



Dave Yost • Auditor of State

BUTLER COUNTY
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BUTLER COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	065888-O5NP-2010/2009	10.553	\$34,220
National School Lunch Program	065888-LLN1-2010/2009	10.555	66,056
Total Child Nutrition Cluster			<u>100,276</u>
<i>Passed Through Ohio Department of Jobs & Family Services:</i>			
Supplemental Nutrition Assistance Program Cluster:			
ARRA - State Administration Matching Grants for the Supplemental Nutrition Assistance Program	G-1011-11-5015	10.561	86,013
State Administration Matching Grants for the Supplemental Nutrition Assistance Program	G-1011-11-5015	10.561	1,768,052
Total Supplemental Nutrition Assistance Program Cluster			<u>1,854,065</u>
Total U.S. Department of Agriculture			<u>1,954,341</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
CDGB - Entitlement Grants Cluster:			
Community Development Entitlement Grant	B-07-UC-39-0008	14.218	1,047,010
HERA - Neighborhood Stabilization Program	B-08-UN-39-0001	14.218	1,810,441
ARRA - Community Development Entitlement Grant	B-09-UY-39-0008	14.253	277,900
			<u>3,135,351</u>
Shelter Plus Care	OH16C70-7001 and 7052	14.238	321,938
HOME Investment Partnerships Program	M-00-DC-39-0222	14.239	1,119,632
Total U.S. Department of Housing and Urban Development			<u>4,576,921</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Bulletproof Vest		16.607	5,700
ARRA - Byrne Memorial Grants (Domestic Violence Support)		16.804	8,775
<i>Passed Through Ohio Department of Public Safety:</i>			
ARRA - Byrne Justice Assistance Grant - Retention and Hiring of Officers	2009-RA-A02-2256	16.803	386,633
<i>Passed Through Ohio Office of Criminal Justice Services</i>			
Juvenile Justice Substance Abuse	2009-RA-B01-2023	16.803	39,968
	2009-RA-B01-2318		39,615
	2009-RA-B01-2226		8,463
			<u>88,046</u>
Byrne Memorial Grants (Domestic Violence Support)		16.738	62,700
<i>Passed Through Ohio Department of Public Safety:</i>			
Byrne Memorial Grants (Domestic Violence Support)	2009-JG-D01-6280	16.738	24,252
Total Byrne Memorial Grants (Domestic Violence Support)			<u>86,952</u>

(Continued)

BUTLER COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<i>Passed Through Ohio Department of Public Safety:</i>			
Violence Against Women Act	2008-WF-VA5-8807	16.588	14,876
	2009-WF-VA5-8807		35,906
ARRA - Violence Against Women Act	2009-AR-VA5-1266		53,546
Total Violence Against Women Act			<u>104,328</u>
<i>Passed Through Ohio Department of Youth Services:</i>			
Juvenile Accountability Incentive Block Grant	2008-JB-015-A025	16.523	1,686
	2009-JB-015-A025		30,473
<i>Total Passed Through Ohio Department of Youth Services</i>			<u>32,159</u>
<i>Passed Through Ohio Attorney General's Office:</i>			
Crime Victim Assistance	2010VAGENE103	16.575	62,089
	2011VAGENE103		9,553
	2010VADOME464		24,126
	2011VADOME464		7,630
Total Crime Victim Assistance			<u>103,398</u>
<i>Passed Through Ohio Office of Criminal Justice Services</i>			
Local Law Enforcement Block Grant		16.593	9,369
Total U.S. Department of Justice			<u>825,360</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION/FEDERAL HIGHWAY ADMINISTRATION</u>			
<i>Passed Through Ohio Department of Transportation:</i>			
Highway Planning and Construction	PID 76290	20.205	29,916
	PID 82423		1,366,986
	PID 14114		261,834
	PID 78073		522,191
	PID 82406		626,337
	PID 87086		260,988
	PID 87337		50,000
	PID 81988		80,809
	23143		7,500
	23142		2,516
ARRA - Highway Planning and Construction	PID 86244		605,174
Total Highway Planning and Construction			<u>3,814,251</u>
<i>Total Passed Through Ohio Department of Transportation</i>			<u>3,814,251</u>
<i>Passed Through Ohio Governor's Highway Safety Office:</i>			
STEP Grant	HVEO-2009-9-00-00-00219-00	20.601	43,260
<i>Total Passed Through Ohio Governor's Highway Safety Office:</i>			<u>43,260</u>
Total U.S. Department of Transportation			<u>3,857,511</u> (Continued)

BUTLER COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF LABOR</u>			
<i>Passed Through Ohio Department of Jobs & Family Services:</i>			
Employment Services		17.207	49,680
Workforce Investment Act Cluster			
Workforce Investment Act - Youth		17.259	794,807
ARRA - Workforce Investment Act - Youth		17.259	17,251
Workforce Investment Act - Adult		17.258	728,809
ARRA - Workforce Investment Act - Adult		17.258	146,138
Workforce Investment Act - Dislocated Workers		17.260	452,761
ARRA - Workforce Investment Act - Dislocated Workers		17.260	1,092,358
Workforce Investment Act - Dislocated Workers		17.278	337,379
 Total Workforce Investment Act			 3,569,503
<i>Total passed through Ohio Department of Job and Family Services</i>			<u>3,619,183</u>
Youth Offender Planning Grant	YF-18887-09-60-A-39	17.261	<u>154,108</u>
Total U.S. Department of Labor			3,773,291
<u>U.S. DEPT. OF TRANSPORTATION/ FEDERAL AVIATION ADMINISTRATION</u>			
Airport Improvement Grant	3-39-0039-2110	20.106	<u>54,255</u>
Total Federal Aviation Administration			54,255
<u>U.S. DEPT. OF ENERGY</u>			
ARRA - Energy Efficiency and Conservation Block Grant	DE-SC0002960	81.128	<u>457,603</u>
Total U.S. Department of Energy			457,603
<u>U.S. DEPT. OF EDUCATION</u>			
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Safe and Drug Free Schools	09-02965-DFSCA-P-10-0906 09-10631-DFSCA-P-10-0910	84.186	17,500 <u>26,653</u>
Total Safe and Drug Free Schools			44,153
<i>Passed Through Ohio Rehabilitation Services Commission</i>			
Rehabilitation Services - Vocational Rehabilitation Grants to States		84.126	13,551
ARRA - Rehabilitation Services - Vocational Rehabilitation Grants to States, Recovery Act		84.390	<u>23,214</u>
Total U.S. Department of Education			80,918 (Continued)

BUTLER COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>ENVIRONMENTAL PROTECTION AGENCY - OFFICE OF WATER</u>			
<i>Passed through Ohio Water Development Agency</i>			
ARRA - Capitalization Grants for Clean Water State Revolving Funds	5305	66.458	1,283,731
ARRA - Capitalization Grants for Drinking Water State Revolving Funds	5360	66.468	1,049,013
Capitalization Grants for Drinking Water State Revolving Funds	5360	66.468	1,221,080
Capitalization Grants for Drinking Water State Revolving Funds	4995	66.468	1,252,923
Total Environmental Protection Agency			4,806,747
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Enhance the Safety of Children Affected by Parental Methamphetamine or Other Substance Abuse		93.087	531,121
Drug Free Communities Support Program		93.276	101,925
<i>Passed through Ohio Secretary of State Help America Vote Act (HAVA Title II)</i>		90.401	2,501
<i>Passed Through Ohio Department of Mental Health:</i>			
PATH Federal Grant	N/A	93.150	137,883
<i>Passed Through Ohio Department of Jobs & Family Services: Promoting Safe and Stable Families (FAST\$ Federal Grant)</i>		93.556	190,203
Temporary Assistance for Needy Families	G-1011-11-5015	93.558	6,850,390
Child Support Enforcement (Title IV-D)	G-1011-11-5015	93.563	1,178,717
ARRA - Child Support Enforcement (Title IV-D)	G-1011-11-5015	93.563	1,926,679
Child Care & Development Block Grant	G-1011-11-5015	93.575	25,792
<i>Passed Through Ohio Department of Jobs & Family Services: Child Care Mandatory and Matching funds of the Child Care and Development Fund</i>		93.596	759,738
<i>Passed Through Ohio Department of Mental Health: Child Care Mandatory and Matching funds of the Child Care and Development Fund</i>		93.596	67,105
Child Welfare Services - State Grants (Title IV-E)		93.645	139,829
ARRA - Foster Care Maintenance (Title IV-E)		93.658	205,099
Foster Care Maintenance (Title IV-E)		93.658	1,477,096
Adoption Assistance		93.659	2,671,879

(Continued)

BUTLER COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
Child Abuse and Neglect Prevention Month State Grants		93.669	2,000
Chaffee Foster Care Independence Program		93.674	136,829
<i>Passed Through Ohio Supreme Court</i> State Court Improvement Program (Drug Court)		93.586	20,000
<i>Passed Through Ohio Department of Mental Health:</i> Title XX Social Service Block Grant	N/A	93.667	134,170
<i>Passed Through Ohio Department of Jobs & Family Services:</i> Title XX Social Service Block Grant	N/A	93.667	1,123,449
<i>Passed Through Ohio Department of Developmental Disabilities:</i> Title XX Social Service Block Grant	N/A	93.667	180,592
Total Title XX Social Service Block Grant			<u>1,438,211</u>
<i>Passed Through Ohio Department of Mental Health:</i> Title XIX Medical Assistance Program	N/A	93.778	9,138,826
ARRA - Title XIX Medical Assistance Program	N/A	93.778	1,442,731
<i>Passed Through Ohio Department of Jobs & Family Services:</i> Title XIX Medical Assistance Program	N/A	93.778	2,614,328
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i> Title XIX Medical Assistance Program	N/A	93.778	1,350,829
<i>Passed Through Ohio Department of Developmental Disabilities:</i> Title XIX Medical Assistance Program	N/A	93.778	3,812,686
Total Title XIX Medical Assistance Program			<u>18,359,400</u>
<i>Passed Through Ohio Department of Mental Health:</i> Block Grant for Community Mental Health Services	N/A	93.958	266,346
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i> Block Grant for the Prevention and Treatment of Substance Abuse	N/A	93.959	2,219,215
<i>Passed Through Ohio Department of Jobs & Family Services:</i> State Children's Insurance Program (SCHIP)	N/A	93.767	411
<i>Passed Through Ohio Department of Developmental Disabilities:</i> State Children's Insurance Program (SCHIP)	N/A	93.767	19,550
Total State Children's Insurance Program (SCHIP)			<u>19,961</u>

(Continued)

BUTLER COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<i>Passed Through Ohio Secretary of State and Office:</i>			
Voting Access for Individuals with Disabilities	N/A	93.617	24,776
Total U.S. Department of Health and Human Services			<u>38,752,695</u>
Total			<u><u>\$59,139,642</u></u>

The accompanying notes to this schedule are an integral part of this schedule.

BUTLER COUNTY

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the Butler County (the County's) federal award programs' disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - SUBRECIPIENTS

The County passes certain federal awards received from the Ohio Department of Development to other governments or not-for-profit agencies (subrecipients). As Note A describes, the County reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that the subrecipients achieve the award's performance goals. The total amount of federal assistance provided to the subrecipients by the County for each federal program is summarized below:

Program Title	Federal CFDA Number	Amounts Provided to Subrecipients
Community Development Block Grant	14.218	\$223,132
Home Investment Partnership Program	14.239	\$340,919

NOTE C - CHILD NUTRITION CLUSTER

The County commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the Government assumes it expends federal monies first.

NOTE D - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The County has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the County, passed through the Ohio Department of Development. The Schedule reports loans made and administrative costs as disbursements on the Schedule. The initial loan of money was recorded as a disbursement on the Schedule of Federal Awards Expenditures (the Schedule). Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2010, the gross amount of loans outstanding under this program was \$324,858.

NOTE E - MATCHING REQUIREMENTS

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

BUTLER COUNTY

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2010
(Continued)**

NOTE F – WORKFORCE INVESTMENT ACT (WIA) FUNDING

WIA funding is distributed to various areas of the State. Butler, Clermont and Warren Counties belong to Area 12. Butler County receives all funding for Area 12, and, as fiscal agent, distributes amounts to Clermont and Warren Counties. The County distributed \$1,353,563 and \$1,691,330 to Clermont and Warren Counties, respectively during calendar year 2010.

NOTE G – CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS

The County entered into a loan agreement with the Ohio Water Development Authority (OWDA) in October 2008 which is funded by the federal DWAF Capitalization Grant Fund. OWDA made payments on-behalf of the County in the amount of \$1,669,427 through December 31, 2009 and were not required to be reported on the County's 2009 federal schedule. The on-behalf payments of \$1,252,923 for 2010 have been reported on the County's 2010 federal schedule.



Dave Yost • Auditor of State

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

Butler County
130 High Street
Hamilton, Ohio 45011

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Butler County, Ohio (the County), as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 29, 2011, except for our opinion on the federal awards expenditure schedule, for which the date is August 9, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings and questioned costs we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2010-001 described in the accompanying schedule of findings and questioned costs 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, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Corporate Centre of Blue Ash, 11117 Kenwood Road, Blue Ash, Ohio 45242

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Butler County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We did note certain matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated August 9, 2011.

The County's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of management, the fiscal review/audit committee, the Board of County Commissioners, and federal awarding agencies and pass-through entities, and others within the County. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

June 29, 2011



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Butler County
130 High Street
Hamilton, Ohio 45011

To the Board of County Commissioners:

Compliance

We have audited the compliance of Butler County, Ohio (the County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the County's major federal programs for the year ended December 31, 2010. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the Butler County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and questioned costs lists these instances as Findings 2010-002 and 2010-003.

Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the County's internal control over compliance.

Corporate Centre of Blue Ash, 11117 Kenwood Road, Blue Ash, Ohio 45242

Phone: 513-361-8550 or 800-368-7419 Fax: 513-361-8577

www.auditor.state.oh.us

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

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 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2010-003 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2010-002 to be a significant deficiency.

We also noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated August 9, 2011.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Butler County, Ohio (the County) as of and for the year ended December 31, 2010, and have issued our report thereon dated June 29, 2011, except for our opinion on the federal awards expenditure schedule for which the date is August 9, 2011. Our audit was performed to form an opinion on the financial statements that collectively comprise the County's basic financial statements taken as a whole. The accompanying federal awards expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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 used to prepare the financial statements. This schedule was subject 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.

The County's responses to the findings we identified are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

Butler County
Independent Accountants' Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control Over
Compliance Required by OMB Circular A-133
Page 2

We intend this report solely for the information and use of the fiscal review/audit committee, management, the Board of County Commissioners, others within the entity federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

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

August 9, 2011

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BUTLER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2010

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses 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)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	Yes
(d)(1)(vii)	Major Programs (list):	Supplemental Nutrition Assistance Program Cluster: CFDA # 10.561 Community Development Block Grant Entitlement Grants Cluster: CFDA # 14.253; 14.218 Workforce Investment Act Cluster: CFDA # 17.258; 17.259; 17.260; 17.278 Child Support Enforcement Act, Title IV-D: CFDA # 93.563 Capitalization Grants for Drinking Water State Revolving Funds: CFDA # 66.468 Title XIX Medical Assistance Program: CFDA # 93.778 Capitalization Grants for Clean Water State Revolving Funds: CFDA # 66.458 Home Investment Partnership Program: CFDA # 14.239
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 1,774,189 Type B: > \$177,419
(d)(1)(ix)	Low Risk Auditee?	No

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

FINDING NUMBER 2010-001

Material Weakness

In July of 2009 the County passed resolution 09-07-1260 reducing the General fund budget by \$3.5 million and in June of 2010 the County passed resolution 10-06-0958 reducing the General fund budget by approximately \$3.6 million. In December of 2009 the Butler County Office of Management and Budget (OMB) issued a communication to all departments, agencies, and elected officials cautioning those with Non-General Fund budgets (Special Revenue Funds) to use those funds appropriately. The communication discusses that many of the Special Revenue Funds were created for a specific purpose and are restricted to use per grant agreements or the Ohio Revised Code. It also stated to be "careful in substituting expenses from the General Fund with non-general fund dollars for which the fund may not allow or permit such an expense".

Of 45 employees selected for payroll testing in 2009 we noted from scanning the June and August 2009 payroll register that seven employees payroll allocations shifted during that time to reduce payroll expenses of each to the general fund and increase amounts charged to restricted funds.

Of the 45 employees selected for payroll testing in 2010, we noted from scanning the 2010 payroll register that five employees' payroll allocations shifted during that time to reduce their payroll expenses charged to the general fund and increase amounts charged to restricted funds. These changes occurred between June and August 2010. In addition from scanning the 2010 June and August payroll register we noted an additional nine employees' whose payroll allocation also shifted to reduce the payroll expenses of each to the general fund and increase amounts charged to restricted funds All of these individuals worked in departments which had general fund budget reductions.

As described below, there was no reliable evidence to support that these employee's duties changed to support a change in payroll charges. Instead, it appears that there were reactive cost shifts for payroll expenses that were charged to the general fund being shifted to restricted funds to reduce the impact of various departmental general fund budget reductions in 2009 and 2010. While this overall allocation of funds does not materially differ from earlier years, the timing of such shifts creates the appearance of reaction.

As part of the test paragraph three describes, we selected 45 employees from the following departments: Adult Probation, Area Courts, Auditor, Child Support Enforcement Agency (CSEA), Clerk of Courts, Commissioners, Developmental Disabilities (DD), Engineer, Juvenile Court, Prosecutor, Sheriff, Treasurer, and Water and Sewer for payroll testing. As a part of testing we reviewed employee payroll disbursements and the funds from which these disbursements were made. If an employee was paid from a fund other than the general fund or paid from more than one fund, we asked the various departments to provide documentation to determine if the payroll was properly charged to a restricted fund. If the employees pay was allocated to more than one fund, we asked for documentation to support the time allocated to each fund. The results of our testing identified the following conditions:

FINDING NUMBER 2010-001
(Continued)

- 40% (18 of 45) of the employees reviewed from the Auditor, Clerk of Courts, Commissioners, Engineer, Juvenile Court, Prosecutor, Sheriff, Treasurer, and Water and Sewer departments did not maintain documentation to support the payroll that was allocated between different funds. The departments provided job descriptions and/or written documentation to support the employees that were allocated to the restricted funds could charge those funds due to their duties. However, there was no documentation provided that showed for a specific pay period the breakdown of hours worked on duties related to each fund for any of these departments tested. Of the departments listed above, the Clerk of Courts and Treasurer departments did a year-end review of amounts allocated throughout the year to restricted funds and the general fund based on the department's initial budget compared to the amounts they felt should have been charged based on employee's duties. Both departments provided an annual reconciliation prepared subsequent to year end which documented their department allocations as a whole. However, there was no documentation by individual employee to support the amounts allocated throughout the year or the amount determined in the year-end review. Alternative audit procedures were performed to determine the financial statements were not materially misstated as a result of this issue.
- 9% (4 of 45) of the employees reviewed from the Child Support Enforcement Agency (CSEA) and the Commissioners departments did not maintain documentation to support the payroll expenditures that were allocated between the related funds, including allocations to federal grant funds. These amounts were not material to the opinion units and therefore no adjustments were deemed necessary to the financial statements. See finding 2010-002 for payroll allocations resulting in federal questioned costs.
- 2% (1 of 45) of the employees reviewed from the Commissioners department allocated direct payroll charges to the Water and Sewer funds when these funds had also reimbursed the General fund for payroll in accordance with the County's formal indirect cost allocation plan prepared by Maximus. In addition, no documentation was provided to support the direct payroll charged to these funds. Further review of the employees of this department disclosed an additional four employees that also allocated direct payroll charges to the Water and Sewer funds in addition to the amount reimbursed from these funds per the County's indirect cost allocation plan. A total of \$9,254 was directly charged to both the Water fund and the Sewer fund. This amount was not material to the opinion units and therefore no adjustments were deemed necessary to the financial statements.

The different departments did not have formal procedures for developing and documenting the payroll charges that were allocated. In addition, there were no procedures for monitoring the allocations to ensure the accuracy of the allocations to the funds and departments charged.

We recommend the County adopt a formal administrative procedure for payroll allocations and maintain documentation to support the payroll allocations to the various funds. In forming the administrative procedures the County and various departments may wish to review the applicable restrictions that are found in the Ohio Revised Code Section 5705.10(H), which applies to restricted funds, other applicable laws and grant agreements, if applicable, that apply to the various restricted funds to which their department employees allocate payroll. Failure to document the process for the allocation of payroll resulted in federal questioned costs as noted in Finding 2010-002, and could reduce the County's ability to monitor compliance with 5705.10(H). In addition, a process for the allocation of payroll between funds would assist in assuring that payroll charged against restricted funds is supported with documentation that such work was for the purpose of the restricted fund(s).

**FINDING NUMBER 2010-001
 (Continued)**

Officials' Response:

The county recognizes the need to adopt a formal administrative procedure for payroll allocations and supporting documentation. The county is reviewing its current allocation practices in order to identify procedural enhancements. Recommended process improvements will be circulated county wide and will also be included in annual training classes.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

FINDING NUMBER 2010-002

CFDA Title and Number	Community Development Block Grant/Entitlement Grant Cluster: CFDA # 14.253; 14.218 Home Investment Partnership Program: CFDA # 14.239 Child Support Enforcement Act, Title IV-D: CFDA # 93.563 Jobs and Family Services (JFS): Medicaid: CFDA# 93.778; Temporary Assistance for Needy Families: CFDA # 93.558; Child Care: CFDA # 93.596; Supplemental Nutrition Assistance Program Cluster: CFDA # 10.561; Workforce Investment Act Cluster: CFDA # 17.258; 17.259; 17.260; 17.278; Child Welfare: CFDA # 93.645
Federal Award Number / Year	B-07-UC-39-0008; B-08-UN-39-0001/2010; B-09-UY-39-0008/2010; M-00-DC-39-0222/2010 G-1011-11-5015/2010; G-1011-11-5015/2010 2010
Federal Agency	Department of Housing and Urban Development Department of Health and Human Services
Pass-Through Agency	None, direct Ohio Department of Jobs and Family Services

Noncompliance/Significant Deficiency/Questioned Cost

2 C.F.R. 225 Appendix B Sections 1 through 43 provide principles to be applied in establishing the allowability or unallowability of certain items of cost. These principles apply whether a cost is treated as direct or indirect. A cost is allowable for Federal reimbursement only to the extent of benefits received by Federal awards and its conformance with the general policies and principles stated in Appendix A to this part. Failure to mention a particular item of cost in these sections is not intended to imply that it is either allowable or unallowable; rather, determination of allowability in each case should be based on the treatment or standards provided for similar or related items of cost.

