106,516 | 0.18% | 124.57 |
| 2010 | 97,185 | 2,059 | 95,126 | 0.16% | 118.56 |
| 2011 | 90,987 | 8,255 | 82,732 | 0.15% | 103.37 |
| 2012 | 82,652 | 5,303 | 77,349 | 0.15% | 96.44 |
| 2013 | 70,839 | 132 | 70,707 | 0.14% | 87.89 |
| 2014 | 78,572 | 105 | 78,467 | 0.15% | 97.28 |
| 2015 | 86,385 | 216 | 86,169 | 0.17% | 106.70 |
| 2016 | 77,004 | 218 | 76,786 | 0.15% | 94.90 |
| 2017 | 153,472 | 13,537 | 139,935 | 0.27% | 171.95 |

Source: Hamilton County Auditor's Finance Department.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 164 for property value data.

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

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

| Fiscal Year | Population⁽¹⁾ | Personal Income⁽²⁾⁽⁵⁾⁽⁶⁾ (Amounts in Thousands) | Per Capita Personal Income | Annual Average Unemployment Rate⁽³⁾ | Median Age⁽⁴⁾ |
|--------------------|---------------------------------|--|-----------------------------------|---|---------------------------------|
| 2008 | 853,508 | \$ 37,484,285 | \$ 43,918 | 5.60% | 38.6 |
| 2009 | 855,062 | 36,248,694 | 42,393 | 8.90% | 36.8 |
| 2010 | 802,374 | 36,770,921 | 45,828 | 9.50% | 37.1 |
| 2011 | 800,362 | 37,522,065 | 46,881 | 8.60% | 37.3 |
| 2012 | 802,038 | 39,631,501 | 49,413 | 7.00% | 37.3 |
| 2013 | 804,520 | 40,522,891 | 50,369 | 7.10% | 37.1 |
| 2014 | 806,631 | 42,299,608 | 52,440 | 5.30% | 37.4 |
| 2015 | 807,598 | 43,277,897 | 53,588 | 4.50% | 37.1 |
| 2016 | 809,099 | 44,667,579 | 55,207 | 4.00% | 37.0 |
| 2017 | 813,822 | 45,576,164 | 56,003 | 4.40% | 37.0 |

Data Sources:

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

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

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

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

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

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

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

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

Data Sources:

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

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

⁽³⁾Cincinnati Business Courier 2008 Book of Lists

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

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

Sources: Hamilton County, Ohio 2008-2017 Budgets, Budgeted FTEs

Hamilton County, Ohio, Department of Budget and Strategic Initiatives

Method: An FTE is the equivalent of one full-time employee. To calculate a percentage of an FTE, for each employee a ratio is derived by dividing expected hours to be worked by 2,080 hours per year.

⁽¹⁾Employees of certain agencies subsidized by the General Fund are included.

⁽²⁾Employees funded by grants are included in certain departmental FTE counts.

⁽³⁾Personnel in this agency are employed by the City of Cincinnati.

⁽⁴⁾Paul Brown Stadium personnel are managed in part by Hamilton County and in part by Paul Brown Stadium, Ltd.

⁽⁵⁾Great American Ball Park baseball stadium personnel are managed by the Cincinnati Reds.

⁽⁶⁾Additional parking facilities personnel services are provided via management contract.

⁽⁷⁾During 2007, the budget and small business sections transferred from Administrative Services to County Administration, the facilities maintenance section of Juvenile Court transferred to County Facilities, and the child support legal services section of the Prosecutor transferred to Job and Family Services.

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

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

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

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

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

⁽¹³⁾The 695.97 positions reduced in 2010 and the 449.79 in 2011 resulted primarily from budget reductions in the Judicial and Social Services functions.

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

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

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

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

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

Sources:

- Hamilton County, Ohio, 2007-2008 Budgets
- Hamilton County Auditor
- Various Hamilton County Departments
- Supreme Court of Ohio
- <http://www.hcjfs.hamilton-co.org>, 2007-2010
- <http://www.hcso.org/GeneralInformation/AnnualReport.pdf>
- <http://www.sconet.state.oh.us/Publications/default.asp>
- <http://www.bengals.com/team/history>
- <http://www.baseball-reference.com/teams/CIN/attend.html>

⁽¹⁾Triennial reassessment, payable following year. Ohio law requires a mid-cycle value adjustment three years after the mass reappraisal to update the six-year mass reappraisal so values change gradually.

⁽²⁾Mass reappraisal, payable following year. Ohio law requires counties to revalue all real property every three years. The Auditor's Office is responsible for setting the value of properties, not the assessment of taxes.

⁽³⁾Revised figure.

⁽⁴⁾These are presidential election years.