**FINDING NUMBER 2010-002
(Continued)**

2 C.F.R. 225 Appendix A Section (C)(1)(a through j) provides that “to be allowable under Federal awards, cost must meet the following general criteria: be necessary and reasonable for the performance and administration of the Federal award; be allowable under 2CFR 225; be authorized or not prohibited under State or local laws and regulations; conform to any limitations or exclusions set forth in these principles; be consistent with policies, regulations, and procedures for both Federal awards and other activities of the government entity; be accorded consistent treatment; be in accordance with generally accepted accounting principles except as provided in 2CFR 225; not be included as a cost or used to meet cost sharing or matching requirements of other Federal awards except as provided by Federal law or regulation; be net of any applicable credits; be adequately documented.”

2 C.F.R. 225 Appendix A Section (C)(3)(a) provides a cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

The County is required to identify all expenditures that are specifically for the performance of Federal Grant services and determine if the expenditure is allowable per 2 C.F.R. 225 Appendix A before expending money from a Federal Grant. Failure to properly identify allowable costs to the grant program may lead to monies having to be paid back to the federal program and/or having monies withheld from the federal program in the future.

The County did not follow the above guidelines in the following instances:

- \$133,194, \$68,348, and \$94,673 in direct payroll allocations were charged to the Community Development Block Grant/Entitlement Grant Cluster (HERA, Neighborhood Stabilization program, Community Development Entitlement Grant), and the HOME Investment Partnership Program, respectively. All employees charged to each of the grants were reasonable and necessary for the performance and administration of the Federal programs; however, no time and effort documentation was maintained to support the amounts of payroll charges allocated to each of these federal programs.

\$28,065 and \$14,032 of the Child Support Enforcement Agency (CSEA) public relations coordinator/CSEA program analyst's payroll was allocated to CSEA and the department of Jobs and Family Services (JFS) Public Assistance grants' shared cost pools, respectively. The employee charged to each of the grants was reasonable and necessary for the performance and administration of the Federal programs; however, no time and effort documentation was maintained to support the amounts of payroll charges allocated to each shared cost pool for allocation to the individual programs.

\$7,719 of the County Administrator's payroll was allocated to the department of Jobs and Family Services Public Assistance grant's shared cost pool for allocation to the individual programs. The County Administrator also served as the JFS Director through August 2010; however, the County continued to allocate a portion of his salary to JFS until October 15, 2010. The amount charged for the September 1, 2010, through October 15, 2010, period to each of the JFS grants was not reasonable and necessary for the performance and administration of the Federal programs, and no time and effort documentation was maintained to support the amounts of payroll charges allocated. The commissioners repaid the department of Jobs and Family Services \$7,719 on August 4, 2011.

All salaries and indirect expenses related to CSEA and JFS are included in cost pools. Costs benefiting all programs (rent, leases, utilities, supplies, indirect employee costs for positions such as the agency director, personnel, fiscal, related compensation, etc.) are included in a Shared Costs Pool. Data is collected from time studies and used to calculate allocation statistics used to distribute cost pool expenditures to the appropriate programs.

**FINDING NUMBER 2010-002
 (Continued)**

The \$28,065 in payroll allocations for CSEA were allocated to their shared cost pool at 66% (\$18,523) and charged to Title IV-D; the remaining \$9,542 was charged to non-federal state funds. The \$14,032 and \$7,719 in payroll allocations for JFS were allocated to their Shared Cost Pool which is then charged to various federal programs as noted in the table below based on time studies used to calculate allocation statistics for cost pool expenditures. \$18,281 was charged to the federal programs in noted in the table below and the remaining \$3,470 was charged to non-federal state funds.

Therefore, of \$333,019 of total payroll costs identified above we are questioning total costs of \$326,398 as listed in the table below. The remaining \$6,621 does not meet the requirements of OMB Circular A133 §__.510(a)(3)-(4) for reporting as questioned costs.

CFDA(s)	Federal Program	Payroll Allocation
	Questioned Costs	
14.253; 14.218	Community Development Block Grant/ Entitlement Grant Cluster *	\$201,542
14.239	Home Investment Partnership Program *	94,673
93.563	Child Support Enforcement Act, Title IV-D *	18,523
93.645	Child Welfare	11,660
	Non-questioned Costs	
93.778	Medicaid*	1,174
93.558	Temporary Assistance for Needy Families	2,377
93.596	Child Care	827
10.561	Supplemental Nutrition Assistance Program Cluster*	1,843
17.258;17.259; 17.260;17.278	Workforce Investment Act Cluster*	400
* denotes major federal program		

We recommend the County follow 2 C.F.R. 225 Appendix A to determine which expenditures are considered to be allowable to be used from federal funds. By following 2 C.F.R. 225 Appendix A, the County can ensure federal funds are being expended properly, and this will reduce the possibility of the County having to pay back federal funds and/or having federal funds withheld in future years.

Officials' Response:

The Community Development Department has started tracking the time through a time sheet which assigns hours to the specific grant. The time sheets will be maintained in their office.

The JFS, CSEA, and the Commissioner's officials have determined for CSEA to pay the employee in question 100% from their fund, they will enter into a MOU with any other department needing this employee's services. If those services are performed, an invoice would be generated showing any specific hours worked, providing sufficient documentation for any future audits.

All departments in question will be in contact with the Federal Agency who awarded the grants to ensure proper resolution of the matter. Further review will ensue, where needed. The Commissioner's Office will be compiling a Policy for "Time & Effort" and "Allocation" to address this issue.

FINDING NUMBER 2010-003

CFDA Title and Number	ARRA and Federal Non-ARRA Capitalization Grants for Drinking Water State Revolving Funds: CFDA # 66.468 ARRA Capitalization Grants for Clean Water State Revolving Funds: CFDA # 66.458
Federal Award Number / Year	5360/2010; 4995/2010 5305/2010
Federal Agency	Environmental Protection Agency – Office of Water
Pass-Through Agency	Ohio Water Development Agency

Noncompliance/Material Weakness

OMB Circular A-133 subpart C Section .300(a) states the auditee shall identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received.

2 C.F.R. 176.210 requires recipients to maintain records that identify adequately the source and application of ARRA awards.

40 C.F.R. 31.20 states, in part:

(b)(2) Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

(b)(4) Actual expenditures or outlays must be compared with budgeted amounts for each grant or subgrant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.

While the County did identify federal revenues and disbursements to the appropriate program and/or grant on the federal schedule, the federal money related to the Capitalization Grants for Clean Water State Revolving Funds and Capitalization Grants for Drinking Water State Revolving Funds were comingled in the underlying accounting records in Fund 3557, Sewer On-Behalf fund and Fund 4157, Water On-Behalf fund, respectively. Project revenues and expenditures were only identifiable via descriptions, not by separate accounting codes.

\$1,283,781 in federal ARRA funds for the Capitalization Grants for Clean Water State Revolving Funds were comingled with \$850,873 in non-federal money in Fund 3557.

\$1,049,013 in federal ARRA funds and \$2,474,004 in federal non-ARRA funds for the Capitalization Grants for Drinking Water State Revolving Funds were comingled with \$329,203 in non federal money in Fund 4157. In addition, \$298,748 of the federal non-ARRA money was not recorded in the underlying accounting records; however; it is included in the federal schedule.

Comingling of funds can result in lack of monitoring grant activity for allowability and proper reporting. We recommend the County and/or Department set up the separate funds or establish special cost centers within Funds 3557 and 4157 to adequately track and monitor the revenue and expenditures of their federal funding. Additionally, we recommend the County periodically review grant(s) and the related regulations to assist in establishing any funds or accounting codes necessary to properly account for and report federal grants.

**FINDING NUMBER 2010-003
(Continued)**

Officials' Response:

The water and sewer department and the county auditor's office are working together to resolve the issue. The plan is to create separate funds for the ARRA dollars.

BUTLER COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2010

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	ORC 5705.36 –Outstanding encumbrances on the Certificate of the Total Amount from All Sources Available for Expenditures, and Balances were overstated.	No	Partially Corrected. Repeated in management letter.

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Butler County Ohio

Comprehensive Annual Financial Report



For the Year Ended December 31, 2010

Butler County, Ohio

Comprehensive Annual Financial Report For the Year Ended December 31, 2010

Prepared by the Butler County Auditor's Office

**Roger Reynolds, CPA
Butler County Auditor**

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Introductory Section

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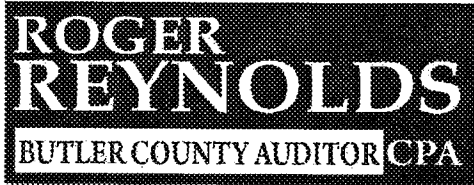
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130 High Street
Hamilton, Ohio 45011



June 29, 2011

To the Citizens and Board of Commissioners of Butler County:

Butler County is required by Ohio law to prepare an annual financial report using generally accepted accounting principles. It is our pleasure to present the Butler County Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010.

The CAFR is prepared in conformance with generally accepted accounting principles as set forth by the Government Accounting Standards Board (GASB) and other recognized authoritative sources and contains basic financial statements, supplemental statements, and other financial and statistical information, providing complete and full disclosure of all material financial aspects of Butler County for 2010. This report is presented in fulfillment of the financial reporting requirement and is representative of our continual commitment to provide accurate and timely financial information to the citizens of Butler County.

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

Our independent auditor, the Ohio Auditor of State, has issued an unqualified opinion on Butler County's financial statements for the year ended December 31, 2010. The independent accountants' report is presented as the first component of the financial section of this report.

Management provides an introductory overview, narrative, and analysis of the basic financial statements known as the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements. This transmittal letter is intended to complement and be read in conjunction with the MD&A, which can be found immediately following the independent accountants' report.

REPORTING ENTITY

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

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

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

ECONOMIC CONDITION AND OUTLOOK

Butler County is one of the fastest growing of the 10 most populous counties in Ohio since 2000, according to 2010 U.S. census. Eighth largest among the state's 88 counties, Butler County's population increased at a rate of 10.6 percent from 2000 through 2010 – gaining 35,323 people during the decade. Ranking 179th out of 3,221 counties in the nation, Butler is among the top six percent of U.S. counties in terms of total population. Served by rail lines, interstate highways, two nearby international airports and high-speed fiber-optic data communications, Butler County is an ideal location for businesses to locate and prosper.

A total of 3,182 building/electric permits were issued in 2010 in the unincorporated areas of Butler County with a combined valuation of more than \$189.6 million. Total permit fees were just over \$1.5 million. These figures, which do not reflect activity within the county's incorporated cities, were similar to 2009 totals but represent a significant decrease from 2007 and 2008 as the poor economy continues to hurt the local building industry.

The Board of County Commissioners administers the Butler County Revolving Loan Fund (RLF). RLF projects include five current loans and consist of \$358,149 in public and private investment.

This investment commits County employers to create/retain 22 full-time jobs. In all, 400 jobs have been created or retained in Butler County by the Revolving Loan Fund over the last 20 years.

According to the Bureau of Labor Statistics, the average weekly wage in Butler County rose 0.6 percent from the first quarter of 2009 to the first quarter of 2010 to \$775. Nationally, average weekly wages rose 0.8 percent in the first quarter of 2010 to \$889. The increase continued for Butler County wage earners at an even higher pace in the second quarter, growing 5.2 percent from June 2009 to June 2010 to \$748. The third quarter also saw a nice bump in wages by 5.6 percent to \$769 from September 2009 to September 2010.

The increase in wages was offset by higher prices. The Consumer Price Index for All Urban Consumers in the Cincinnati-Hamilton area rose 2.1 percent from 2009 to 2010, the U.S. Bureau of Labor Statistics reported. The energy index rose 13.5 percent in 2010, primarily due to increases in gasoline prices. Food prices were up 1.1 percent. The index for all items less food and energy increased 0.9 percent.

The Bureau of Labor Statistics also reported that Butler County's total civilian labor force decreased by 10,000 people in 2010 and the number of people employed fell from 180,100 in 2009 to 170,100 in 2010. Those numbers contrast sharply with 2008 when 180,000 people were employed in the county. The civilian labor force represents civilians 16 years of age or older who are working or seeking work.

Although West Chester Township continues to be the business jewel of the county, the area was not immune to job losses. Hit particularly hard in 2010 was BAE Systems, which shed more than 900 jobs in its local Platform Survivability business unit to drop off the list of Top 10 Employers.

Despite those losses, West Chester grew 11 percent over the decade and reports adding 20,000 jobs over five years to push its total to 50,000 jobs and 3,000 businesses. The township was also named the 32nd best place to live in the country in Money Magazine's 2010 Top 100 list. West Chester also made the list in 2005, ranking number 45.

Following are some of the highlights from expansion/relocation projects undertaken during the year:

Intelligrated, a Mason-based company with a 300,000 square foot manufacturing plant in West Chester, demonstrated additional commitment to Butler County in 2010. In September, the automated material handling solutions provider announced the opening of its new 81,000 square foot state-of-the-art parts fulfillment center for aftermarket support. The new center, located in Hamilton on Muhlhauser Road, will employ about 20 people initially, with the possibility to add an additional ten jobs within a few years, according to company officials. The new facility is a follow-up to Intelligrated's expansion plans announced in 2009 when it accepted a \$24 million incentive package from the state and local governments in Butler, Warren and Madison counties. The package incorporates expansion of the company's operations in Mason, West Chester and London (southwest of Columbus) that are projected to create at least 267 jobs over three years in addition to the 537 jobs it already had in Ohio. Intelligrated has about 1,500 employees in total following its 2009 acquisition of the North

American operations of FKI Logistex from U.K.-based Melrose PLC. It now has operations in the United States, Canada and Mexico. The FKI transaction made it the second-largest company in the North American material-handling automation industry behind German-owned Dematic.

SunCoke Energy, a subsidiary of Sunoco, Inc., hosted a ceremonial brick laying in August 2010 to celebrate the construction of its coke manufacturing facility in Middletown. Construction began on the project in April 2010 and is expected to be completed late in 2011. At a cost of \$360 million, the construction project will create approximately 550 jobs at its peak. Upon its completion, the 100-oven facility will employ 86 people and have the capacity to produce 550,000 tons per year of high quality metallurgical grade coke. Coke made at the facility will be sold to the adjacent AK Steel Middletown Works facility under a long-term contract. The process waste heat from the facility will generate 46 megawatts of electricity and be sold to AK Steel.

M.E. Heuck Company announced in November 2010 the purchase of an 110,000 square foot industrial facility in West Chester. The company purchased the former Kin Products Inc. building for \$2.2 million with plans to move its warehouse from rented facilities in Lebanon and expand. Company officials said the corporate offices will remain in Mason but the West Chester location will serve as warehouse and office space for the 25-employee company.

AtriCure, a leader in the development, manufacture and selling of cardiac surgical ablation devices, completed a 29,407 square-foot expansion to its existing West Chester facility at 6217 Centre Park Drive. Headquartered in West Chester, AtriCure has multiple facilities in the township for operations, research and development, manufacturing, distribution, engineering and administrative operations. AtriCure has approximately 200 employees.

The highlights, however, don't minimize the fact that nearly 10,000 fewer people are employed in the County than were in 2008. The Butler County workforce is well positioned to take advantage of a recovery, though, as 49.7 percent of the County's population age 25 and older has some college education, according to a 2009 report from the Ohio Department of Development. Statewide, that figure is 46.9 percent.

The County continues to produce new workers from its comprehensive career technical education schools. Butler Tech has been helping Butler County youth and adults to achieve their dreams since 1975. Starting with the original high school building, D. Russel Lee Career-Technology Center, it was one of the first joint vocational school districts in the state of Ohio. The original program offerings emphasized mechanical, industrial, and office occupations, all housed at a single campus located south of Middletown on State Route 4.

Over the intervening years, much has changed at Butler County's career-technical school. From a relatively few courses offered on a central campus, programming has expanded to include multiple offerings throughout Butler County. Butler Tech now operates over 190 satellite programs in 10 associate school districts. Butler Tech delivered education to more than 27,000 high school and adult students this past year and is now the largest career-technical school district in the state of Ohio.

Such diverse fields as Network Technology, Digital Media Arts, and Biotechnology are now available. Even such traditional programs like welding have been updated to include the latest plasma cutting and robotic technology. Core academics at Butler Tech have seen a corresponding advance in order to better prepare a growing number of high school students for entry into college.

MAJOR INITIATIVES

Water System

The water system serves more than 120,000 residents and businesses in the southeast portion of Butler County, including West Chester, Liberty, and Fairfield Townships. Additionally, the system serves wholesale water to the City of Monroe. The water system consists of five pump stations, 12 storage facilities and 591 miles of water mains.

Several major water main capital improvement projects took place in 2010. The County replaced the existing cast iron water mains throughout the Dalewood subdivision and constructed a new two million gallon ground storage tank at the Liberty Fairfield Pump Station.

The cast iron pipe was replaced with ductile iron pipe and will extend the life of these water mains for up to 100 years. The new water storage tank will allow water to be pumped at a higher rate through the Liberty Fairfield Pump Station.

Sewer System

The sewer system consists of 725 miles of sewer mains, 30 lift stations, four satellite treatment plants, and two regional water reclamation facilities. This system transports and treats wastewater and returns clean water to our rivers and streams.

Several major sewer capital improvement projects took place in 2010. Construction was completed on phase I of the LeSourdsville Water Reclamation Facility Upgrade. Phase II was designed and bid. When complete, this upgrade will increase the treatment capacity from 12 million gallons per day to 15 million gallons per day. It will also increase the ability to accommodate increased wet weather flows.

Also designed and ready for construction is the upgrade of the Scoutmaster Lift Station. The upgrade will include a new wet well, pumps, valve vault and generator. The existing pumps and dry well which were constructed in the 1970's will be eliminated.

Recycling Programs

Butler County Recycling & Solid Waste District offers award winning, innovative recycling programs to County residents such as "on-demand" curbside Freon appliance collection; computer, television and e-waste recycling; long-term household hazardous waste drop off service, and waste tire events. The District provides ongoing education and outreach to residents, businesses, and schools about how to recycle, how to manage seasonal waste, and options for hard to dispose items. The District rewards local jurisdictions for residential recycling performance through its incentive program "Recycle to Win". The program is designed to maximize participation in both curbside recycling and drop box recycling, offered at over 30 residential recycling drop boxes.

Since 2008, the District has partnered with Hamilton County Solid Waste District and TechSolve to offer the Southwest Ohio Pollution Prevention (P2) program. The P2 program links area manufacturers with highly skilled Ohio engineering undergraduates for an intensive 12-week internship. Over the past three years, the P2 program has resulted in projected annual savings of over \$900,000 to participating Butler County manufacturers by improving energy efficiencies, waste reduction and disposal practices, and streamlining regulatory reporting requirements. In addition to serving the manufacturing sector, Butler County Recycling provides \$25,000 in annual grant funding to area businesses, schools, hospitals, and nonprofits to assist organizations in starting or expanding recycling at their facilities.

Capital Improvements

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

In 2010, the construction was completed on the 800 MHz emergency communication system. This system provides wireless enhanced 9-1-1 services to the citizens of Butler County. The County also began replacing mechanical equipment located in the Administrative Center, Juvenile Justice Center, Care Facility, Emergency Management Center and the Metroparks lodge. These improvements are funded by the American Recovery and Reinvestment Act and are expected to be completed in 2012.

FINANCIAL INFORMATION

Basis of Accounting

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

Internal Control

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

Budgetary Control

By early January, the Board of County Commissioners adopts the annual appropriation measure for all funds, except for agency funds. All disbursements and transfers of cash between funds other than agency funds require appropriation authority from the Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level. All purchase orders and contracts must be approved by a majority of the Board of County Commissioners except where another board or elected official is given this responsibility by statute. As contracts and purchase orders are issued to vendors, corresponding amounts of appropriations are reserved by the use of encumbrances to ensure that appropriations are not overspent. Contracts or purchase orders that exceed available appropriations are rejected by the accounting system until additional appropriations are obtained. A description of the various funds and the basis of accounting are included in Note 2 to the basic financial statements.

Independent Audit

Included in this report is the Auditor of State's unqualified opinion rendered on the County's basic financial statements as of and for the year ended December 31, 2010. An independent audit of the County's financial statements is part of the annual preparation of the CAFR. This annual independent audit continues to provide a review and comments which strengthen the County's accounting and budgetary controls.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Butler County for its comprehensive annual financial report for the year ended December 31, 2009. 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 conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for consideration.

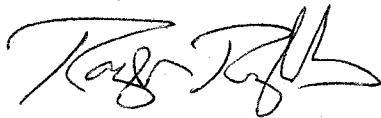
Acknowledgments

I would like to acknowledge the efforts and dedication of the entire Fiscal Services staff for their contributions to this report. I would like to especially recognize Janie Adkins, Jill Cole, Kenny Hoffman, Hailey Long, Debra Maloney, Dawn Mills and Tina Rice for their untiring commitment to this project. My appreciation is also extended to the Local Government Services Section, each of whom were invaluable once again in adding their expertise and dedication to the project.

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

It is the mission of the Auditor's office to bring a high level of professionalism to Butler County government and to better inform and educate its citizens. Through the issuance of this Comprehensive Annual Financial Report, the County remains accountable to the public, and the public trust with which we have been provided, is retained. This report provides a fair representation of the financial condition of the County as of and for the year ended December 31, 2010. We ask for your continuing support of this project and in our efforts to best serve the citizens of Butler County.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger Reynolds", written in a cursive style.

Roger Reynolds, CPA
Butler County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Butler County
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

BUTLER COUNTY, OHIO
ELECTED OFFICIALS
DECEMBER 31, 2010

Legislative and Executive Elected Officials

Commissioner – President	Gregory Jolivette
Commissioner – Vice President	Charles Furmon
Commissioner – Member	Donald Dixon
Auditor	Roger Reynolds, CPA
Treasurer	Nancy Nix, CPA
Prosecutor	Robert Piper III
Recorder	Danny Crank

Judicial Elected Officials

Clerk of Courts	Cindy Carpenter
Common Pleas Court	
Administrative Judge	Honorable Patricia Oney
General Division Judge	Honorable Noah Powers II
General Division Judge	Honorable Andrew Nastoff
General Division Judge	Honorable Charles Pater
General Division Judge	Honorable Michael Sage
General Division Judge	Honorable Keith Spaeth
General Division Judge	Honorable Craig Hedric
Domestic Relations Division Judge	Honorable Sharon Kennedy
Domestic Relations Division Judge	Honorable Eva Kessler
Juvenile Division Presiding Judge	Honorable Ronald Craft
Juvenile Division Judge	Honorable Kathleen Dobrozsi Romans
Probate Division Judge	Honorable Randy Rogers
Area Court I Presiding Judge	Honorable Robert Lyons
Area Court II Presiding Judge	Honorable Kevin McDonough
Area Court III Presiding Judge	Honorable Dan Haughey

Public Safety Elected Officials

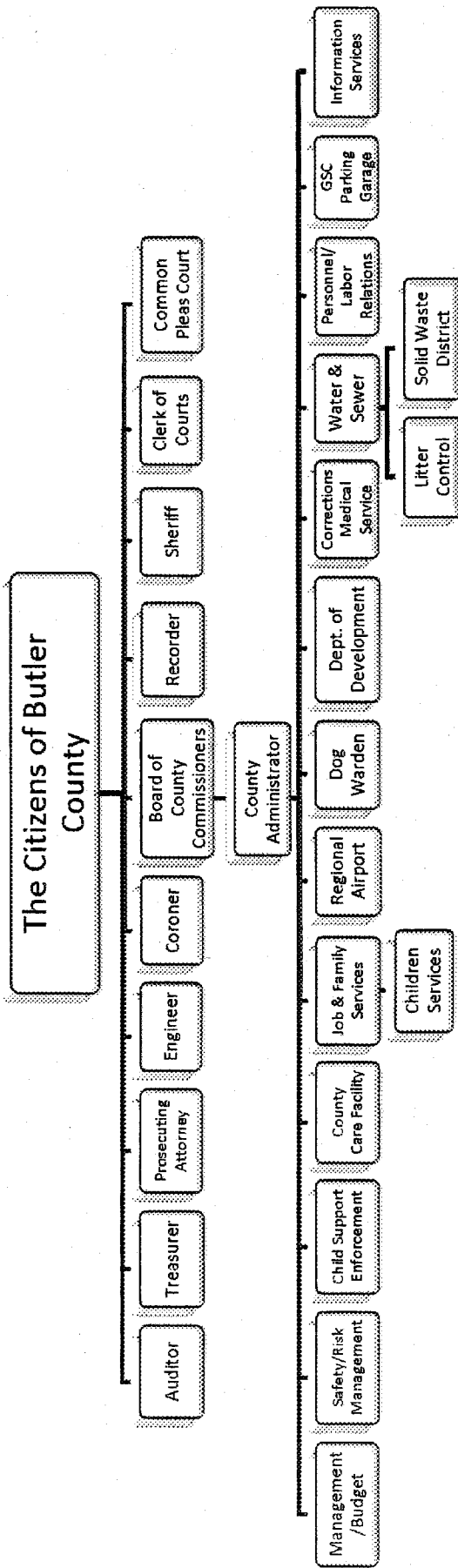
Sheriff	Richard Jones
Coroner	Richard Burkhardt

Public Works Elected Officials

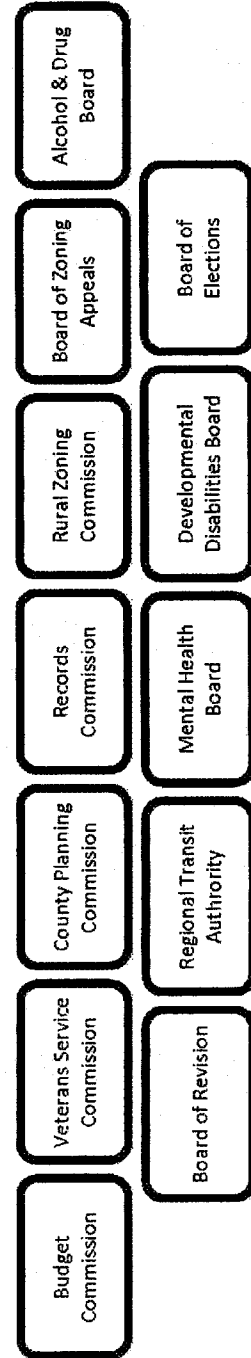
Engineer	Gregory Wilkens, PE, PS
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Butler County, Ohio

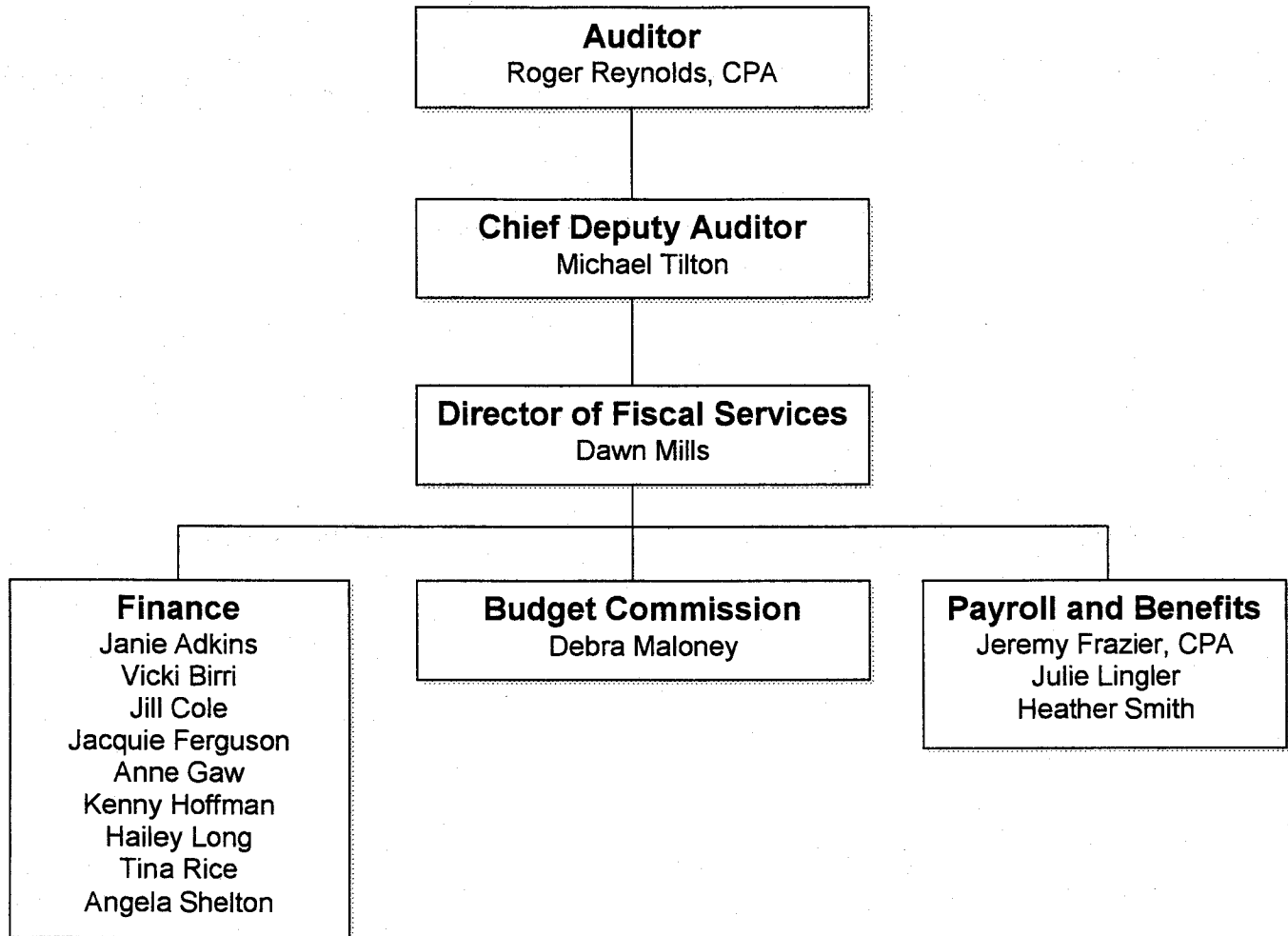
Local Government Organizational Chart



Ex Officio and Appointed Boards



Butler County, Ohio
Auditor's Office – Fiscal Services Division
Organization and Representative Duties



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Financial Section

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Butler County
130 High Street
Hamilton, Ohio 45011

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Butler County, Ohio (the County), as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

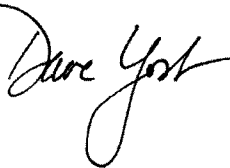
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, Mental Health Fund, Developmental Disabilities Fund, and Job and Family Services/Children Services Agency Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during 2010, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2011, on our consideration of the Government'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and *Schedules for infrastructure assets accounted for using the modified approach*, as 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise 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 provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject 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.



Dave Yost
Auditor of State

June 29, 2011

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED
FOR THE YEAR ENDED DECEMBER 31, 2010

Management's Discussion and Analysis offers the users of these financial statements an introspective look at the finances of Butler County for the year ended December 31, 2010, providing an easily readable overview of the County's financial performance as a whole while assisting readers in interpreting the basic financial statements. In addition to the information presented here, readers are also encouraged to review the transmittal letter, found on page iv, and the County's financial statements, beginning on page 13, for a more complete picture of Butler County's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- The County recorded a \$19.8 million decrease in total expenses in 2010 from the combined governmental and business-type activities. Expenses in governmental activities decreased \$18.3 million from 2009 while expenses in business-type activities decreased \$1.5 million.
- The General fund, the operating fund, saw revenues decrease \$4.5 million (6%) while overall General Fund expenditures decreased by \$19.9 million (23%). In addition, expenditures exceeding revenues, plus other sources and uses in 2010 decreased the General Fund balance \$3.6 million from 2009.
- At December 31, 2010, the governmental fund balances increased \$15.4 million, 15% higher than the prior year-end.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

Governmental activities

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

Legislative and Executive - general government operations including the offices of the commissioners, auditor, treasurer, prosecutor, recorder, department of development, public defender, information services, board of elections, maintenance department, economic development, and records center.

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

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

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

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

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

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

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

Intergovernmental- activities associated with expenditure classification for disclosure of asset construction where the final asset belongs to another governmental agency or contractual agreements where payments are made to various school districts for Tax Incremental Financing TIF) and Residential Incentive Districts (RID) within the County.

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

Business-type activities

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

Statement of Net Assets

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

Statement of Activities

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

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

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

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

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

The government-wide financial statements begin on page 13 of this report.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

Fund Financial Statements

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

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

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

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

Butler County maintains numerous individual governmental funds, the following of which are considered major funds: General, Developmental Disabilities, Job and Family Services/Children Services Agency and Mental Health. The basic governmental fund financial statements begin on page 16 of this report.

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

Enterprise funds are used to account for the County's water and sewer operations and the operations at the Government Services Center Parking Facility, which are the business-type activities as reported in the government-wide financial statements. Internal service funds are used to account for the financing of services provided by one department to other departments in the County on a cost-reimbursement basis.

The County uses internal service funds to account for its health insurance, workers' compensation, and the County fuel depot. Since these programs mostly benefit governmental rather than business functions, they have been included in the governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements begin on page 27 of this report.

Fiduciary Funds- Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for outside parties and are accounted for in a manner similar to proprietary funds. Fiduciary funds are not presented in the government-wide financial statements as their resources are not available to support the County's governmental or business-type activities. The basic fiduciary fund financial statements begin on page 31 of this report.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements, providing additional important disclosures essential for a complete understanding of the financial data reported in the government-wide and fund financial statements. The notes to the financial statements begin on page 32 of this report.

BUTLER COUNTY, OHIO
 MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2010

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

Government-wide Financial Analysis

The County recorded a \$1.0 million decrease in total net assets in 2010 from the combined 2009 governmental and business-type activities. Capital assets are used to provide services to residents and do not represent assets that may be used for future spending.

Sixty-two percent of the County's net assets are used providing governmental activities. Net assets used in governmental activities slightly increased \$.4 million from 2009 while net assets used in business-type activities decreased \$1.3 million.

Table 1
 Net Assets
 (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Assets						
Current and Other Assets	\$268,905,893	\$265,024,745	\$ 62,333,196	\$63,931,146	\$ 331,239,089	\$ 328,955,891
Capital Assets, Net	392,759,611	396,429,361	322,106,068	323,574,890	714,865,679	720,004,251
Total Assets	661,665,504	661,454,106	384,439,264	387,506,036	1,046,104,768	1,048,960,142
Liabilities						
Current and Other Liabilities	108,147,768	112,970,391	3,918,620	3,037,620	112,066,388	116,008,011
Long-term Liabilities:						
Due Within One Year	11,663,930	19,332,740	8,054,305	7,599,321	19,718,235	26,932,061
Due in More Than One Year	100,389,083	88,050,086	107,765,692	110,854,507	208,154,775	198,904,593
Total Liabilities	220,200,781	220,353,217	119,738,617	121,491,448	339,939,398	341,844,665
Net Assets						
Invested in Capital Assets, Net of Related Debt	313,384,171	311,399,939	208,564,765	204,061,114	521,948,936	515,461,053
Restricted	146,016,914	149,211,906	6,000,000	6,000,000	152,016,914	155,211,906
Unrestricted	(17,936,362)	(19,510,956)	50,135,882	55,953,474	32,199,520	36,442,518
Total Net Assets	\$441,464,723	\$ 441,100,889	\$264,700,647	\$ 266,014,588	\$ 706,165,370	\$ 707,115,477

Total assets from 2009 to 2010 decreased by \$2.9 million as shown in table 1. Current and Other Assets increased \$2.3 million, which offset the decrease of \$5.1 million in Capital Assets, Net minimizing the loss in total assets. Total liabilities dropped \$1.9 million which resulted from an increase of \$2.0 million in Long-term Liabilities while Current and Other Liabilities drop by \$3.9 million.

Governmental Activities: The County's governmental activities expenses exceeded program revenues in 2010 by \$112.4 million and, with an infusion of \$112.8 million of general revenues, resulted in a \$.4 million increase to governmental activities net assets. Program revenues supporting governmental activities decreased overall during 2010 to \$145.8 million. In addition, expenses dropped from \$276.5 million in 2009 to \$258.2 million due to conservative spending in areas such as personal services.

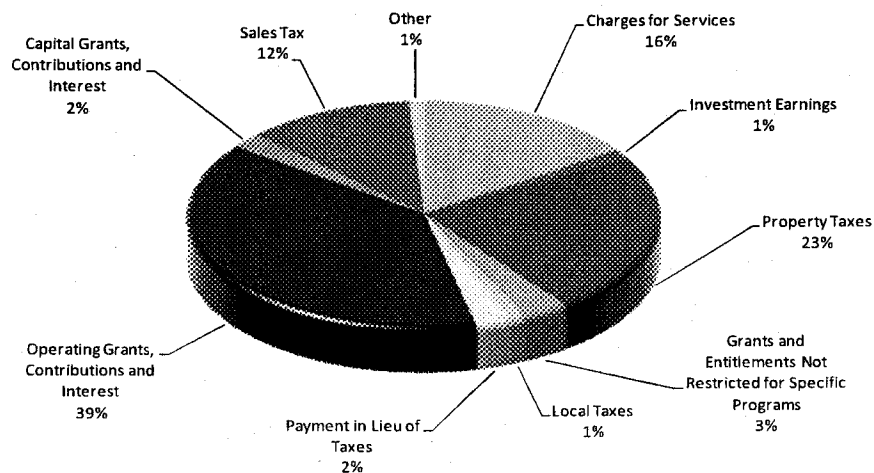
General Revenues decreased \$6.3 million (1%) in 2010. Grants and Entitlements not Restricted to Specific Programs increased \$1.8 million from 2009 to 2010 in addition to Payments in Lieu of Taxes which increased \$2.1 million. However, several general revenues declined totaling \$10.2 million which consisted of Property Taxes of \$6.5 million, Sales Tax of \$1.6 million, investment earnings of \$.5 million and \$1.6 million of Other. The decrease in Property Taxes and the increase in Payments in Lieu of Taxes are primarily due to several TIF and RID exemptions that were retroactively approved by the Tax Commissioner. These adjustments went back five years which resulted in the large variance when comparing 2009 to 2010.

BUTLER COUNTY, OHIO
 MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2010

Table 2
 Changes in Net Assets
 (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Revenues						
Program Revenues:						
Charges For Services	\$ 40,071,814	\$ 43,845,241	\$ 39,079,391	\$ 38,697,401	\$ 79,151,205	\$ 82,542,642
Operating Grants, Contributions and Interest	99,945,382	127,361,324	-	-	99,945,382	127,361,324
Capital Grants, Contributions and Interest	5,773,244	9,124,829	8,540,416	8,295,657	14,313,660	17,420,486
Total Program Revenues	145,790,440	180,331,394	47,619,807	46,993,058	193,410,247	227,324,452
General Revenues:						
Property Taxes	59,510,293	66,046,367	-	-	59,510,293	66,046,367
Sales Taxes	30,225,506	31,843,586	-	-	30,225,506	31,843,586
Local Taxes	2,472,087	2,430,185	-	-	2,472,087	2,430,185
Payments in Lieu of Taxes	6,129,462	3,981,481	-	-	6,129,462	3,981,481
Grants and Entitlements not Restricted to Specific Programs	8,370,821	6,603,883	-	-	8,370,821	6,603,883
Investment Earnings	3,380,084	3,875,844	-	468	3,380,084	3,876,312
Gain on Sale of Capital Assets	11,145	-	-	-	11,145	-
Other	2,679,825	4,278,573	689,250	1,065,297	3,369,075	5,343,870
Total General Revenues	112,779,223	119,059,919	689,250	1,065,765	113,468,473	120,125,684
Total Revenues	258,504,279	299,391,313	48,309,057	48,058,823	306,878,720	347,450,136
Program Expenses						
General Government:						
Legislative and Executive	29,955,984	27,727,443	-	-	29,955,984	27,727,443
Judicial	16,189,897	17,732,020	-	-	16,189,897	17,732,020
Public Safety	41,154,980	46,897,900	-	-	41,154,980	46,897,900
Public Works	25,701,107	24,661,639	-	-	25,701,107	24,661,639
Health	62,355,137	58,320,120	-	-	62,355,137	58,320,120
Human Services	72,649,003	90,877,303	-	-	72,649,003	90,877,303
Conservation and Recreation	593,168	571,952	-	-	593,168	571,952
Other	11,860	-	-	-	11,860	-
Intergovernmental	4,710,532	4,780,375	-	-	4,710,532	4,780,375
Interest and Fiscal Charges	4,884,161	4,886,734	-	-	4,884,161	4,886,734
Sewer	-	-	23,256,101	24,587,715	23,256,101	24,587,715
Water	-	-	26,275,587	26,323,570	26,275,587	26,323,570
GSC Parking Facility	-	-	91,310	220,725	91,310	220,725
Total Program Expenses	258,205,829	276,455,486	49,622,998	51,132,010	307,828,827	327,587,496
Change in Net Assets	363,834	22,935,827	(1,313,941)	(3,073,187)	(950,107)	19,862,640
Restatement of Prior Years Net Assets	(6,075,051)	-	-	-	(6,075,051)	-
Net Assets Beginning of Year (Restated)	441,100,889	424,240,113	266,014,588	269,087,775	707,115,477	693,327,888
Net Assets Ending of Year	\$ 441,464,723	\$ 447,175,940	\$ 264,700,647	\$ 266,014,588	\$706,165,370	\$713,190,528

The pie chart below provides a breakdown of the governmental activities revenues by source.



BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

Business-type Activities: The County's sewer and water system operations constitute 99% of the business-type activities. Butler County management has established sound fiscal plans and mechanisms in order to respond to the challenges of delivering efficient and cost effective services to a large service area whose capacity has been continually expanding due to the tremendous growth the County has seen over the years. The Sewer Department experienced a slight increase in net assets of \$.6 million while the Water Department declined \$2.0 million. The GSC Parking Facility recognized a gain in net assets from 2009 to 2010 due to a decrease in operating expenses. Further details regarding the financial condition of the GSC Parking Facility, Sewer and Water systems are provided in the *Fund Analysis* section that follows.

Fund Analysis

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

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

At year-end, the governmental funds combined ending fund balance of \$106.3 million was higher than the same balance just one year ago, a \$15.4 million increase overall. The increase was due primarily to governmental funds expenditures dropping from \$287.9 million in 2009 to \$262.0 million in 2010, a 9% reduction, attributing to the overall fund balance increases with the exception of the county General Fund.

The overall financial position for Butler County's operating fund, the General Fund, decreased due to the loss of revenue in many areas. The significant reductions in revenues are Property Taxes, Charges for Services and Interest/Investment earnings. Property Taxes decreased \$2.4 million (16%), Boarding of Prisoners and Property Transfer Tax (Charges for Services) decreased \$2.7 million (12%), and Interest/Investment earnings declined \$0.7 million (19%) over the prior year. In contrast Intergovernmental revenues collected in 2010 were \$2.1 million (28%) higher than 2009 due to a combination attorney fee reimbursements and grants.

The County continued to address the decline in revenues during 2010 by reducing overall General Fund expenditures by \$19.9 million (23%). The Judicial and Public Safety expenditures of the General Fund saw significant reductions of \$2.0 and \$10.5 million as the County continued trimming personnel and other costs. Debt Service expenditures in the General Fund dropped from \$9.3 in 2009 to \$1.4 million in 2010 due to a county policy change for bond payments historically made from the General Fund. The County is now using a Bond Retirement Fund for the Sales Tax bond and other debt related payments. Due to the change, the Transfers Out from the General Fund increased from \$2.6 million in 2009 to \$9.7 million in 2010 for cash transferred from the General Fund to the Bond Retirement Fund. Expenditures and other financing uses substantially exceeded revenues and other financing sources resulting in a fund balance decrease of \$3.6 million.

The Butler County Developmental Disabilities (BCDD) Fund displayed an increase of \$2.5 million (9%) in fund balance in 2010. Intergovernmental revenues increased \$1.1 million (11%) during 2010 due to grants. The remaining Developmental Disabilities revenues decreased, primarily Property Taxes, with the exception of Other Revenue which demonstrated a slight increase. Although revenue decreased, BCDD's total revenues of \$28.2 million were significantly higher than expenditures of \$25.7 million which attributed to the overall increase in fund balance for 2010.