⁽⁵⁾The number includes new cases docketed, transferred in or reactivated as reported to the Supreme Court of Ohio.

⁽⁶⁾For fiscal years 2007-2008, the number of eligible individuals served is an unduplicated count of individuals served per year and does not represent the number of services provided to those individuals. For fiscal years 2009-2016, the number of eligible individuals served includes some individuals who received more than one service per year.

⁽⁷⁾No resurfacing occurred due to budget constraints.

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

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

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

⁽¹¹⁾Compilation of Activity Report ended in 2011.

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

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

| <u>FUNCTION/PROGRAM</u> | <u>FISCAL YEAR</u> | | | | | | | | | |
|---|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
| <u>Governmental Activities</u> | | | | | | | | | | |
| General Government | | | | | | | | | | |
| Properties ⁽¹⁾⁽⁵⁾ | 8 | 8 | 8 | 8 | 5 | 5 | 5 | 5 | 5 | 5 |
| Judicial | | | | | | | | | | |
| Properties ⁽¹⁾ | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Public Safety | | | | | | | | | | |
| Coroner | | | | | | | | | | |
| Properties ⁽¹⁾ | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Emergency Management | | | | | | | | | | |
| Office Building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Emergency Warning Sirens | 195 | 195 | 195 | 199 | 199 | 200 | 199 | 194 | 194 | 194 |
| Sheriff | | | | | | | | | | |
| District Patrol Headquarters ⁽²⁾ | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Detention Facilities ⁽³⁾ | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Social Services | | | | | | | | | | |
| Job and Family Services | | | | | | | | | | |
| Properties ⁽¹⁾ | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Health | | | | | | | | | | |
| Developmental Disabilities Services | | | | | | | | | | |
| Properties ⁽¹⁾ | 13 | 13 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Mental Health and Recovery Services Board | | | | | | | | | | |
| Properties ⁽¹⁾ | 62 | 64 | 64 | 63 | 63 | 63 | 63 | 63 | 63 | 63 |
| Public Works | | | | | | | | | | |
| Planning and Development | | | | | | | | | | |
| Maintenance Facility | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Maintenance Vehicles and Equipment | 30 | 29 | 30 | 31 | 31 | 30 | 30 | 24 | 27 | 28 |
| County Engineer | | | | | | | | | | |
| County Roads Maintained (Miles) | 544 | 544 | 532 | 532 | 504 | 504 | 504 | 504 | 504 | 516 |
| Maintenance Facilities | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 |

| FUNCTION/PROGRAM | FISCAL YEAR | | | | | | | | | | |
|--|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | |
| <u>Business-Type Activities</u> | | | | | | | | | | | |
| Metropolitan Sewer District | | | | | | | | | | | |
| Major Wastewater Treatment Plants | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | |
| Combined and Sanitary Sewers (Miles) | 3,050 | 2,994 | 2,994 | 2,994 | 2,990 | 2,991 | 2,994 | 2,994 | 3,000 | 3,000 | |
| Paul Brown Stadium | | | | | | | | | | | |
| Paul Brown Football Stadium | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Parking Garage | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Baseball Stadium | | | | | | | | | | | |
| Great American Ballpark Baseball Stadium | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Hall of Fame Museum | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Team Store | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Riverfront Development | | | | | | | | | | | |
| Parking Garages ⁽⁶⁾ | 3 | 3 | 3 | 4 | 4 | 4 | 2 | 2 | 2 | 2 | |
| Surface Parking Lots | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | |
| Main Street Parking Garage | | | | | | | | | | | |
| Alms & Doepke Parkhaus Parking Garage | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Communications Center | | | | | | | | | | | |
| 911 Communications Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Radio Towers ⁽⁴⁾ | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | |
| Emergency Alert System | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |

Sources: Hamilton County, Ohio, 2008-2017 Budgets
Hamilton County Auditor
Various Hamilton County Departments

Note: No capital asset indicators are available for the following functions/programs:
* the Environmental Control, Economic Development and Parks and Recreation functions
* the Rotary fund

⁽¹⁾Improved real properties are primarily buildings, County-owned unless otherwise indicated, presented in the function of the primary use(r).

⁽²⁾Three District Patrol Headquarters are owned by townships. The Sheriff provides contracted police services.

⁽³⁾The Queensgate Correctional Facility, formerly a leased property, closed in December 2008. The lease terminated 12/31/08.

⁽⁴⁾Ten of the Communications Center towers are County-owned; the other five towers are leased.

⁽⁵⁾Hamilton County sold Drake Hospital and the former Kahn's Meat Packing Facilities in 2012.

⁽⁶⁾Three small garages were combined to become one large one in 2014.

This page intentionally left blank.



Dave Yost • Auditor of State

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
OCTOBER 9, 2018