Job and Family Services/Children Services Agency saw significant reductions to both revenues and expenditures in 2010. Revenues decreased due primarily to lower Property Tax collections and federal grant funding. Expenditures decreased by \$17.7 million in 2010 due to the loss of the federal funding and the State of Ohio directly issuing daycare provider checks that were historically issued by the County. The combination of both reductions in revenue and expenditures resulted in a \$1.8 million increase in fund balance as revenues exceeded expenditures during 2010.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

The Mental Health Fund revenues remained fairly consistent for 2010 at \$29.8 million while expenditures increased \$2.4 million. The increase in expenditures was due to professional mental health services provided to citizens. A portion of the expenditures were supported by the Mental Health Levy while some of funding resulted from the ARRA EFMAP stimulus dollars. The Mental Health Fund revenues exceeded the increased expenditures resulting in a positive \$1.3 million net change to the ending fund balance.

Only a portion of the \$106.3 million fund balance in the governmental funds is available for spending in next year's budget, however. This is referred to as the unassigned and restricted fund balance, and at December 31, 2010, the unassigned and restricted fund balances for the governmental funds had increased to \$96.3 million, or 91% of the total fund balance.

The nonspendable fund balance of \$8.5 million includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact such as prepaid items, materials and supplies inventory, interfund loans and long-term receivables. The committed fund balance of \$.7 million includes amounts that can be used only for specific purposes imposed by formal action (resolution) of the County Commissioners. The assigned fund balance of \$.8 million is intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed.

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

Sewer Fund: The Sewer Fund's \$36.2 million in current assets at the end of 2010, principally (\$33.8 million) composed of equity in pooled cash and cash equivalents, as compared with current liabilities of \$5.0 million at year-end, leaving a \$31.2 million safety margin of working capital (current assets less current liabilities) for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2010 of \$18.3 million were \$.5 million (3%) lower than the \$18.8 million in 2009, while operating expenses of \$20.6 million for 2010 were \$1.1 million less than 2009 operating expenses of \$21.7 million, resulting in an operating loss of \$2.3 million for 2010. In comparing 2010 to 2009, Depreciation and Amortization Expense continues to be the largest category and, for 2010, at \$10.3 million, recognized a slight increase of 2%. Personal Services, comprising employees' salaries and fringe benefits, for the fifth consecutive year, declined by \$.1 million. Contractual Services also declined by \$.7 million from 2009 to 2010 while materials and supplies increased \$.2 million more from 2009 to 2010.

Water Fund: The Water Fund's current assets of \$18.6 million consisted largely of Equity in Pooled Cash and Cash Equivalents at \$15.6 million or 85%. The current assets of \$18.6 million compared to current liabilities of \$7.0 million leaves a substantial safety margin of working capital of \$11.6 million for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2010 of \$20.9 million were \$.4 million more than the \$20.5 million in 2009, while operating expenses of \$23.4 million for 2010 were \$0.7 million more than 2009 operating expenses of \$22.7 million, resulting in an operating loss of \$2.4 million for 2010. The largest category of operating expenses, Contractual Services, at \$12.1 million for 2010 increased by \$.6 million compared to 2009 expenses at \$11.5 million. Depreciation and Amortization Expense at \$6.5 million for 2010 increased by \$.1 million compared to 2009 expenses at \$6.4 million in 2009. Overall net assets dropped \$2.0 million as expenses exceeded overall revenues in 2010 due to an increase in contractual commitments for various projects.

GSC Parking Facility Fund: The GSC Parking Facility net assets increased from \$3,000 in 2009 to \$44,000 in 2010. This increase was due to an increase of \$41,000 in Equity in Pooled Cash and Cash Equivalents. In addition the GSC Parking Facility Fund operating revenues decreased from \$146,000 in 2009 to \$132,000 in 2010 and the operating expenses decreased from \$221,000 in 2009 to \$91,000 in 2010.

General Fund Budget Analysis

Several events influenced the budgetary process and actual results for the year of 2010. The General Fund's final 2010 appropriation budget, at \$78.6 million, was 4% higher than the original appropriation budget, and the final revenue budget at \$74.7 million, was 7% lower than the original revenue budget filed at the beginning of the year.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

The County experienced a \$3.9 million decrease in Charges for Services due to the shortfall in boarding of prisoner fees and a \$2.4 million decrease in Property Taxes that occurred from various residential incentive districts exemptions.

The final budget included an additional \$3.2 million for Legislative and Executive. This increase in budget was used for maintenance on the Communication System which had not originally been included in the budget. The remaining County General Fund final budget items remained fairly consistent with original budget estimates.

Capital Asset and Debt Administration

Capital Assets

Capital assets include County owned land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, infrastructure, water rights, water and sewer mains, and construction in progress. Butler County's total investment in capital assets for governmental and business-type activities (net of accumulated depreciation) amounts to \$714.9 million as of December 31, 2010, a reduction of 1% over the previous year. Table 3 contains a summary of capital assets as of December 31, 2010, compared to assets owned by the County at year-end 2009.

Table 3
Capital Assets
(in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	Restated 2009	2010	2009	2010	Restated 2009
Land and Easements	\$ 11,964,760	\$ 11,210,770	\$ 1,656,490	\$ 1,656,490	\$13,621,250	\$12,867,260
Land Improvements	7,108,017	7,352,890	1,618,050	1,767,627	8,726,067	9,120,517
Building and Improvements	89,283,965	93,139,658	52,151,874	53,405,570	141,435,839	146,545,228
Furniture, Fixtures and Equipment	45,059,524	14,664,377	32,156,415	34,161,545	77,215,939	48,825,922
Vehicles	2,142,596	2,723,305	275,236	355,353	2,417,832	3,078,658
Infrastructure	237,030,574	236,231,656	-	-	237,030,574	236,231,656
Water Rights	-	-	24,111,912	26,067,480	24,111,912	26,067,480
Water and Sewer Mains	-	-	199,978,315	198,636,464	199,978,315	198,636,464
Construction in Progress	170,175	31,106,703	10,157,776	7,524,361	10,327,951	38,631,064
Total	\$392,759,611	\$396,429,359	\$322,106,068	\$323,574,890	\$714,865,679	\$720,004,249

Significant capital asset activity occurring during 2010 included the following:

- Governmental Activities Furniture, Fixtures and Equipment increased \$30.4 million due to the completion of the 800 MHz emergency communication system.
- Business-Type Activities Construction In Progress increased \$2.6 million due to the construction of watermain replacement projects for Blu Max, Polybutylene watermains, the Liberty-Fairfield water tank and Lesourdsville sewer expansion. Some of the Blu Max replacements along with a portion of the Lesourdsville sewer expansion were finished in 2010, which increased water and sewer mains by \$1.3 million.

Infrastructure Assets: Infrastructure assets refer to County roads, bridges, and culverts, and are reported in the governmental activities. Butler County, through the Engineer's Office, maintains an Infrastructure Asset System that incorporates the "modified approach" method of reporting infrastructure as provided for in Governmental Accounting Standards Board Statement No. 34. Under the modified approach, the County does not use historical cost-based depreciation as a measure of the cost of use for infrastructure assets. Instead, all expenditures made for infrastructure assets that preserve the useful life of the assets are expensed during the year incurred. Expenditures that increase the capacity or efficiency of the infrastructure assets (additions or improvements) are capitalized. The County ensures that infrastructure assets are being preserved at, or above, previously established condition-levels by performing periodic conditional assessments of the infrastructure. Based on these assessment findings, a budget is prepared for the maintenance and repair of these assets. During 2010, the County budgeted \$2.4 million for roads, \$4.8 million for bridges, and \$0.2 million for culvert improvements.

BUTLER COUNTY, OHIO
 MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2010

Butler County manages its roadway system through the performance of three year conditional assessments, using factors such as age of pavement, surface condition, and traffic volume and type. Roads are assigned a pavement rating based on a scale of one to four, with one being excellent and four being poor. It is the County's policy to maintain the County roadway system where at least 90% of the roads have a rating of three (3) or better. A twenty-five year paving plan is developed in order to keep the County's roads at condition levels established per policy. Actual maintenance spending on County roads in 2010 was \$2.0 million and the most recent roadway system assessment (2008) indicates that 96% of County roads are currently assessed at a rating of three or better.

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

It is the policy of the county engineer to maintain the bridges such that 85% of the structures have a General Appraisal rating of five (5 - Fair) or better. The County spent \$4.3 million in 2010 to maintain the bridges and the most recent bridge system assessment (2008) indicates that 90% of County bridges are currently assessed at a rating of five or better.

The Engineer inspects culverts on a three year basis, and conditional assessments are given based on a rating scale of one to four, with one meaning the culvert is in good condition and does not require repair, while a four rating means the culvert is in critical condition and is no longer functioning as designed. It is the policy of the County Engineer to maintain 75% of the culverts in a condition of two (2 - Fair) or better. The County spent \$.09 million in 2010 to maintain culverts and the most recent culvert system assessment (2008) indicates that 79% of the culverts are currently assessed at a rating of two or better. Additional information regarding capital assets can be found in Note 10 to the financial statements and the Required Supplementary Information on page 76 for additional infrastructure information.

Long-term Debt

At December 31, 2010, Butler County had a total of \$212.4 million in outstanding long-term debt, \$1.0 million higher than the prior year-end. Of this total, \$97.2 million (46%) has helped fund governmental activities while \$115.2 million (54%) has helped fund business-type activities. Governmental activities long-term debt increased \$3.5 million due to a new debt issues and the business-type activities long-term debt decreased by \$2.5 million during 2010 due to scheduled maturities.

Table 4
 Outstanding Long-Term Debt
 (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds	\$70,700,000	\$57,022,131	\$15,385,237	\$18,205,306	\$86,085,237	\$75,227,437
Sales Tax Bonds	13,195,000	22,909,924	-	-	13,195,000	22,909,924
Special Assessment Bonds	10,855,530	11,658,332	-	-	10,855,530	11,658,332
Long-Term Loans	2,488,072	2,119,417	12,476,499	8,422,166	14,964,571	10,541,583
Revenue Bonds	-	-	58,171,700	60,427,852	58,171,700	60,427,852
Water Judgment Bonds	-	-	29,170,000	30,677,565	29,170,000	30,677,565
Total	\$97,238,602	\$93,709,804	\$115,203,436	\$117,732,889	\$212,442,038	\$211,442,693

The County's long-term debt consisted of \$126.5 million in obligations backed by the full faith and credit of Butler County, including \$86.1 million in general obligation bonds, \$29.1 million water judgment bonds, \$0.4 million in loans, and \$10.9 million in special assessment bonds, for which Butler County is liable in case of default of the property owners subject to the assessment. A total of \$85.9 million of the total outstanding debt represent bonds secured by specified revenue sources, including water and sewer revenues, motor vehicle revenues and sales tax revenues.

BUTLER COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2010

In September 2010, Butler County issued governmental activities General Obligation Bonds of \$7.2 million for the purpose of current refunding a portion of the 2005 Sales Tax Bonds. The County used \$.2 million in trust accounts to assist with the partial refunding. Butler County also entered into governmental and business-type activities loans of \$7.6 million with Ohio Public Works and Ohio Water Development Authority to assist with various Engineer and Water and Sewer projects.

Ohio law, through its direct and indirect debt limitations, restricts the amount of debt the County may issue. The County's total direct debt limit at December 31, 2010 was \$192.8 million and the legal debt margin (debt limit minus net debt) was \$155.3 million. The County's unvoted direct debt limit was \$78.0 million and the unvoted direct debt margin was \$40.6 million. The debt margins for total debt and unvoted debt reflect a decrease over the previous year due to the decrease in tax values.

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

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

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

Besides the long-term bonds outstanding, the County also is liable for other long-term obligations in the form of capital leases payable, claims payable, and compensated absences payable. Governmental activities capital leases totaled \$1.5 million at year-end, for various equipment and vehicles throughout the County. Claims Payable at year-end was \$3.2 million representing outstanding workers' compensation claims against the County. Compensated absences payable at year-end was \$8.1 million for governmental activities and \$.8 million for business-type activities. The total liability for capital leases, claims, and compensated absences payable for governmental and business-type activities was \$13.6 million at December 31, 2010. Additional information about the County's long-term obligations can be found in Note 17 to the financial statements.

Economic and Other Potentially Significant Matters

The declining economic situation has affected econometric revenues such as Charges for Services comprised of boarding of prisoner fees, property transfer fees, and building regulations fees along with Property Taxes. As a result, Butler County is responding with close monitoring and talk of possible reductions to its 2011 budget if revenue projections are not met.

Despite the decline in the economy, inquiries from potential businesses looking at developing or relocating to our County remain steady. Companies such as SunCoke Energy and Intelligrated will be bringing approximately 800 jobs into Butler County by next year. In addition, other manufacturing companies such as M.E. Heuck and AtriCure have expanded their facilities into West Chester.

Requests for Information

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

Butler County, Ohio
Statement of Net Assets
December 31, 2010

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 118,889,532	\$ 55,541,734	\$ 174,431,266
Cash and Cash Equivalents:			
In Segregated Accounts	654,582	600	655,182
With Fiscal Agents	1,697,006	120,815	1,817,821
Accounts Receivable	230,415	3,720,083	3,950,498
Due from Other Governments	50,856,884	417,172	51,274,056
Accrued Interest Receivable	412,173	-	412,173
Prepaid Items	1,919,094	122,244	2,041,338
Internal Balances	190,158	(190,158)	-
Materials and Supplies Inventory	750,543	130,735	881,278
Property Taxes Receivable	65,163,834	-	65,163,834
Sales Tax Receivable	7,851,615	-	7,851,615
Other Local Taxes Receivable	250,287	-	250,287
Payments in Lieu of Taxes Receivable	7,494,740	-	7,494,740
Loans Receivable	744,249	-	744,249
Special Assessments Receivable	10,522,690	985,213	11,507,903
Deferred Charges	1,278,091	1,484,758	2,762,849
Capital Assets:			
Nondepreciable Capital Assets	249,165,509	11,814,266	260,979,775
Depreciable Capital Assets, net	143,594,102	310,291,802	453,885,904
Total Assets	661,665,504	384,439,264	1,046,104,768
Liabilities			
Accounts Payable	828,620	356,828	1,185,448
Contracts Payable	6,112,762	1,829,936	7,942,698
Accrued Wages and Benefits	4,850,381	394,792	5,245,173
Due to Other Governments	1,227,456	731,576	1,959,032
Matured Compensated Absences Payable	29,290	-	29,290
Deferred Revenue	76,923,743	-	76,923,743
Matured Bonds Payable	13,250	-	13,250
Matured Interest Payable	5,543	-	5,543
Accrued Interest Payable	421,723	470,003	891,726
Notes Payable	17,735,000	-	17,735,000
Refundable Deposits	-	135,485	135,485
Long-Term Liabilities:			
Due Within One Year	11,663,930	8,054,305	19,718,235
Due in More Than One Year	100,389,083	107,765,692	208,154,775
Total Liabilities	220,200,781	119,738,617	339,939,398
Net Assets			
Invested in Capital Assets, Net of Related Debt	313,384,171	208,564,765	521,948,936
Restricted for:			
Capital Projects	9,112,533	-	9,112,533
Debt Service	4,020,004	-	4,020,004
Replacement and Improvement	-	6,000,000	6,000,000
Developmental Disabilities	33,334,968	-	33,334,968
Nonexpendable	761,305	-	761,305
Expendable	83,379	-	83,379
Job and Family/Children Services Agency	16,594,988	-	16,594,988
Elderly Services Levy	16,192,155	-	16,192,155
Mental Health	18,986,145	-	18,986,145
Motor Vehicle	13,392,872	-	13,392,872
All Other Public Works	15,752,295	-	15,752,295
Other Purposes	17,786,270	-	17,786,270
Unrestricted (Deficit)	(17,936,362)	50,135,882	32,199,520
Total Net Assets	\$ 441,464,723	\$ 264,700,647	\$ 706,165,370

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Activities
For the Year Ended December 31, 2010

	Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest
Governmental Activities			
General Government:			
Legislative and Executive	\$ 29,955,984	\$ 16,543,682	\$ 48,265
Judicial	16,189,897	5,770,050	1,182,265
Public Safety	41,154,980	11,749,950	5,066,305
Public Works	25,701,107	2,030,311	13,758,422
Health	62,355,137	886,327	36,458,047
Human Services	72,649,003	3,076,694	43,432,078
Conservation and Recreation	593,168	14,800	-
Other	11,860	-	-
Intergovernmental	4,710,532	-	-
Interest and Fiscal Charges	4,884,161	-	-
Total Governmental Activities	258,205,829	40,071,814	99,945,382
Business-Type Activities			
Sewer	23,256,101	18,181,460	-
Water	26,275,587	20,765,879	-
GSC Parking Facility	91,310	132,052	-
Total Business-Type Activities	49,622,998	39,079,391	-
Total Primary Government	\$ 307,828,827	\$ 79,151,205	\$ 99,945,382

General Revenues

Taxes Levied for:

 General Purposes

 Developmental Disabilities

 Children Services Agency

 Mental Health

 Elderly Services Levy

Sales Tax

Local Taxes

Payments in Lieu of Taxes

Grants and Entitlements not Restricted
to Specific Programs

Investment Earnings

Gain on Sale of Capital Assets

Other

Total General Revenues

Change in Net Assets

Net Assets at Beginning of Year - Restated (see Note 3)

Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Capital Grants, Contributions, and Interest	Governmental Activities	Business-Type Activities	Total
\$ -	\$ (13,364,037)	\$ -	\$ (13,364,037)
-	(9,237,582)	-	(9,237,582)
25,000	(24,313,725)	-	(24,313,725)
5,748,244	(4,164,130)	-	(4,164,130)
-	(25,010,763)	-	(25,010,763)
-	(26,140,231)	-	(26,140,231)
-	(578,368)	-	(578,368)
-	(11,860)	-	(11,860)
-	(4,710,532)	-	(4,710,532)
-	(4,884,161)	-	(4,884,161)
<u>5,773,244</u>	<u>(112,415,389)</u>	<u>-</u>	<u>(112,415,389)</u>
5,489,318	-	414,677	414,677
3,051,098	-	(2,458,610)	(2,458,610)
-	-	40,742	40,742
<u>8,540,416</u>	<u>-</u>	<u>(2,003,191)</u>	<u>(2,003,191)</u>
<u>\$ 14,313,660</u>	<u>(112,415,389)</u>	<u>(2,003,191)</u>	<u>(114,418,580)</u>
	12,790,526	-	12,790,526
	17,194,685	-	17,194,685
	13,171,183	-	13,171,183
	8,284,372	-	8,284,372
	8,069,527	-	8,069,527
	30,225,506	-	30,225,506
	2,472,087	-	2,472,087
	6,129,462	-	6,129,462
	8,370,821	-	8,370,821
	3,380,084	-	3,380,084
	11,145	-	11,145
	2,679,825	689,250	3,369,075
	<u>112,779,223</u>	<u>689,250</u>	<u>113,468,473</u>
	363,834	(1,313,941)	(950,107)
	<u>441,100,889</u>	<u>266,014,588</u>	<u>707,115,477</u>
<u>\$</u>	<u>441,464,723</u>	<u>\$ 264,700,647</u>	<u>\$ 706,165,370</u>

Butler County, Ohio
Balance Sheet
Governmental Funds
December 31, 2010

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Mental Health
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 11,841,470	\$ 30,799,705	\$ 9,810,194	\$ 14,361,668
Cash and Cash Equivalents:				
In Segregated Accounts	199,166	-	-	-
With Fiscal Agents	-	1,697,006	-	-
Receivables:				
Property Taxes	13,753,586	18,793,950	14,233,926	9,055,257
Sales Taxes	7,851,615	-	-	-
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Accounts	62,646	3,601	-	-
Due from Other Governments	10,502,628	3,837,527	10,037,763	5,454,618
Accrued Interest	412,173	-	-	-
Special Assessments	-	-	-	-
Loans	423,283	-	-	-
Due from Other Funds	212,393	-	-	9,120
Prepaid Items	454,547	239,082	12,719	1,088,843
Materials and Supplies Inventory	64,198	13,051	27,131	1,692
Advances to Other Funds	261,400	-	-	-
Total Assets	46,039,105	55,383,922	34,121,733	29,971,198
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	224,779	44,160	143,140	4,055
Contracts Payable	560,868	316,832	1,262,557	1,250,571
Accrued Wages and Benefits Payable	1,967,633	635,223	828,413	36,524
Matured Compensated Absences Payable	10,926	566	11,830	-
Due to Other Funds	1,016,554	258,374	462,513	16,487
Due to Other Governments	208,569	33,726	5,007	-
Deferred Revenue	24,414,339	22,170,327	23,931,759	11,857,362
Advances from Other Funds	-	-	-	-
Matured Bonds Payable	-	-	-	-
Matured Interest Payable	-	-	-	-
Accrued Interest Payable	-	-	-	-
Notes Payable	-	-	-	-
Total Liabilities	28,403,668	23,459,208	26,645,219	13,164,999
Fund Balances (Deficit)				
Nonspendable	5,278,428	252,133	39,850	1,090,535
Restricted	-	31,672,581	7,436,664	15,715,664
Committed	729,254	-	-	-
Assigned	796,556	-	-	-
Unassigned	10,831,199	-	-	-
Total Fund Balances	17,635,437	31,924,714	7,476,514	16,806,199
Total Liabilities and Fund Balances	\$ 46,039,105	\$ 55,383,922	\$ 34,121,733	\$ 29,971,198

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ 50,314,581	\$ 117,127,618
455,416	654,582
-	1,697,006
9,327,115	65,163,834
-	7,851,615
250,287	250,287
7,494,740	7,494,740
159,198	225,445
21,024,348	50,856,884
-	412,173
10,522,690	10,522,690
320,966	744,249
194,202	415,715
123,087	1,918,278
604,444	710,516
-	261,400
<u>100,791,074</u>	<u>266,307,032</u>
322,110	738,244
2,721,229	6,112,057
1,364,190	4,831,983
5,968	29,290
884,969	2,638,897
173,411	420,713
44,885,617	127,259,404
161,400	161,400
13,250	13,250
5,543	5,543
56,512	56,512
17,735,000	17,735,000
<u>68,329,199</u>	<u>160,002,293</u>
1,809,802	8,470,748
48,613,762	103,438,671
3,244	732,498
-	796,556
<u>(17,964,933)</u>	<u>(7,133,734)</u>
<u>32,461,875</u>	<u>106,304,739</u>
\$ <u>100,791,074</u>	\$ <u>266,307,032</u>

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Butler County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2010

Total Governmental Fund Balances \$106,304,739

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

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

Land	11,964,760	
Infrastructure	237,030,574	
Construction in progress	170,175	
Other capital assets	229,554,425	
Accumulated depreciation	<u>(85,960,323)</u>	
Total capital assets		392,759,611

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. (24,981)

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

Property Taxes	8,856,062	
Special Assessments	10,522,690	
Due From Other Governments	29,519,429	
Charges for Services	725,253	
Interest Revenue	300,267	
Other	38,357	
Loans	<u>373,603</u>	
		50,335,661

Bond issuance costs reported as an expenditure in governmental funds are allocated as an expense over the life of the debt on a full accrual basis 1,278,091

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

Accrued interest on bonds	(365,211)	
Capital leases	(1,461,478)	
Bonds	(96,846,964)	
Loans	(2,488,072)	
Compensated absences	<u>(8,026,673)</u>	
Total liabilities		<u>(109,188,398)</u>

Net Assets of Governmental Activities \$441,464,723

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Mental Health
Revenues				
Property Taxes	\$ 12,496,530	\$ 16,914,642	\$ 13,000,046	\$ 8,134,909
Sales Taxes	29,655,211	-	-	-
Other Local Taxes	-	-	-	-
Charges for Services	19,008,934	47,335	-	37,127
Licenses and Permits	15,160	-	-	-
Fines and Forfeitures	1,575,510	-	-	-
Intergovernmental	9,535,209	11,194,324	33,414,827	21,451,816
Special Assessments	-	-	-	-
Payments in Lieu of Taxes	20,704	25,179	12,662	3,001
Investment Earnings	2,862,044	-	-	-
Other	471,167	18,093	1,228,576	206,689
Total Revenues	<u>75,640,469</u>	<u>28,199,573</u>	<u>47,656,111</u>	<u>29,833,542</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	20,799,787	-	-	-
Judicial	12,929,830	-	-	-
Public Safety	31,537,145	-	-	-
Public Works	185,867	-	-	-
Health	800,471	25,715,733	-	28,583,324
Human Services	1,424,389	-	46,950,693	-
Conservation and Recreation	572,448	-	-	-
Other	11,860	-	-	-
Intergovernmental	-	-	-	-
Debt Service:				
Principal Retirement	1,342,203	-	22,560	-
Interest and Fiscal Charges	101,490	-	2,217	-
Issuance Costs	-	-	-	-
Current Refunding	-	-	-	-
Total Expenditures	<u>69,705,490</u>	<u>25,715,733</u>	<u>46,975,470</u>	<u>28,583,324</u>
Excess of Revenues Over (Under) Expenditures	<u>5,934,979</u>	<u>2,483,840</u>	<u>680,641</u>	<u>1,250,218</u>
Other Financing Sources (Uses):				
General Obligation Bonds Issued	-	-	-	-
Premium on Debt Issued	-	-	-	-
Discount on Debt Issued	-	-	-	-
Proceeds from Sale of Capital Assets	10,472	-	-	-
Refunding Bonds Issued	-	-	-	-
Proceeds of Loans	-	-	-	-
Current Refunding	-	-	-	-
Transfers - In	200,000	-	1,101,603	-
Transfers - Out	(9,706,397)	-	-	-
Total Other Financing Sources (Uses)	<u>(9,495,925)</u>	<u>-</u>	<u>1,101,603</u>	<u>-</u>
Net Change in Fund Balance	<u>(3,560,946)</u>	<u>2,483,840</u>	<u>1,782,244</u>	<u>1,250,218</u>
Fund Balances at Beginning of Year - Restated (See Note 3)	<u>21,196,383</u>	<u>29,440,874</u>	<u>5,694,270</u>	<u>15,555,981</u>
Fund Balances at End of Year	<u>\$ 17,635,437</u>	<u>\$ 31,924,714</u>	<u>\$ 7,476,514</u>	<u>\$ 16,806,199</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ 8,192,151	\$ 58,738,278
-	29,655,211
2,472,087	2,472,087
17,981,929	37,075,325
760,343	775,503
1,299,860	2,875,370
43,337,385	118,933,561
2,578,775	2,578,775
5,891,032	5,952,578
623,954	3,485,998
822,500	2,747,025
<u>83,960,016</u>	<u>265,289,711</u>
6,644,142	27,443,929
2,784,976	15,714,806
8,962,184	40,499,329
26,322,585	26,508,452
6,508,420	61,607,948
23,844,921	72,220,003
20,720	593,168
-	11,860
4,710,532	4,710,532
6,309,087	7,673,850
4,456,818	4,560,525
292,023	292,023
192,750	192,750
<u>91,049,158</u>	<u>262,029,175</u>
<u>(7,089,142)</u>	<u>3,260,536</u>
11,410,000	11,410,000
682,746	682,746
(49,894)	(49,894)
8,592	19,064
7,200,000	7,200,000
651,103	651,103
(7,707,424)	(7,707,424)
10,060,680	11,362,283
(1,655,886)	(11,362,283)
<u>20,599,917</u>	<u>12,205,595</u>
13,510,775	15,466,131
<u>18,951,100</u>	<u>90,838,608</u>
<u>\$ 32,461,875</u>	<u>\$ 106,304,739</u>

Butler County, Ohio
**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities**
For the Year Ended December 31, 2010

Net Change in Fund Balances - Total Governmental Funds \$15,466,131

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

Capital outlays are reported as expenditures in governmental funds.

However, in the statement of activities, the cost of those assets is allocated
over their estimated useful lives as depreciation expense. In the current
period, these amounts are:

Capital Asset Additions	5,025,521	
Current Year Depreciation	<u>(8,617,253)</u>	(3,591,732)

Donations of capital assets are not reported in the governmental funds.

However, in the statement of activities, their value at the time of donation
is reported as revenue. 170,536

Governmental funds only report the disposal of capital assets to the extent proceeds are received
from the sale. In the statement of activities, a gain or loss is reported for each disposal.

Loss on Disposal of Capital Assets	(240,633)	
Proceeds from Sale of Capital Assets	(19,064)	
Gain on Sale of Capital Assets	<u>11,145</u>	(248,552)

Because some revenues will not be collected for several months after the County's year end,
they are not considered "available" revenues and are deferred in the governmental funds.

Property Taxes	772,015	
Sales Taxes	570,295	
Payment in Lieu of Taxes	176,884	
Due From Other Governments	(7,008,301)	
Special Assessments	(585,124)	
Charges for Services	(654,384)	
Other	(67,200)	
Interest Revenue	<u>(105,914)</u>	(6,901,729)

Repayment of long-term debt is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the statement of
net assets.

Bond principal retirement	5,415,000	
Special assessment principal retirement	733,740	
Loan principal retirement	282,448	
Current Refunding	7,900,174	
Capital lease payments	<u>1,242,662</u>	15,574,024

In the statement of activities, interest is accrued on outstanding debt, whereas
in the governmental funds, interest expenditures are reported when due.

The additional amount of interest on the statement of activities is the result of the following:

Gain/Loss on Refunding	(240,018)	
Increase in Accrued Interest	(58,022)	
Amortization of Gain/Loss on Refunding	(318,419)	
Amortization of Bond Premiums/Discounts on Issue	420,342	
Amortization of Bond Issuance Costs	<u>(127,519)</u>	(323,636)

In the statement of activities, bond issuance costs are amortized over the term of the
bonds, whereas in governmental funds bond issuance expenditures are reported
when bonds are issued. 292,023

Debt proceeds, premiums and discounts are reported as other financing sources
in governmental funds and thus contribute to the change in fund balances. In the
government-wide statements, however issuing debt increases long-term liabilities in the
statement of net assets and does not affect the statement of activities.

Premium on Bonds	(682,746)	
Discount on Bonds	49,894	
Bond Proceeds	(18,610,000)	
Loan Proceeds	<u>(651,103)</u>	(19,893,955)

Some items reported in the statement of activities do not require the
use of current financial resources and therefore are not reported as
expenditures in governmental funds. These activities consist of:

Decrease in Compensated Absences		211,658
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The internal service funds used by management to charge the costs of insurance
to individual funds. The net revenue (expense) of the internal service funds
are reported with governmental activities. (390,934)

Change in Net Assets of Governmental Activities \$363,834

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 14,674,000	\$ 12,274,653	\$ 12,275,178	\$ 525
Sales Taxes	29,670,000	29,503,426	29,510,558	7,132
Charges for Services	21,930,052	18,010,507	19,498,574	1,488,067
Licenses and Permits	14,970	14,970	15,160	190
Fines and Forfeitures	1,753,629	1,609,429	1,609,479	50
Intergovernmental	7,236,432	8,810,579	9,504,917	694,338
Payments in Lieu of Taxes	21,958	20,658	20,704	46
Investment Earnings	3,600,000	3,511,000	3,479,400	(31,600)
Other	1,181,015	920,016	987,825	67,809
Total Revenues	80,082,056	74,675,238	76,901,795	2,226,557
Expenditures:				
Current:				
General Government:				
Legislative and Executive	21,657,561	24,927,163	23,797,272	1,129,891
Judicial	14,351,541	14,244,564	13,936,475	308,089
Public Safety	35,536,649	34,480,117	33,731,895	748,222
Public Works	194,791	195,873	194,325	1,548
Health	501,528	880,106	880,106	-
Human Services	1,601,436	1,500,474	1,471,226	29,248
Conservation and Recreation	568,600	573,600	572,448	1,152
Other	-	25,000	11,860	13,140
Debt Service:				
Principal Retirement	1,041,175	1,614,974	1,610,471	4,503
Interest and Fiscal Charges	81,613	115,941	115,941	-
Total Expenditures	75,534,894	78,557,812	76,322,019	2,235,793
Excess of Revenues Over (Under) Expenditures	4,547,162	(3,882,574)	579,776	4,462,350
Other Financing Sources (Uses):				
Other Financing Sources	3,454,863	3,102,863	3,417,522	314,659
Proceeds from Sale of Capital Assets	12,000	12,000	10,472	(1,528)
Advances - In	-	209,999	213,532	3,533
Advances - Out	-	(218,375)	(116,571)	101,804
Transfers - In	-	-	200,000	200,000
Transfers - Out	(10,358,000)	(9,718,521)	(9,706,397)	12,124
Total Other Financing Sources (Uses)	(6,891,137)	(6,612,034)	(5,981,442)	630,592
Net Change in Fund Balance	(2,343,975)	(10,494,608)	(5,401,666)	5,092,942
Fund Balance at Beginning of Year	9,708,160	9,708,160	9,708,160	-
Prior Year Encumbrances Appropriated	4,195,429	4,195,429	4,195,429	-
Fund Balance at End of Year	\$ 11,559,614	\$ 3,408,981	\$ 8,501,923	\$ 5,092,942

See accompanying notes to the basic financial statements.

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
Developmental Disabilities Fund
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 25,473,888	\$ 16,598,928	\$ 16,598,938	\$ 10
Charges for Services	60,000	35,000	47,335	12,335
Intergovernmental	2,251,077	10,851,037	11,858,450	1,007,413
Payment in Lieu of Taxes	-	-	25,179	25,179
Other	5,000	5,000	18,093	13,093
Total Revenues	27,789,965	27,489,965	28,547,995	1,058,030
Expenditures:				
Current:				
Health	30,208,946	32,085,834	28,982,647	3,103,187
Excess of Revenues Over (Under) Expenditures	(2,418,981)	(4,595,869)	(434,652)	4,161,217
Other Financing Sources	30,000	30,000	65,122	35,122
Net Change in Fund Balance	(2,388,981)	(4,565,869)	(369,530)	4,196,339
Fund Balance at Beginning of Year	28,473,666	28,473,666	28,473,666	-
Prior Year Encumbrances Appropriated	386,743	386,743	386,743	-
Fund Balance at End of Year	\$ 26,471,428	\$ 24,294,540	\$ 28,490,879	\$ 4,196,339

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
Job and Family Services/Children Services Agency Fund
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 14,316,000	\$ 12,769,190	\$ 12,769,190	\$ -
Intergovernmental	44,557,310	35,054,158	35,812,039	757,881
Payments in Lieu of Taxes	-	-	12,662	12,662
Other	1,351,000	1,212,983	1,228,576	15,593
Total Revenues	<u>60,224,310</u>	<u>49,036,331</u>	<u>49,822,467</u>	<u>786,136</u>
Expenditures:				
Current:				
Human Services	63,341,442	54,752,966	52,289,796	2,463,170
Debt Service:				
Principal Retirement	22,057	22,057	22,057	-
Interest and Fiscal Charges	2,720	2,720	2,720	-
Total Expenditures	<u>63,366,219</u>	<u>54,777,743</u>	<u>52,314,573</u>	<u>2,463,170</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,141,909)</u>	<u>(5,741,412)</u>	<u>(2,492,106)</u>	<u>3,249,306</u>
Other Financing Sources:				
Other Financing Sources	528,324	528,324	528,324	-
Transfers - In	1,153,768	1,100,768	1,101,603	835
Total Other Financing Sources	<u>1,682,092</u>	<u>1,629,092</u>	<u>1,629,927</u>	<u>835</u>
Net Change in Fund Balance	(1,459,817)	(4,112,320)	(862,179)	3,250,141
Fund Balance at Beginning of Year	7,590,914	7,590,914	7,590,914	-
Prior Year Encumbrances Appropriated	961,050	961,050	961,050	-
Fund Balance at End of Year	<u>\$ 7,092,147</u>	<u>\$ 4,439,644</u>	<u>\$ 7,689,785</u>	<u>\$ 3,250,141</u>

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budget Basis)
Mental Health Fund
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,698,000	\$ 7,989,185	\$ 7,989,185	\$ -
Charges for Services	-	-	58,167	58,167
Intergovernmental	17,461,968	18,200,783	21,643,468	3,442,685
Payments in Lieu of Taxes	-	-	3,001	3,001
Other	375,000	204,400	206,689	2,289
Total Revenues	26,534,968	26,394,368	29,900,510	3,506,142
Expenditures:				
Current:				
Health	28,866,164	39,307,604	28,993,030	10,314,574
Excess of Revenues Over (Under) Expenditures	(2,331,196)	(12,913,236)	907,480	13,820,716
Other Financing Sources	-	140,600	147,098	6,498
Net Change in Fund Balance	(2,331,196)	(12,772,636)	1,054,578	13,827,214
Fund Balance at Beginning of Year	11,565,605	11,565,605	11,565,605	-
Prior Year Encumbrances Appropriated	1,207,687	1,207,687	1,207,687	-
Fund Balance at End of Year	\$ 10,442,096	\$ 656	\$ 13,827,870	\$ 13,827,214

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Total	
Assets					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 33,765,536	\$ 15,587,436	\$ 53,277	\$ 49,406,249	\$ 1,761,914
Cash and Cash Equivalents in Segregated Accounts	250	250	100	600	-
Cash and Cash Equivalents with Fiscal Agent	81,472	39,343	-	120,815	-
Receivables:					
Accounts	1,648,066	2,071,466	551	3,720,083	4,970
Due from Other Governments	-	417,172	-	417,172	-
Special Assessments	646,017	339,196	-	985,213	-
Due from Other Funds	-	793	1,726	2,519	2,416,092
Prepaid Items	71,600	50,644	-	122,244	816
Materials and Supplies Inventory	73,838	56,897	-	130,735	40,027
Total Current Assets	36,286,779	18,563,197	55,654	54,905,630	4,223,819
Noncurrent Assets					
Deferred Charges	697,548	787,210	-	1,484,758	-
Non-Depreciable Capital Assets	6,682,693	5,131,573	-	11,814,266	-
Depreciable Capital Assets	176,969,031	133,322,771	-	310,291,802	-
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	4,000,000	2,135,485	-	6,135,485	-
Total Noncurrent Assets	188,349,272	141,377,039	-	329,726,311	-
Total Assets	224,636,051	159,940,236	55,654	384,631,941	4,223,819
Liabilities					
Current Liabilities					
Accounts Payable	277,646	79,182	-	356,828	90,376
Contracts Payable	131,760	1,698,176	-	1,829,936	705
Accrued Wages and Benefits Payable	237,165	154,598	3,029	394,792	18,398
Retainage Payable	-	-	-	-	-
Due to Other Funds	110,938	80,273	1,466	192,677	2,752
Due to Other Governments	101,893	629,683	-	731,576	806,743
Accrued Interest Payable	250,944	219,059	-	470,003	-
General Obligation Bonds Payable	2,231,074	1,055,582	-	3,286,656	-
Revenue Bonds Payable	1,438,170	1,275,000	-	2,713,170	-
Judgement Bonds Payable	-	1,275,000	-	1,275,000	-
Loans Payable	96,088	415,493	-	511,581	-
Claims Payable	-	-	-	-	856,376
Compensated Absences Payable	150,162	115,790	1,946	267,898	14,114
Total Current Liabilities	5,025,840	6,997,836	6,441	12,030,117	1,789,464
Noncurrent Liabilities					
Advances from Other Funds	-	-	-	-	100,000
Refundable Deposits	-	135,485	-	135,485	-
Claims Payable	-	-	-	-	2,324,363
Compensated Absences Payable	263,039	258,009	4,990	526,038	34,973
General Obligation Bonds Payable	5,705,023	6,125,666	-	11,830,689	-
Revenue Bonds Payable	34,996,663	20,316,912	-	55,313,575	-
Judgement Bonds Payable	-	28,130,472	-	28,130,472	-
Loans Payable	2,445,795	9,519,123	-	11,964,918	-
Total Noncurrent Liabilities	43,410,520	64,485,667	4,990	107,901,177	2,459,336
Total Liabilities	48,436,360	71,483,503	11,431	119,931,294	4,248,800
Net Assets (Deficit)					
Invested in Capital Assets, Net of Related Debt	137,436,459	71,128,306	-	208,564,765	-
Restricted for:					
Debt Service	-	-	-	-	-
Replacement and Improvement	4,000,000	2,000,000	-	6,000,000	-
Unrestricted	34,763,232	15,328,427	44,223	50,135,882	(24,981)
Total Net Assets	\$ 176,199,691	\$ 88,456,733	\$ 44,223	\$ 264,700,647	\$ (24,981)

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

	Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility		
Operating Revenues:					
Charges for Services	\$ 18,181,460	\$ 20,765,879	\$ 132,052	\$ 39,079,391	\$ 17,424,495
Other Operating Revenues	130,455	173,159	-	303,614	-
Total Operating Revenues	18,311,915	20,939,038	132,052	39,383,005	17,424,495
Operating Expenses:					
Personal Services	5,472,950	3,833,895	76,789	9,383,634	454,367
Contractual Services	3,469,117	12,077,962	3,071	15,550,150	15,506,743
Claims and Judgments	-	-	-	-	1,260,360
Materials and Supplies	1,142,669	484,557	10,759	1,637,985	636,132
Depreciation and Amortization Expense	10,302,560	6,543,485	-	16,846,045	-
Other	254,487	413,801	691	668,979	321
Total Operating Expenses	20,641,783	23,353,700	91,310	44,086,793	17,857,923
Operating Income (Loss)	(2,329,868)	(2,414,662)	40,742	(4,703,788)	(433,428)
Non-Operating Revenues (Expenses)					
Other Non-Operating Revenues	71,372	314,264	-	385,636	42,494
Interest and Fiscal Charges	(2,614,318)	(2,921,887)	-	(5,536,205)	-
Total Non-Operating Revenues (Expenses)	(2,542,946)	(2,607,623)	-	(5,150,569)	42,494
Income (Loss) Before Contributions	(4,872,814)	(5,022,285)	40,742	(9,854,357)	(390,934)
Capital Contributions	5,489,318	3,051,098	-	8,540,416	-
Change in Net Assets	616,504	(1,971,187)	40,742	(1,313,941)	(390,934)
Net Assets at Beginning of Year	175,583,187	90,427,920	3,481	266,014,588	365,953
Net Assets (Deficit) at End of Year	\$ 176,199,691	\$ 88,456,733	\$ 44,223	\$ 264,700,647	\$ (24,981)

See accompanying notes to the basic financial statements

Butler County
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Totals	
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>					
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$ 18,785,024	\$ 21,039,697	\$ 132,056	\$ 39,956,777	\$ -
Cash Paid to Suppliers	(4,936,886)	(11,299,316)	(14,521)	(16,250,723)	(16,039,295)
Cash Paid to Employees	(4,696,391)	(3,317,102)	(67,603)	(8,081,096)	(429,817)
Cash Received from Interfund Services Provided	-	-	-	-	17,531,114
Cash Payments for Interfund Services Used	(793,578)	(524,895)	(9,281)	(1,327,754)	-
Other Operating Revenues	130,455	173,159	-	303,614	-
Other Operating Expenses	(398,396)	(562,911)	-	(961,307)	-
Other Non-Operating Revenues	71,372	314,264	-	385,636	42,494
Cash Paid for Claims	-	-	-	-	(782,417)
Net Cash Provided by Operating Activities	8,161,600	5,822,896	40,651	14,025,147	322,079
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Proceeds from Loans	2,006,618	4,915,145	-	6,921,763	-
Principal Paid on Loans	(79,547)	(258,896)	-	(338,443)	-
Interest Paid on Loans	(74,490)	(162,510)	-	(237,000)	-
Interest Paid on General Obligation Bonds	(335,024)	(284,442)	-	(619,466)	-
Principal Paid on General Obligation Bonds	(2,162,103)	(1,003,250)	-	(3,165,353)	-
Interest and Fiscal Charges on Revenue Bonds	(1,705,064)	(1,024,670)	-	(2,729,734)	-
Principal Paid on Revenue Bonds	(1,396,140)	(1,235,000)	-	(2,631,140)	-
Interest Paid on Judgement Bonds	-	(1,395,045)	-	(1,395,045)	-
Principal Paid on Judgement Bonds	-	(1,225,000)	-	(1,225,000)	-
Acquisition and Construction of Capital Assets	(6,010,704)	(7,939,155)	-	(13,949,859)	-
Cash Received from Special Assessments	65,817	88,494	-	154,311	-
Capital Contributions by Other Governments - Capital Grants	150,391	-	-	150,391	-
Capital Contributions by Customers	2,779,677	1,226,297	-	4,005,974	-
Net Cash Used for Capital and Related Financing Activities	(6,760,569)	(8,298,032)	-	(15,058,601)	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,401,031	(2,475,136)	40,651	(1,033,454)	322,079
Cash and Cash Equivalents at Beginning of Year	36,446,227	20,237,650	12,726	56,696,603	1,439,835
Cash and Cash Equivalents at End of Year	\$ 37,847,258	\$ 17,762,514	\$ 53,377	\$ 55,663,149	\$ 1,761,914

(continued)

Butler County
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010 (Continued)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	GSC Parking Facility	Totals	
Reconciliation of Operating Income (Loss) to Net Income					
<u>Cash Provided by Operating Activities:</u>					
Operating Income (Loss)	\$ (2,329,868)	\$ (2,414,662)	\$ 40,742	\$ (4,703,788)	\$ (433,428)
Adjustments to Reconcile Operating Income (Loss) to Net Cash					
<u>Provided by Operating Activities:</u>					
Depreciation and Amortization	10,302,560	6,543,485	-	16,846,045	-
Other Non-Operating Revenues	71,372	314,264	-	385,636	42,494
<u>Changes in Assets and Liabilities:</u>					
(Increase) Decrease in Accounts Receivable	603,564	274,611	-	878,175	(1,990)
(Increase) Decrease in Due from Other Funds	-	(793)	4	(789)	108,609
Increase in Materials and Supplies Inventory	(11,655)	(3,659)	-	(15,314)	(9,626)
Increase (Decrease) in Accrued Wages and Benefits Payable	27,241	4,929	(2)	32,168	3,093
Increase (Decrease) in Accounts Payable	(178,125)	(396,266)	-	(574,391)	88,496
Increase (Decrease) in Contracts Payable	(79,651)	1,641,169	-	1,561,518	705
Decrease in Retainage Payable	(65,828)	(16,752)	-	(82,580)	-
Increase (Decrease) in Compensated Absences Payable	39,736	33,377	(116)	72,997	21,332
Increase (Decrease) in Due to Other Funds	(151,700)	(152,910)	23	(304,587)	125
Increase (Decrease) in Due to Other Governments	(66,046)	(3,897)	-	(69,943)	24,326
Increase in Claims Payable	-	-	-	-	477,943
Total Adjustments	10,491,468	8,237,558	(91)	18,728,935	755,507
Net Cash Provided by Operating Activities	\$ 8,161,600	\$ 5,822,896	\$ 40,651	\$ 14,025,147	\$ 322,079

Non-Cash capital and related financing activities:

Capital Contributions from Customers of \$4,409 for the Sewer Fund
Capital Contributions from Customers of \$6,120 for the Water Fund
Developers during the year donated \$1,074,868 of sewer lines to the Sewer fund.
Developers during the year donated \$352,496 of water lines to the Water fund.
Loan principal payments in the Sewer fund of \$1,479,973 were forgiven.
Loan principal payments in the Water fund of \$1,049,013 were forgiven.
The County recognized \$417,172 for a grant in the Water fund.

See accompanying notes to the basic financial statements

Butler County, Ohio
Statement of Fiduciary Net Assets
Agency Funds
December 31, 2010

	<u>Total</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 23,980,567
Cash and Cash Equivalents in Segregated Accounts	4,410,378
Accrued Interest Receivable	335
Property Taxes Receivable	420,581,600
Revenue in Lieu of Taxes Receivable	39,988,139
Special Assessments Receivable	15,253,098
Due from Other Governments	<u>13,099,091</u>
Total Assets	<u>517,313,208</u>
Liabilities	
Undistributed Monies	11,789,316
Due to Other Governments	505,474,212
Loans Payable	<u>49,680</u>
Total Liabilities	<u>\$ 517,313,208</u>

See accompanying notes to the basic financial statements

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION

REPORTING ENTITY

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

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

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

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the County, in that the County approves the organizations budget, the issuance of its debt, or the levying of its taxes. The County has no component units.

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

Butler County Emergency Management Agency
Transportation Improvement District of Butler County
Ohio Kentucky Indiana Regional Council of Governments
Butler/Clermont/Warren Workforce Policy Board
Community-Based Correctional Facility
Southwest Ohio Council of Governments
County Risk Sharing Authority (CORSA)
Butler Health Plan
County Employee Benefits Consortium of Ohio, Inc. (CEBCO)
Regional Transit Authority (RTA)
Butler County Convention and Visitor Bureau
Butler County Port Authority
Metroparks of Butler County

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

Butler County Emergency Management Agency

The Butler County Emergency Management Agency consists of twenty-six members of the advisory council that are appointed as follows: one County Commissioner and the chief elected official of each of the thirteen

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (continued)

townships, five cities, and seven villages. The degree of control exercised by any participating government is limited to its representation on the Board. The Agency does not have any outstanding debt. The County does not have an equity interest in the Agency.

Regional Transit Authority (RTA)

The County Commissioners are responsible for appointing the board of directors of the RTA; however, the County Commissioners cannot influence the RTA's operations, nor does the RTA represent a potential financial benefit or burden to the County. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the RTA, its role is limited to a ministerial function.

Butler County General Health District

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

Butler County Soil and Water Conservation District

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

Metroparks of Butler County

The District Commissioners are appointed by the Probate Judge of the County. The Commissioners adopt their own budget, authorize expenditures, hire and fire staff, and do not rely on the County to finance deficits. The County is not financially accountable for the District nor is the District fiscally dependent on the County. The District serves as its own taxing and debt issuance authority and is a related organization of the County. The District received \$356,239 of funding from the County Property Transfer Tax during 2010.

Twelfth District Court of Appeals

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

Workforce Investment Area Twelve

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

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (continued)

Community-Based Correctional Facility

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Butler County have been prepared in conformity with the generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The County has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the County's accounting policies are described below.

BASIS OF PRESENTATION

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

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

Governmental Funds

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

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

General - This fund 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 the State of Ohio.

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

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

Mental Health - This fund accounts for various federal, state and local funds restricted to provide mental health services to all citizens of Butler County.

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

Proprietary Funds

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

Enterprise Funds

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

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

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

Government Services Center (GSC) Parking Facility - This fund accounts for fees collected by the Butler County Commissioners from customers parking in the GSC parking facility and expenses relative to its operation.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Internal Service Funds

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

Fiduciary Funds

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

MEASUREMENT FOCUS

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

BASIS OF ACCOUNTING

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

Revenues – Exchange and Non-Exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within 31 days of year-end.

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

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

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

Payments in Lieu of Taxes

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

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of December 31, 2010, but which were levied to finance year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

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

During 2010, investments were limited to certificates of deposit, the Fifth Third Institutional Government Money Market Mutual Fund, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds and Federal National Mortgage Association Bonds. Investments are reported at fair value, which is based on quoted market prices, with the exception of certificates of deposit, which are reported at cost. The fair value of the mutual funds is determined by the fund's December 31, 2010, share price. Note 6 provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

Interest earned on investments is distributed to the General Fund, except as stipulated by the Ohio Constitution or State statute. Interest revenue credited to the General Fund during 2010 amounted to \$2,862,044, which includes \$2,706,288 assigned from other County funds.

Statement of Cash Flows

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

Cash and Cash Equivalents in Segregated Accounts

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

Cash and Cash Equivalents with Fiscal Agents

Certain loan payments are held by Ohio Water Department Authority (OWDA), for future fiscal years. These deposits are represented by "Cash and cash equivalents with fiscal agents" on the statement of fund net assets-proprietary funds and "Cash and cash equivalents with fiscal agents" on the statement of net assets- government wide.

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

Inventories and Prepaid Items

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

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

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

Interfund Transactions

On fund financial statements, receivables and payables arising between funds for goods provided or services rendered, are classified as "due from other funds/due to other funds". Long-term interfund loans are classified as "advances to/from other funds" and are classified as nonspendable fund balance which indicates that they are

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

not in spendable form even though it is a component of net current assets. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business type activities which are presented as internal balances.

Restricted Assets

Restricted Assets: Equity in pooled cash and cash equivalents consist of Replacement and Improvement (R&I) Funds held by the Department of Water and Sewer that are restricted by bond covenants. The covenants state that transfers must be made into the R&I Funds monthly from the Water and Sewer operating funds until the time that the minimum cash balance of \$2,000,000 in the Water Fund and \$4,000,000 in the Sewer Fund is achieved. These dollars may be used to pay for replacements and improvements to assets in the Water and Sewer systems. In addition, water customer deposits are presented as Restricted Assets: Equity in pooled cash and cash equivalents.

Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset, or do not materially extend the useful life of the asset are not capitalized.

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

Description	Useful Life
Land and Building Improvements	10-60 years
Furniture, Fixtures and Equipment	3-30 years
Vehicles	5-7 years
Water Right Contract	20 years
Water and Sewer Mains	40 years

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

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The County documents that the eligible infrastructure assets are being maintained at a level equal to or above the condition level established by the County. Condition appraisals are performed every 3 years for bridges, roads, and culverts in accordance with the Butler County capital asset policy.

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

Capitalization of Interest

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

Compensated Absences

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

The entire compensated absence liability is reported on the government-wide financial statements. 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 in the account "matured compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported in governmental funds. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-term Obligations

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

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

Fund Balance

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

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted- The restricted fund balance classification includes amounts that have constraints placed on the use of resources that are either externally imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions 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 imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the Commissioners amend and approve 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 County Commissioners or Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are 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- The assigned fund balance classification is intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned amounts represent intended uses established by the County Commissioners or a County Official delegated that authority by resolution or by State Statute.

Unassigned- the unassigned fund balance classification is intended for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned fund balance classification is used only to report a deficit balance resulting from overspending for specific purposes of which amounts had been restricted, committed or assigned.

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

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

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

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Revenues and Expenses

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

Contributions of Capital

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

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

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

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

Bond Premiums/Discounts/Issuance Costs

On the government-wide financial statements (and in the enterprise funds), bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable. Issuance costs are amortized on a straight-line basis over the term of the bonds and are reported as deferred charges.

On the governmental fund financial statements, issuance costs and bond premiums and discounts are recognized in the period in which the debt is issued.

As permitted by State statute, the County paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs, which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

Gain/Loss on Refunding

On the government-wide financial statements (and in the enterprise funds), a refunding resulting in the defeasance of debt generates an accounting gain or loss calculated by comparing the reacquisition price and the net carrying amount of the old debt. This accounting gain/loss is amortized as interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an increase/reduction of the face amount of the new debt.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

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

Budgets

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

Estimated Resources

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

Appropriations

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

BUDGETARY BASIS OF ACCOUNTING

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

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than restricted, committed or assigned fund balance (GAAP basis).

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Investments are reported at fair value (GAAP basis) rather than cost (budget basis).

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

	Net Change in Fund Balance			
	General	Developmental Disabilities	Job and Family Services/Children Services	Mental Health
GAAP Basis	\$ (3,560,946)	\$ 2,483,840	\$ 1,782,244	\$ 1,250,218
Revenue Accruals	781,394	348,422	2,166,356	66,968
Expenditure Accruals	(1,673,195)	(1,408,153)	(3,085,845)	(187,419)
Encumbrances	(1,525,812)	(1,793,639)	(1,724,934)	(75,189)
2009 Decrease in Fair Value of Investments	1,224,474	-	-	-
2010 Increase in Fair Value of Investments	(744,542)	-	-	-
Advances	96,961	-	-	-
Budget Basis	\$ (5,401,666)	\$ (369,530)	\$ (862,179)	\$ 1,054,578

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES/CORRECTION OF AN ERROR AND RESTATEMENT OF FUND BALANCE/NET ASSETS

Changes in Accounting Principles

In 2010, the County has implemented Governmental Accounting Standard Board (GASB) Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" and Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. It requires governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, at fair value in their economic resources measurement focus financial statements. The implementation of this statement did not result in any change in the County's financial statements.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification and restatement of the County's financial statements.

Correction of an Error and Restatement of Fund Balance/Net Assets

In 2010, it was discovered that Non Depreciable Capital Assets, related to infrastructure was overstated in 2009. A trust fund was previously reported in the all other agency activity and should have been reported as a permanent governmental activity. In addition, the Tax Incremental Financing and Residential Incentive District fund is no longer a major fund. The restatement had the following effect on the fund balance/net assets at December 31, 2009 as previously reported.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES/CORRECTION OF AN ERROR AND RESTATEMENT OF FUND BALANCE/NET ASSETS (continued)

	Other Governmental Funds	Governmental Activities
Fund Balance/Net Assets, December 31, 2009	\$ 28,976,749	\$ 447,175,940
Fund Reclassified	844,896	844,896
Major Fund Reclassification	(10,870,545)	
Non Depreciable Capital Assets, Net	-	(6,919,947)
Fund Balance/Net Assets, December 31, 2009 Restated	\$ 18,951,100	\$ 441,100,889

NOTE 4 – FUND BALANCE

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

Fund Balances	General	Developmental Disabilities	Job and Family/Children Services	Mental Health	Non-major Governmental Funds	Total
Nonspendable						
Prepaid Items	\$ 454,547	\$ 239,082	\$ 12,719	\$ 1,088,843	\$ 123,087	\$ 1,918,278
Materials and Supplies Inventory	64,198	13,051	27,131	1,692	604,444	710,516
Loans Receivables	423,283	-	-	-	320,966	744,249
Interfund Loans	261,400	-	-	-	-	261,400
Long-Term Receivables	4,075,000	-	-	-	-	4,075,000
Developmental Disabilities Trust	-	-	-	-	761,305	761,305
Total Nonspendable	5,278,428	252,133	39,850	1,090,535	1,809,802	8,470,748
Restricted for						
Developmental Disabilities	-	31,672,581	-	-	-	31,672,581
Job and Family/Children Services	-	-	7,436,664	-	-	7,436,664
Mental Health	-	-	-	15,715,664	-	15,715,664
Elderly Services	-	-	-	-	15,733,274	15,733,274
Motor Vehicle	-	-	-	-	7,741,238	7,741,238
All Other Public Works	-	-	-	-	8,669,799	8,669,799
Other Purposes	-	-	-	-	16,469,451	16,469,451
Total Restricted	-	31,672,581	7,436,664	15,715,664	48,613,762	103,438,671
Committed						
Debt Service Payments	-	-	-	-	3,244	3,244
Other Purposes	729,254	-	-	-	-	729,254
Total Committed	729,254	-	-	-	3,244	732,498
Assigned						
Other Purposes	796,556	-	-	-	-	796,556
Unassigned (Deficit)	10,831,199	-	-	-	(17,964,933)	(7,133,734)
Total Fund Balances	\$ 17,635,437	\$ 31,924,714	\$ 7,476,514	\$ 16,806,199	\$ 32,461,875	\$ 106,304,739

NOTE 5 – ACCOUNTABILITY

ACCOUNTABILITY

At year-end, the Technology, Road Improvements, and the Buildings Construction and Renovation non-major capital projects funds had deficit fund balances of \$2,671,327, \$3,201,744, and \$12,091,862. The Workers' Compensation and the County Fuel Depot funds had negative net assets of \$615,481 and \$37,681.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 5 – ACCOUNTABILITY (continued)

The deficits in the Technology, Road Improvements, and the Buildings Construction and Renovation funds arise from the issuance of short-term bond anticipation notes, which are used to finance the projects until bonds are issued. These deficits will be alleviated when the bonds are issued or when the notes are paid. The Workers' Compensation deficit was due to the reduction in revenues. Management has continued to address the Workers' Compensation deficit by charging 2.5% to participating funds. The deficit in the County Fuel Depot fund is due to an unpaid advance from the County general fund.

NOTE 6 - DEPOSITS AND INVESTMENTS

CASH

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

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

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States; or any book entry zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
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;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
6. The State Treasurer's investment pool (STAROhio);
7. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange similar securities, or cash, equal value for equal value;
8. Not more than twenty-five percent of the County's average portfolio is in one of the following:
 - a. Commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars, provided the notes are rated at the time of purchase in the highest classification established by two nationally recognized standard rating services, mature within two hundred seventy days after purchase, and the aggregate value does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation;
 - b. Bankers acceptances of banks that are insured by the federal deposit insurance corporation, provided the obligations are eligible for purchase by the federal reserve system and mature within one hundred eighty days after purchase;

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

9. Up to fifteen percent of the County's total average portfolio is in notes issued by corporations that are incorporated under the laws of the United States and that are operating within the United States, or by depository institutions that are doing business under authority granted by the United States or any state and that are operating within 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 mature within two years from the date of purchase;
10. 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 consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper; and
11. A portion of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity.

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

INVESTMENTS

As of December 31, 2010, the County had the following investments:

Investment Type	Fair Value	Investment Maturities (in years)		
		Less Than 1	1-2	3-4
Fifth Third Institutional Gov. Money Market Mutual Fund	\$ 83,093	\$ 83,093	\$ -	\$ -
Federal Farm Credit Bank Bonds	29,985,624	3,544,152	16,975,002	9,466,470
Federal Home Loan Bank Bonds	40,762,559	14,264,782	17,042,632	9,455,145
Federal Home Loan Mortgage Corp. Bonds	26,576,705	4,536,295	18,025,670	4,014,740
Federal National Mortgage Association Bonds	45,271,698	1,176,717	31,591,906	12,503,075
Total Investments	\$ 142,679,679	\$ 23,605,039	\$ 83,635,210	\$ 35,439,430

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

Credit risk refers to the risk of default of principal or interest. Investment assets currently owned by Butler County consist of the Fifth Third Institutional Government Money Market Mutual Fund, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds and Federal National Mortgage Association Bonds. All issues are currently rated Aa1 by Moody's. The County's policy limits investments to those authorized by the State statute.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

The following table indicates the percentage of each investment compared to the County's total portfolio.

Investment Type	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank Bonds	\$ 29,985,624	21.02%
Federal Home Loan Bank Bonds	40,762,559	28.57%
Federal Home Loan Mortgage Corp. Bonds	26,576,705	18.63%
Federal National Mortgage Association Bonds	45,271,698	31.73%

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against real, public utility, and tangible personal property. The assessed value by property classification upon which the 2010 collection year tax revenue was based is as follows:

Category	Assessed Value
Real Property	\$ 7,563,640,350
Tangible Personal Property	8,135,430
Public Utility Personal Property	229,648,530
Total	\$ 7,801,424,310

Ohio law prohibits taxation of property by all overlapping taxing authorities in excess of 10 mills per dollar of assessed value without a vote of the people. Presently, the County levies 1.95 mills of this 10-mill limit. In addition to the 1.95 mills, voted levies in the amount of 7.80 mills have been approved for the Developmental Disabilities Board, Mental Health Board, Children Services Agency, and Senior Citizens Services. A summary of voted levies follows:

Purpose	Voter Levy Date	Authorized Rate	Rate Levied for Current Year		Final Levy Year
			R/A	C/I	
Developmental Disabilities	2004	1.00	0.93	0.93	Continuing
Developmental Disabilities	2000	2.00	1.57	1.77	Continuing
Mental Health Board	1985	0.50	0.23	0.28	2014
Mental Health Board	2006	1.00	1.00	0.94	2010
Children Services Agency	2008	2.00	2.00	1.88	2012
Senior Citizens	2005	1.30	1.22	1.21	2009
Total		7.80	6.95	7.01	

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from a reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount of property taxes on carry-over property as in the year in which the levy was approved.

Increases to voted levy revenues are restricted to assessments for new construction. The reduction factors are computed annually and applied separately for (R/A) residential/agricultural property and (C/I) commercial/industrial property.

Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date.

Assessed values are established by the County Auditor at 35 percent of the appraised market value. A general reappraisal is mandated by Ohio law every six years with an update at the three-year midpoint. The most recent revaluation was completed in 2008. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20, unless extended.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 7 - PROPERTY TAXES (continued)

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied against local inter-change telephone companies in the prior calendar year on assessed values as of December 31, of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. The percentages for telecommunications are 5 percent for 2010, and zero for 2011.

Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30 with the remainder payable by September 20.

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 proceeding the tax collection year, the lien date. Public utility property taxes are payable on the same date as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Property Taxes Receivable represents real and tangible personal property taxes, public utility taxes, and outstanding delinquencies, which are measurable as of December 31, 2010 and for which there is an enforceable legal claim. In the Funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2010 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

NOTE 8 - PERMISSIVE SALES TAX

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

In 2010, \$29,655,211 of permissive sales tax revenue was recognized in the General Fund. The County's total sales tax rate was three-quarters of one percent (.75%).

NOTE 9 - RECEIVABLES

Receivables at December 31, 2010, consisted of taxes, accounts including unpaid utilities, payments in lieu of taxes, intergovernmental receivables arising from grants, entitlements, and shared revenues, accrued interest, special assessments, loans, and interfund receivables. Loans receivable represent General Fund advances to agency funds and low-interest loans for development projects and home improvements granted to eligible County residents and businesses under the Federal Community Development Block Grant Program. The Block Grant loans bear interest at annual rates between two and five percent. These loans are to be repaid over periods ranging from two to five years. The Due from Other Governments includes a long-term receivable due from the Metroparks for their portion of the 2006 various purpose general obligation bonds issued. The payments in lieu of taxes amount relates to dollars collected through real estate taxes that are marked for capital improvements in Butler County and tax incremental financing agreements. All receivables are considered collectable in full, including accounts receivable, which, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. Delinquent special assessments at December 31, 2010 totaled \$246,294. The following are receivables expected to be collected in more than one year: Special Assessments \$10,507,675, Due from Other Governments \$4,075,000 and Loans Receivable \$571,056.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 9 – RECEIVABLES (continued)

A summary of intergovernmental receivables follows:

Governmental Activities	Amount
Public Assistance	\$ 9,329,516
Property Tax Rollbacks	7,873,071
Metroparks Debt Service Reimbursement	4,265,000
Motor Vehicle License Tax	3,390,793
Undivided Local Government	2,589,245
Ohio Department of Mental Health	2,431,189
Medicaid	2,164,210
Neighborhood Stabilization Grant	2,138,500
Local Public Agencies Grant	1,391,303
Shelter Plus Care	1,338,900
Core Cover Over/Under Incentives (FFP)	1,276,380
Gasoline Tax	1,149,603
Boarding of Prisoners	1,119,068
Community Development Block Grant	1,118,354
HOME Grant	951,529
Developmental Disabilities Subsidy	792,775
Community Corrections Grant	711,150
Title XIX	637,728
Prison Diversion Grant	561,547
Federal Incentives	532,281
State Child Protective Allocation	501,508
Twelfth District Court of Appeals	499,488
Felony Delinquent Care and Custody	458,840
All Other	3,634,906
Total Governmental Activities	<u>\$ 50,856,884</u>
Business-Type Activities	Amount
Ohio Water Development Authority	<u>417,172</u>
Total Primary Government	<u>\$ 51,274,056</u>
Agency Activities	Amount
Local Government	\$ 11,087,022
Motor Vehicle License Tax	1,019,004
Gasoline Tax	836,057
Permissive Tax	155,252
All Other	1,756
Total Agency Activities	<u>\$ 13,099,091</u>

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 10 - CAPITAL ASSETS

Primary government capital asset activity for the year ended December 31, 2010, was as follows:

	Restated Balance as of 12/31/09	Additions	Deletions	Balance as of 12/31/10
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Easements	\$ 11,210,770	\$ 753,990	\$ -	\$ 11,964,760
Infrastructure:				
Roads	163,622,679	252,006	-	163,874,685
Bridges	58,630,368	715,372	(168,460)	59,177,280
Culverts	13,978,609	-	-	13,978,609
Construction in Progress	31,106,703	3,032,743	(33,969,271)	170,175
Total Capital Assets Not Being Depreciated	278,549,129	4,754,111	(34,137,731)	249,165,509
Depreciable Capital Assets:				
Land Improvements	9,794,882	24,500	-	9,819,382
Buildings and Improvements	142,120,616	574,730	(338,283)	142,357,063
Furniture, Fixtures and Equipment	34,360,562	33,640,927	(120,802)	67,880,687
Vehicles	10,197,223	171,060	(870,990)	9,497,293
Total Depreciable Capital Assets	196,473,283	34,411,217	(1,330,075)	229,554,425
Total Capital Assets at Historical Cost	475,022,412	39,165,328	(35,467,806)	478,719,934
Less Accumulated Depreciation:				
Land Improvements	(2,441,992)	(269,373)	-	(2,711,365)
Building and Improvements	(48,980,958)	(4,358,250)	266,110	(53,073,098)
Furniture, Fixtures and Equipment	(19,696,185)	(3,237,861)	112,883	(22,821,163)
Vehicles	(7,473,918)	(751,769)	870,990	(7,354,697)
Total Accumulated Depreciation	(78,593,053)	(8,617,253)	1,249,983	(85,960,323)
Depreciable Capital Assets, Net	117,880,230	25,793,964	(80,092)	143,594,102
Governmental Activities Capital Assets, Net	\$ 396,429,359	\$ 30,548,075	\$ (34,217,823)	\$ 392,759,611

Additions to capital assets include \$170,536 in assets donated by outside entities, such as property developers.

	Balance as of 12/31/09	Additions	Deletions	Balance as of 12/31/10
Business Type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 1,656,490	\$ -	\$ -	\$ 1,656,490
Construction in Progress	7,524,361	13,898,542	(11,265,127)	10,157,776
Total Capital Assets Not Being Depreciated	9,180,851	13,898,542	(11,265,127)	11,814,266
Depreciable Capital Assets:				
Land Improvements	3,389,252	-	-	3,389,252
Buildings and Improvements	80,311,560	1,357,239	-	81,668,799
Furniture, Fixtures and Equipment	74,943,634	2,226,649	(597,800)	76,572,483
Vehicles	2,352,077	31,330	-	2,383,407
Water Rights	38,896,324	-	-	38,896,324
Water and Sewer Mains	302,725,064	9,128,590	-	311,853,654
Total Depreciable Capital Assets	502,617,911	12,743,808	(597,800)	514,763,919
Total Capital Assets at Historical Cost	511,798,762	26,642,350	(11,862,927)	526,578,185
Less Accumulated Depreciation:				
Land Improvements	(1,621,625)	(149,577)	-	(1,771,202)
Building and Improvements	(26,905,990)	(2,610,935)	-	(29,516,925)
Furniture, Fixtures and Equipment	(40,782,089)	(4,231,779)	597,800	(44,416,068)
Vehicles	(1,996,724)	(111,447)	-	(2,108,171)
Water Rights	(12,828,844)	(1,955,568)	-	(14,784,412)
Water and Sewer Mains	(104,088,600)	(7,786,739)	-	(111,875,339)
Total Accumulated Depreciation	(188,223,872)	(16,846,045)	597,800	(204,472,117)
Depreciable Capital Assets, Net	314,394,039	(4,102,237)	-	310,291,802
Business Type Activities Capital Assets, Net	\$ 323,574,890	\$ 9,796,305	\$ (11,265,127)	\$ 322,106,068

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 10 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

General Government	Amount
Legislative and Executive	\$ 2,675,843
Judicial	538,684
Public Safety	3,337,331
Public Works	983,647
Health	823,359
Human Services	258,389
Total Depreciation Expense	<u>\$ 8,617,253</u>

Additions to business-type capital assets being depreciated include \$1,427,364 in assets donated by property developers.

NOTE 11 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; damage to, theft of, or destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2010 the County contracted with County Risk Sharing Authority Inc. (CORSA) (a risk-sharing pool - see Note 21) for liability, property, and crime damage. Coverage provided by the pool is as follows:

Category	Amount (Each Occurrence)
Property:	
Flood	\$ 100,000,000
Earthquake	100,000,000
General Liability:	
Automobile	1,000,000
Uninsured Motorist	250,000
General	1,000,000
Stop Gap	1,000,000
Law Enforcement	1,000,000
Errors and Omissions	1,000,000
Medical Professional	6,000,000
Jail Doctor Coverage	1,000,000
Crime:	
Employee Dishonesty/Faithful Performance	1,000,000
Money and Securities (Inside)	1,000,000
Money and Securities (Outside)	1,000,000
Money Orders and Counterfeit Currency	1,000,000
Depositor's Forgery	1,000,000
Other:	
Boiler and Machinery	100,000,000
Business Interruption	1,000,000
Deductible:	
General, Law Enforcement and Public Officials	25,000
Each Loss or Claim	5,000

Settled claims have not exceeded coverage in any of the last three years. The County had a reduction in coverage in 2010.

The County has workers' compensation coverage for all employees, which are accounted for in a self-insurance internal service fund. The claims liability reported in the workers' compensation internal service fund at December 31, 2010, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The County maintains a retrospective rating plan for workers' compensation insurance.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 11 - RISK MANAGEMENT (continued)

The historical changes in claims payable (based on 12/31/10 maximum premium) during years December 31, 2009 and 2010 are as follows:

Year	Beginning Balance	Current Year Claims and Changes in Estimates	Claims Payments	Ending Balance
2009	\$ 2,769,212	\$ 790,716	\$ 857,132	\$ 2,702,796
2010	2,702,796	1,260,360	782,417	3,180,739

NOTE 12 - LEASES

Operating Leases

The County leases equipment and buildings for County services under non-cancelable operating leases. The total costs in 2010 were \$1,685,591 in the governmental funds. The future minimum lease payments for these leases are as follows:

Year	Amount
2011	\$ 1,001,744
2012	799,897
2013	422,554
2014	298,241
2015	215,007
2016-2020	528,793
2021-2024	126,000
Total Leases	<u>\$ 3,392,236</u>

Capital Leases

In prior years, the County has entered into capital leases to finance various County purchases. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as program expenditures in the budgetary statements.

General capital assets consisting of vehicles, software and equipment have been capitalized in the amount of \$7,262,212. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2010 totaled \$1,242,662 in the governmental funds.

Governmental Activities Capital Assets	Net Book Value
Furniture, Fixtures and Equipment	\$ 4,842,163
Vehicles	2,420,049
Less Accumulated Depreciation	(2,391,513)
Total Net Book Value	<u>\$ 4,870,699</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2010:

Year	Amount
2011	\$ 1,061,358
2012	451,251
Total	1,512,609
Less Interest	(51,131)
Total Present Value Lease Payments	<u>\$ 1,461,478</u>

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 13 - DEFINED BENEFIT PENSION PLANS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description – The County participates 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 in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy 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 statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law enforcement and public safety employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2010, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 10.5 percent and 11.1 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2010, member and employer contribution rates were consistent across all three plans.

The County's 2010 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.87 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010. Employer contribution rates are actuarially determined.

The County's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2010, 2009, and 2008 were \$8,191,126, \$8,368,126, and \$8,823,208, respectively. For 2010, 96.01 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008. Contributions to the Member-Directed Plan for 2010 were \$282,097 made by the County and \$201,498 made by plan members.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO (STRS OHIO)

Plan Description – The County participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plans. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 13 - DEFINED BENEFIT PENSION PLANS (continued)

factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to STRS Ohio for the fiscal years ended December 31, 2010, 2009, and 2008 were \$125,135, \$136,091, and \$134,175, respectively; 97.16 percent has been contributed for year 2010 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008. Contributions were not made to the DC and Combined plans for 2010.

NOTE 14 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 14 – POST-EMPLOYMENT BENEFITS (continued)

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.87 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-retirement health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2010, 2009, and 2008 were \$4,363,746, \$5,877,615, and \$6,240,309, respectively. For 2010, 96.01 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO (STRS OHIO)

Plan Description – The County contributes to the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions.

For 2010, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The County's contributions for health care for the years ended December 31, 2010, 2009, and 2008 were \$9,626, \$9,025, and \$8,770, respectively; 97.16 percent has been contributed for 2010 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 15 - OTHER EMPLOYEE BENEFITS

COMPENSATED ABSENCES

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

HEALTH CARE BENEFITS

The County has elected to provide employee medical/surgical benefits through the County Employee Benefits Consortium of Ohio, Inc. (CEBCO). Dental insurance is provided to all employees as a function of the health care plan through Dental Care Plus. Butler County Developmental Disabilities has chosen to provide employee medical/surgical benefits along with dental insurance through the Butler Health Plan (BHP).

During 2010, the County participated with the CEBCO (an insurance purchasing pool – see Note 21). CEBCO charges a fixed premium per month per enrolled employee. The premiums, along with an administrative charge, are paid into the Health Insurance internal service fund by the participating County funds and, in turn, the premiums are paid to CEBCO. Premiums charged by CEBCO are based upon the County's claims experience. In addition, Developmental Disabilities participated with the BHP (an insurance purchasing pool – see Note 21). BHP charges a fixed premium per month per enrolled employee along with an administrative charge paid directly from the Developmental Disabilities fund.

NOTE 16 – PRIOR YEAR DEFEASANCE OF REVENUE BONDS

In prior years, the County has defeased various bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2010, the bonds listed were unmatured and unpaid.

Refunded Bond Issues	Original Issue Amount	Unmatured and Unpaid as of 12/31/10
Fairfield Liberty Sewer District II		
Dated April 1, 1968	\$ 525,000	\$ 15,000
Water Revenue		
Dated April 1, 1996	14,075,000	10,425,000
Sewer Revenue		
Dated June 1, 1996	16,645,000	9,900,000
Sewer Revenue		
Dated October 1, 1997	1,485,000	1,115,000
Government Service Center		
Dated October 23, 1997	7,375,000	5,030,000
Sales Tax Revenue		
Dated December 1, 1997	23,810,000	16,240,000
Sewer Revenue		
Dated June 1, 1998	5,490,000	4,965,000
Sewer Revenue		
Dated March 1, 1999	12,790,000	12,790,000
Mulhauser Road		
Dated October 1, 2000	6,860,000	3,815,000
Lakota Drive		
Dated October 1, 2000	395,000	220,000
Union Center Phase II		
Dated October 1, 2000	1,045,000	650,000
Water Judgment		
Dated July 23, 2002	35,030,000	29,475,000
Adult Detention Facility		
Dated October 1, 2002	29,875,000	20,960,000
Fiber Optic Ring		
Dated October 1, 2002	2,745,000	1,925,000

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS

A schedule of changes in bonds and other long-term obligations of the governmental activities of the County during 2010 were as follows:

Debt Issue	Balance as of 12/31/09	Increases	Decreases	Balance as of 12/31/10	Due Within One Year
General Obligation Bonds					
2002 1.43-5.25% \$29,875,000					
Adult Detention Facility	\$ 11,435,000	\$ -	\$ 1,295,000	\$ 10,140,000	\$ 1,355,000
Premium on Debt Issued	778,233	-	70,748	707,485	-
2002 1.43-5.25% \$2,745,000					
Fiber Optic Ring	1,050,000	-	120,000	930,000	125,000
Premium on Debt Issued	71,707	-	6,519	65,188	-
2004 2.00-4.75% \$19,255,000					
Various Purpose	14,115,000	-	1,225,000	12,890,000	1,150,000
Premium on Debt Issued	237,227	-	25,343	211,884	-
Less Calculated Difference Between Old and New Debt	(338,857)	-	(52,326)	(286,531)	-
2006 3.75-5.00% \$17,500,000					
Various Purpose	15,030,000	-	860,000	14,170,000	940,000
Premium on Debt Issued	486,056	-	28,591	457,465	-
2007 4.00-5.25% \$12,305,000					
Various Purpose	12,050,000	-	25,000	12,025,000	25,000
Premium on Debt Issued	535,310	-	48,665	486,645	-
Less Calculated Difference Between Old and New Debt	(392,978)	-	(35,725)	(357,253)	-
2009 2.38-6.50% \$1,935,000					
By-Pass 4	1,935,000	-	-	1,935,000	-
Premium on Debt Issued	30,433	-	-	30,433	-
2010 2.00-5.00% \$1,870,000					
Airport Improvement	-	1,870,000	-	1,870,000	35,000
Discount on Debt Issued	-	(22,171)	-	(22,171)	-
2010 2.00-4.25% \$9,540,000					
Various Purpose	-	9,540,000	-	9,540,000	200,000
Premium on Debt Issued	-	17,877	-	17,877	-
Discount on Debt Issued	-	(27,723)	-	(27,723)	-
2010 2.25-5.00% \$7,200,000					
Sales Tax	-	7,200,000	-	7,200,000	-
Premium on Debt Issued	-	664,869	-	664,869	-
Less Calculated Difference Between Old and New Debt	-	(240,018)	(240,018)	-	-
Total General Obligation Bonds	\$ 57,022,131	\$ 19,002,834	\$ 3,376,797	\$ 72,648,168	\$ 3,830,000

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Debt Issue	Balance as of 12/31/09	Increases	Decreases	Balance as of 12/31/10	Due Within One Year
Sales Tax Bonds					
2005 3.00-5.00% \$29,365,000					
Government Service Center	\$ 22,795,000	\$ -	\$ 9,600,000	\$ 13,195,000	\$ 1,965,000
Premium on Debt Issued	1,165,741	-	426,327	739,414	-
Less Calculated Difference Between Old and New Debt	(1,050,817)	-	(384,299)	(666,518)	-
Total Sales Tax Bonds	22,909,924	-	9,642,028	13,267,896	1,965,000
Special Assessment Bonds					
1989 7.375% \$90,369					
Water System	5,000	-	5,000	-	-
2000 4.35-5.65% \$355,000					
Lakota Drive	15,000	-	15,000	-	-
2000 4.35-5.65% \$6,860,000					
Mulhauser Road	380,000	-	380,000	-	-
2000 4.35-5.65% \$1,045,000					
Union Center Phase II	50,000	-	50,000	-	-
2001 2.40-5.10% \$3,045,000					
Union Center Phase I and III	2,120,000	-	140,000	1,980,000	145,000
2005 4.125% \$1,144,000					
Venice Gardens Sewer	1,094,270	-	13,740	1,080,530	14,300
2007 4.00-5.00% \$4,790,000					
Various Purpose	4,675,000	-	15,000	4,660,000	480,000
Premium on Debt Issued	69,756	-	69,756	-	-
Less Calculated Difference Between Old and New Debt	(80,251)	-	(80,251)	-	-
2008 3.00-5.50% \$3,315,000					
Various Purpose	3,250,000	-	115,000	3,135,000	120,000
Premium on Debt Issued	79,557	-	4,187	75,370	-
Total Special Assessment Bonds	11,658,332	-	727,432	10,930,900	759,300
Long-Term Loans					
1995 2.00% \$1,811,520					
OPWC Mulhauser Road	519,474	-	90,270	429,204	92,085
2005 0.00% \$789,748					
OPWC Cincinnati Dayton Road	592,309	-	39,487	552,822	39,487
2007 4.00-4.50% \$661,420					
Mulhauser and Allen Road	529,136	-	132,284	396,852	132,284
2009 0.00% \$329,549					
OPWC Tylersville Road	\$ 321,310	\$ -	\$ 16,477	\$ 304,833	\$ 16,477

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Debt Issue	Balance as of 12/31/09	Increases	Decreases	Balance as of 12/31/10	Due Within One Year
2009 0.00% \$157,188 OPWC Hamilton Eaton Slip	\$ 157,188	\$ -	\$ 3,930	\$ 153,258	\$ 7,859
2010 0.00% \$305,000 OPWC Reily Millville Slip Phase I	-	305,000	-	305,000	15,250
2010 0.00% \$346,103 OPWC Reily Millville Slip Phase II	-	346,103	-	346,103	-
Total Long-Term Loans	2,119,417	651,103	282,448	2,488,072	303,442
Other Long-Term Obligations					
Capital Leases	2,704,140	-	1,242,662	1,461,478	1,021,847
Claims Payable	2,702,796	1,260,360	782,417	3,180,739	856,376
Compensated Absences Payable	8,266,086	5,359,488	5,549,814	8,075,760	2,927,965
Total Other Long-Term Obligations	13,673,022	6,619,848	7,574,893	12,717,977	4,806,188
Total Governmental Activities	\$ 107,382,826	\$ 26,273,785	\$ 21,603,598	\$ 112,053,013	\$ 11,663,930

GENERAL OBLIGATION BONDS

All governmental activities general obligation bonded debt are general obligations supported by the full faith and credit of the County. All unvoted general obligation bonds will be retired from the General Fund using unvoted general property tax revenues.

In October 2002, the County issued \$32,620,000 in general obligation bonds to bond notes issued for the construction of the Adult Detention Facility and the Fiber Optic Ring. The bonds were issued for a twenty-year period, with final maturity in December 2022. In April 2007, the County issued \$12,305,000 in bonds to partially refund the 2002 bonds.

In September 2004, the County issued a \$19,255,000 general obligation bond for the purpose of advance refunding \$8,225,000 of existing bonds and to bond \$10,415,000 of short-term bond anticipation notes. The bonds were issued for a twenty-year period, with final maturity in December 2024. The \$10,350,000 in new bond proceeds along with existing Butler County funds were used to pay bond anticipation notes that included the Voice of America TIF, Road Improvement TID series A and the Voice of America Sewer TIF. The \$8,905,000 portion of the bond proceeds were used to advance refund the 1996 General obligations issue, 1996 Union Center Special Assessment, 1994 Wetherington Infrastructure Special Assessment, 1992 Cox Road Special Assessment, 1992 Beacon Pt. Sewer Special Assessment and the 1992 Greencrest Sewer Special Assessment.

In 2007 the County pledged the Voice of America net TIF revenues (collections less debt service and school district payments) as a primary source to the Transportation Improvement District (TID) to assist in paying for the 2007 Butler County Transportation Improvement District Highway Improvement Bonds. The County has pledged one-quarter of its Non-Tax Revenues of the General Fund as a secondary or back-up pledge. The TID Bonds have three pledged receipts for payment, which include Butler County along with pledges from Liberty Township and West Chester Township. Neither the Faith and Credit nor the Taxing Power of the District, the County or the State of Ohio or any of its political subdivisions is pledged for the payment of the TID bonds.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

In September 2006, the County issued a \$17,500,000 various purpose general obligation bond for the purpose of bonding short-term bond anticipation notes for various construction projects. These projects included building expansions or renovations for Children Services, the Juvenile Detention Center, County Administration Building, Middletown Mall roof, a grand jury room and the building located at 301 South Third Street. Other projects bonded in this issue included the Symmes Road Extension, various computer hardware/software, and construction of the Metro Parks lodge and lake facility at the old Voice of America property. The bonds were issued for a twenty-year period, with the final maturity in December 2026.

In April 2007, the County issued \$12,305,000 in various purpose general obligation bonds for the purpose of advance refunding \$10,820,000 of the 2002 Adult Detention Facility bonds and \$995,000 of the 2002 Fiber Optic Bonds. The bonds were issued for a fourteen-year period, with final maturity in December 2020.

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

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

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

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

The current refunding resulted in a difference of \$240,018 between the net carrying amount of the debt and the acquisition price. The difference reported in the accompanying financial statements as a decrease to bonds payable was fully amortized in 2010. The County's total debt service payments increased \$1,119,425 as a result of the current refunding. The County also incurred an economic gain (difference between present values of the old and new debt service payments) of \$41,286.

SALES TAX BONDS

The sales tax bonds are payable solely through sales tax revenues generated by the County's three-quarters of one percent (.75%) permanent permissive sales tax. These bonds were issued to construct the County's Government Services Center. The County is under no obligation to have such sales tax revenues directly paid to the bond trustees as long as the County finances all principal and interest payments due on the bonds sixty days prior to their payment date. Therefore, all payments made on the sales tax bonds are to be paid using sales tax revenue.

In June 2005, the County issued a \$29,365,000 sales tax bonds for the purpose of advance refunding \$31,185,000 of existing bonds issued to construct the Government Services Center Building. The bonds were issued for a twelve-year period, with final maturity in December 2016.

In September 2010, the County issued a partial refunding of \$7,200,000 general obligation bonds for the \$22,795,000 of existing bonds outstanding from the 2005 issue.

The total interest and principal remaining on the bonds is \$15,517,350 payable through 2016. For the current year, principal and interest paid and sales tax revenues were \$2,579,825 and \$29,655,211, respectively.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

SPECIAL ASSESSMENT BONDS WITH GOVERNMENTAL COMMITMENT

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

The 1989 Water System Special Assessment Bonds were issued in the amount of \$90,369 to expand the County water system. The bonds were issued for a twenty-year period and paid off in 2010.

In October 2000, the County issued various purpose special assessment bonds in the amount of \$8,260,000 which included improvements to Lakota Drive, Muhlhauser Road, and Union Centre Boulevard Phase II. The bonds were issued for ten years and paid off in 2010.

In October 2001, the County issued \$3,045,000 of special assessment bonds to assist with the first and third phase of construction at Union Centre. The bonds were issued for a twenty-year period with final maturity in December 2021.

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

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

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

LONG-TERM LOANS

In 1995, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$1,811,520 to make improvements to Mulhauser Road using proceeds from the loan. The loan was issued for twenty-years with a final payment in July 2015. The loan will be repaid from Motor Vehicle Fund revenues.

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

In October 2006, Butler County entered into an agreement with West Chester Township and IKEA to expand the intersection at Muhlhauser and Allen Road to accommodate traffic flow needs due to the proposed IKEA store. In 2007, West Chester Township contributed \$749,522 for this intersection expansion. Butler County's portion of the obligation to West Chester Township in 2007 was \$374,761 for the project costs and \$286,659 in 2009, totaling \$661,420. The loan will be repaid from General Fund revenues.

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

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

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

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

The County also entered into a loan with OPWC for phase two of the restoration of the Reily Millville Road Slip not to exceed \$416,498. In 2010, the County received loan proceeds of \$346,103. The project is expected to be completed in 2011.

OTHER PAYABLES

Capital leases are for a fire alarm system for the County Care Facility, helicopter and police cruisers for the Sheriff's Office, a County wide permitting system and computer server, a Court reporting system for Common Pleas, electronic voting machines for the Board of Elections, copiers, fiber optic cables and a voice recording system for Job and Family Services/Children Services Agency and a shelving unit for Domestic Relations.

Claims payable represent the County's liability for workers' compensation coverage for all employees. Claims liabilities and expenses are estimated through a case by case review of all claims. The claims liability will be paid from the Workers' Compensation Internal Service Fund.

Compensated absences liability will be paid from the General Fund, Developmental Disabilities, Job and Family Services/Children Services Agency, Child Support Enforcement, All Other Legislative and Executive, Health Insurance, and the Workers Compensation Funds.

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

Year	General Obligation Bonds		Sales Tax Bonds	
	Principal	Interest	Principal	Interest
2011	\$ 3,830,000	\$ 3,024,388	\$ 1,965,000	\$ 614,225
2012	4,010,000	2,886,988	2,070,000	535,625
2013	4,170,000	2,730,425	2,125,000	458,000
2014	4,405,000	2,574,441	2,235,000	351,750
2015	4,415,000	2,406,394	2,345,000	240,000
2016-2020	27,940,000	8,631,813	2,455,000	122,750
2021-2025	15,805,000	3,232,281	-	-
2026-2030	5,145,000	839,213	-	-
2031-2034	980,000	106,250	-	-
Total	\$ 70,700,000	\$ 26,432,193	\$ 13,195,000	\$ 2,322,350

Year	Special Assessment Bonds		Loans	
	Principal	Interest	Principal	Interest
2011	\$ 759,300	\$ 497,674	\$ 303,442	\$ 24,000
2012	789,900	468,039	322,599	16,858
2013	820,510	436,675	324,487	10,340
2014	851,150	403,943	194,129	2,461
2015	891,820	364,014	145,989	496
2016-2020	3,905,080	1,176,633	481,897	-
2021-2025	1,321,380	550,564	442,409	-
2026-2030	867,440	233,073	255,815	-
2031-2035	174,350	120,042	17,305	-
2036-2040	213,400	80,992	-	-
2041-2045	261,200	33,194	-	-
Total	\$ 10,855,530	\$ 4,364,843	\$ 2,488,072	\$ 54,155

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Changes in long-term obligations reported in the business-type activities of the County during 2010 were as follows:

Debt Issue	Balance as of 12/31/09	Increases	Decreases	Balance as of 12/31/10	Due Within One Year
General Obligation Bonds					
2005 4.125% \$600,000 Venice Gardens Sewer	\$ 573,920	\$ -	\$ 7,210	\$ 566,710	\$ 7,500
2006 4.375% \$3,200,000 USDA New Miami Sewer	3,103,480	-	35,030	3,068,450	36,560
2007 4.25% \$1,117,500 USDA Vehicle and Equipment	698,190	-	223,113	475,077	232,596
2009 4.25% \$4,610,000 1998 Sewer Revenue	3,480,000	-	1,135,000	2,345,000	1,160,000
Premium on Debt Issued	40,776	-	13,592	27,184	-
Less Calculated Difference Between Old and New Debt	(217,790)	-	(72,597)	(145,193)	-
2009 2.00-4.00% \$10,695,000 1999 Water and Sewer Revenue	10,695,000	-	1,765,000	8,930,000	1,850,000
Premium on Debt Issued	246,935	-	42,115	204,820	-
Less Calculated Difference Between Old and New Debt	(415,205)	-	(60,502)	(354,703)	-
Total General Obligation Bonds	18,205,306	-	3,087,961	15,117,345	3,286,656
Water Judgement Bonds					
2002 1.55-5.25% \$35,030,000 Water Judgement	6,685,000	-	1,210,000	5,475,000	1,260,000
Premium on Debt Issued	116,092	-	19,348	96,744	-
2007 4.00-5.25% \$24,135,000 Water Judgement	23,710,000	-	15,000	23,695,000	15,000
Premium on Debt Issued	1,326,250	-	221,041	1,105,209	-
Less Calculated Difference Between Old and New Debt	(1,159,777)	-	(193,296)	(966,481)	-
Total Water Judgement Bonds	30,677,565	-	1,272,093	29,405,472	1,275,000
Revenue Bonds					
2004 3.20-5.10% \$19,620,000 Sewer	15,130,000	-	940,000	14,190,000	970,000
Premium on Debt Issued	16,770	-	1,118	15,652	-
Less Calculated Difference Between Old and New Debt	(1,191,325)	-	(99,277)	(1,092,048)	-
2005 3.000-5.125% \$13,235,000 Water	10,075,000	-	655,000	9,420,000	675,000
Premium on Debt Issued	481,791	-	39,330	442,461	-
Less Calculated Difference Between Old and New Debt	\$ (868,708)	\$ -	\$ (70,915)	\$ (797,793)	\$ -

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Debt Issue	Balance as of 12/31/09	Increases	Decreases	Balance as of 12/31/10	Due Within One Year
2005 3.00-5.00% \$19,575,000 Sewer	\$ 19,005,000	\$ -	\$ 410,000	\$ 18,595,000	\$ 420,000
Premium on Debt Issued	1,465,849	-	104,704	1,361,145	-
Less Calculated Difference Between Old and New Debt	(692,425)	-	(230,809)	(461,616)	-
2005 3.50-5.00% \$14,850,000 Water	12,720,000	-	580,000	12,140,000	600,000
Premium on Debt Issued	413,060	-	25,816	387,244	-
2006 4.375-4.375% \$4,000,000 USDA Sewer	3,872,840	-	46,140	3,826,700	48,170
Total Revenue Bonds	60,427,852	-	2,401,107	58,026,745	2,713,170
Long-Term Loans					
2005 4.19% \$4,634,892 Cincinnati Waterworks	3,960,442	-	180,123	3,780,319	187,817
2006 0.00% \$710,200 OPWC Cast Iron Watermain	683,349	-	35,044	648,305	35,044
2006 0.00% \$874,581 OPWC Watermain Improvements	808,987	-	43,729	765,258	43,729
2009 0.00% \$470,318 OPWC Cast Iron Watermain	91,345	378,973	-	470,318	15,677
2009 3.52% \$2,650,978 OWDA Polybutylene Water Line	783,257	1,867,721	-	2,650,978	54,550
2009 3.42% \$849,987 OWDA Shaker Creek Sewer	825,337	24,650	32,882	817,105	34,015
2009 3.42% \$1,153,728 OWDA Big Monroe Sewer	1,073,206	80,522	41,406	1,112,322	42,835
2009 2.65% \$1,587,221 (ARRA) OWDA Lesourdsville Sewer	196,243	1,390,978	1,485,233	101,988	10,730
2010 0.00% \$2,275,581 (ARRA) OWDA Liberty-Fairfield Water Tank	-	2,275,581	1,049,013	1,226,568	78,676
2010 0.00% \$510,468 OPWC Sharon Creek Sewer	-	510,468	-	510,468	8,508
2010 0.00% \$392,870 OPWC Cast Iron Watermain	-	392,870	-	392,870	-
Total Long-Term Loans	\$ 8,422,166	\$ 6,921,763	\$ 2,867,430	\$ 12,476,499	\$ 511,581

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

Debt Issue	Balance as of 12/31/09	Increases	Decreases	Balance as of 12/31/10	Due Within One Year
Other Long-Term Obligations					
Compensated Absences	\$ 720,939	\$ 573,762	\$ 500,765	\$ 793,936	\$ 267,898
Total Business-Type Activities	<u>\$ 118,453,828</u>	<u>\$ 7,495,525</u>	<u>\$ 10,129,357</u>	<u>\$ 115,819,997</u>	<u>\$ 8,054,305</u>

GENERAL OBLIGATION BONDS

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

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

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

In March 2008, the County received the remaining \$217,500 in general obligation bond proceeds in addition to the \$900,000 received in 2007. These dollars were used for Vehicle and Equipment purchases in the Water and Sewer Funds. These bonds are registered to the United States Department of Agriculture, Rural Development. The bonds were issued for a five-year period, with the final maturity in December 2012.

In February 2009, the County issued \$4,610,000 in general obligation bonds for the purpose of current refunding \$6,970,000 of the 1998 Sewer Revenue Bonds. The County used \$2,543,324 in trust accounts to assist in the refunding. The bonds were issued for a four-year period, with a final maturity in December 2012.

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

WATER JUDGEMENT BONDS

The 2002 and 2007 Water Judgement Bonds are general obligation bonds that were court ordered to settle the water contract dispute between Butler County and the City of Hamilton. The principal and interest are paid from the Water fund.

In July 2002, the County issued \$35,030,000 in water judgement bonds. The bonds were issued for a twenty-five year period with final maturity in 2026. In 2007 \$24,000,000 of these bonds were advance refunded, changing the final maturity date to December 2015.

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

REVENUE BONDS

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

In September 2004, the County issued a \$19,620,000 Sewer Revenue bond for the purpose of advance refunding \$13,815,000 of existing 1996 Sewer bonds and to issue a new Sewer bond for \$6,245,000 for the purpose of making replacement and improvements to the sewer system. The bonds were issued for a twenty-year period, with final maturity in December 2024.

In March 2005, the County issued a \$13,235,000 Water Revenue bond for the purpose of advance refunding \$14,075,000 of existing 1996 Water bonds. The bonds were issued for a seventeen year period, with final maturity in December 2021.

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

In June 2005, the County issued a \$14,850,000 Water Revenue bond for the purpose of bonding \$8,400,000 in bond anticipation notes and to issue a new Water bond for \$6,450,000 for various water system replacement and improvements within the County. The bonds were issued for a twenty-year period, with final maturity in December 2025.

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

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds, Cincinnati Waterworks Loans, OPWC, and OWDA loans in the Water fund. The debt is payable solely from net revenues and are payable through 2031. Annual Principal and Interest payments on debt are expected to require 47% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$42,044,295. Of this total \$29,551,737 is for the revenue bonds, \$5,082,386 for the Cincinnati Waterworks, \$2,276,752 for the OPWC loans, and \$5,133,420 for OWDA loans.

Principal and interest paid for the current year and total net revenues were \$3,730,094 and \$5,675,501 respectively. Principal and interest paid for the current year for Revenue Bonds was \$2,259,675, \$342,633 for the Cincinnati Waterworks loan, \$78,773 for the OPWC loans, and \$1,049,013 for the OWDA loans.

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds and OWDA loans in the Sewer fund. The debt is payable solely from net revenues and are payable through 2045. Annual Principal and interest payments on debt are expected to require 30% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$53,809,972. Of this total \$50,448,744 is for the revenue bonds, \$510,468 for the OPWC loans, and \$2,850,760 for the OWDA loans.

Principal and interest paid for the current year and total net revenues were \$4,735,214 and \$10,828,150 respectively. Principal and interest paid for the current year for Revenue Bonds was \$3,101,204 and \$1,634,010 for the OWDA loans.

LONG-TERM LOANS

In 2005, Butler County entered into a contractual agreement with the City of Cincinnati for \$4,634,892 to assist in financing the construction of water lines and a master meter that runs from International Boulevard to Mulhauser Road. This expansion will allow Butler County a secondary water source and provide access to water for future development. Approximately \$549,623 of Butler County water lines were added while intangible assets of \$4,085,629 were recorded as deferred charges, now classified as depreciable capital assets, net. The balance owed to the City of Cincinnati at December 31, 2010 as a result of this project is \$3,780,319. This amount has been recorded on the County's books as a long-term liability in the Water Enterprise Fund.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

In 2006, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$710,200 and \$874,581 to make improvements to watermains in Butler County using proceeds from OPWC loans. The 2006 cast iron watermain loan was issued for twenty-years with the first payment starting in July 2009 and a final payment due in January 2029. The 2006 watermain improvements loan was issued for twenty-years with the first payment starting in July 2008 and a final payment due in January 2028. Both OPWC loans will be repaid by Water fund user charges.

In 2009, the County entered into a loan with Ohio Public Works Commission (OPWC) to replace watermains using proceeds from the loan. In 2010, the County received an additional \$378,973 of loan proceeds to complete the project. The loan was issued for thirty-years with the final payment due in 2040. The loan will be repaid by Water Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) to replace over 7,000 failing polybutylene service lines in Butler County. In 2010, the County received an additional \$1,867,721 of loan proceeds. The project is expected to be completed in 2011 and will be repaid by Water Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) to restore and stabilize eroding stream banks of Shaker Creek. In 2010, the County received an additional \$24,650 of loan proceeds. The project is expected to be completed in 2011 and will be repaid by Sewer Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) to reduce erosion, sedimentation and nutrient enrichment located at Mill Creek. In 2010, the County received an additional \$80,522 of loan proceeds to complete the project. The loan was issued for twenty-years with the final payment due in 2029. The loan will be repaid by Sewer Fund revenues.

In 2009, the County entered into a loan with Ohio Water Development Authority (OWDA) for the construction of a new septage receiving facility, a new vector truck unloading facility, and the installation of a second sludge-dewatering centrifuge. In 2010, the County received an additional \$1,390,978 of loan proceeds to complete the project. The loan was issued for twenty-years with the final payment due in 2030. The loan will be repaid by Sewer Fund revenues.

In 2010, the County entered into a loan with Ohio Water Development Authority (OWDA) not to exceed \$2,622,533 for the design and construction of a 2.0 million gallon ground-level storage tank that will serve as a buffer, isolating the pump station from other systems that are surrounding the area. In addition, control valves will be included to smooth out flow rates going into the tank and insuring that pressures are not drawn below acceptable levels. In 2010, the County received \$2,275,581 in loan proceeds. The project is expected to be completed in 2011 and will be repaid by Water Fund revenues.

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

In 2010, the County entered into a loan with Ohio Public Works Commission (OPWC) not to exceed \$600,000 to replace over 15,000 feet of failing cast iron watermains for the subdivision of Dalewood located in West Chester Township. In 2010, the County received \$392,870 in loan proceeds. The project is expected to be completed in 2011 and will be repaid by Water Fund revenues.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

OTHER PAYABLES

Compensated absences liability will be paid from Water, Sewer, and GSC Parking Facility enterprise funds.

Annual debt service requirements to maturity for general obligation bonds, judgement bonds, revenue bonds and loans for all business type activities are as follows:

Year	General Obligation Bonds		Judgement Bonds	
	Principal	Interest	Principal	Interest
2011	\$ 3,286,656	\$ 494,375	\$ 1,275,000	\$ 1,350,281
2012	3,373,461	405,709	1,345,000	1,304,006
2013	727,970	323,971	1,395,000	1,253,531
2014	740,040	306,592	1,450,000	1,197,731
2015	762,210	287,174	1,520,000	1,125,231
2016-2020	3,397,030	1,012,060	8,765,000	4,502,975
2021-2025	367,200	641,233	10,900,000	2,364,313
2026-2030	453,970	554,466	2,520,000	132,300
2031-2035	561,240	447,185	-	-
2036-2040	693,910	314,539	-	-
2041-2045	857,900	150,525	-	-
2046	163,650	7,160	-	-
Total	\$ 15,385,237	\$ 4,944,989	\$ 29,170,000	\$ 13,230,368

Year	Revenue Bonds		Loans	
	Principal	Interest	Principal	Interest
2011	\$ 2,713,170	\$ 2,641,945	\$ 511,581	\$ 285,246
2012	2,810,270	2,549,472	608,138	326,457
2013	4,432,470	2,448,048	623,516	311,079
2014	4,654,770	2,258,078	639,495	295,100
2015	4,882,170	2,055,461	656,099	278,496
2016-2020	25,440,590	6,586,516	3,534,048	1,119,773
2021-2025	10,403,340	1,812,508	3,946,592	595,645
2026-2030	499,620	578,293	1,601,950	163,595
2031-2035	618,910	459,009	183,108	1,896
2036-2040	766,680	311,246	163,464	-
2041-2045	949,710	128,205	8,508	-
Total	\$ 58,171,700	\$ 21,828,781	\$ 12,476,499	\$ 3,377,287

MULTIFAMILY HOUSING

The County has served as the issuer of Multifamily Housing bonds. The proceeds were used to acquire, construct, improve, and equip multifamily housing. The Multifamily Housing revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2010 was \$108,160,000.

INDUSTRIAL DEVELOPMENT REVENUE BONDS

The County has issued industrial development revenue bonds (in the aggregate outstanding principal amount of \$8,500,000 at December 31, 2010) for facilities used by private corporations or other entities. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents. The principal payments will begin in 2012.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 17 - LONG-TERM OBLIGATIONS (continued)

HOSPITAL REVENUE BONDS

The County has served as the issuer of hospital revenue bonds. The proceeds were used to acquire, construct, improve, and equip hospital facilities. The hospital revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2010 was \$331,255,000.

CAPITAL FUNDING REVENUE BONDS

The capital funding revenue bonds were issued on behalf of the County Commissioners Association of Ohio for their low cost capital pooled financing program. Butler County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. The principal payments will begin in 2035. The principal balance outstanding at December 31, 2010 was \$47,325,000.

LEGAL DEBT MARGIN

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

The effects of the debt limitations described above at December 31, 2010 are an overall debt margin of \$155,340,882 and unvoted debt margin of \$40,596,165.

NOTE 18 - SHORT-TERM OBLIGATIONS

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

Type	Balance as of 12/31/09	Increase	Decrease	Balance as of 12/31/10
Special Revenue				
1.25% Road Improvement	\$ 165,000	\$ -	\$ 165,000	\$ -
1.25% Airport Construction	1,860,000	-	1,860,000	-
Capital Projects				
1.25% Cincinnati Dayton/State Route 129	400,000	-	400,000	-
1.25% Cincinnati Dayton/State Route 129	900,000	-	900,000	-
1.25% Cincinnati Dayton/Interstate 75 TIF	2,550,000	-	2,550,000	-
1.25% Cincinnati Dayton/Interstate 75 TIF	1,030,000	-	1,030,000	-
0.65% Courts Remodeling and Expansion	2,080,000	2,090,000	2,080,000	2,090,000
0.65% Courts Remodeling Project	600,000	505,000	600,000	505,000
0.65% Courts Remodeling Project	900,000	905,000	900,000	905,000
1.50% Fiber Optic Ring II	2,335,000	2,215,000	2,335,000	2,215,000
1.50% Fiber Optic Ring III	460,000	440,000	460,000	440,000
0.65% Hutsepiller Hamilton Mason TIF	3,115,000	2,850,000	3,115,000	2,850,000
0.65% Old Jail Rehabilitation	1,025,000	1,030,000	1,025,000	1,030,000
0.65% Princeton Road Admin. Building	7,665,000	7,700,000	7,665,000	7,700,000
1.25% State Route 129 Liberty Interchange	843,000	-	843,000	-
1.25% Yankee Road TIF Improvements	2,005,000	-	2,005,000	-
1.25% Yankee Road TIF Improvements	2,180,000	-	2,180,000	-
Total Governmental Funds	\$ 30,113,000	\$ 17,735,000	\$ 30,113,000	\$ 17,735,000

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 18 - SHORT-TERM OBLIGATIONS (continued)

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

NOTE 19 - INTERFUND BALANCES AND ACTIVITY

Transfers In/Transfers Out activity for 2010, consisted of the following:

Transfers To	Transfers From		
	General	Other Governmental	Total
General	\$ -	\$ 200,000	\$ 200,000
Job and Family/Children Services Agency	1,101,603	-	1,101,603
Other Governmental	8,604,794	1,455,886	10,060,680
Total	\$ 9,706,397	\$ 1,655,886	\$ 11,362,283

Due From/Due To balances at December 31, 2010 consist of the following individual fund receivables and payables:

Due To (Payable)	Due From (Receivable)						Total
	General	Mental Health	Other Governmental	Water	GSC Parking Facility	Internal Service	
General	\$ -	\$ -	\$ 41,444	\$ -	\$ -	\$ 975,110	\$1,016,554
Developmental Disabilities	583	-	-	-	-	257,791	258,374
Job and Family/Children Service Agency	39,825	9,120	29,930	-	1,726	381,912	462,513
Mental Health	-	-	-	-	-	16,487	16,487
Other Governmental	169,635	-	122,828	-	-	592,506	884,969
Sewer	1,175	-	-	793	-	108,970	110,938
Water	1,175	-	-	-	-	79,098	80,273
GSC Parking Facility	-	-	-	-	-	1,466	1,466
Internal Service	-	-	-	-	-	2,752	2,752
Total	\$212,393	\$ 9,120	\$ 194,202	\$ 793	\$ 1,726	\$2,416,092	\$2,834,326

Advances From/Advances To balances at December 31, 2010 consist of the following individual fund receivables and payables:

Advances To	Advances From
	General
Other Governmental	\$ 161,400
Internal Service	100,000
Total	\$ 261,400

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

All balances in the Due From/Due To schedule resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, and (4) internal service fund billing to other County funds.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 19 - INTERFUND BALANCES AND ACTIVITY (continued)

The balance of \$261,400 due to the General Fund for advances to Other Governmental Funds and the Internal Service Fund results from cash flow issues in those funds. The amounts reported as Due From/Due to Other Funds are expected to be repaid within one year; the advances are not.

NOTE 20 - CONTINGENT LIABILITIES

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

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

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

BUTLER COUNTY EMERGENCY MANAGEMENT AGENCY

The Butler County Emergency Management Agency is a jointly governed organization among the County, thirteen townships, five cities and seven villages created by a countywide agreement with the Butler County Commissioners. The twenty-six members of the advisory council are appointed as follows: one County Commissioner and the chief elected official of each of the thirteen townships, five cities and seven villages. The degree of control exercised by any participating government is limited to its representation on the Board. The Agency does not have any outstanding debt. The County does not have an equity interest in the Agency.

The Agency is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the County. In 2010, the County contributed \$100,000. Complete financial statements can be obtained from the Emergency Management Agency, 315 High St. Hamilton, OH 45011.

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY

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

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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

BUTLER/CLERMONT/WARREN WORKFORCE POLICY BOARD

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

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

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

COMMUNITY-BASED CORRECTIONAL FACILITY

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

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

SOUTHWEST OHIO COUNCIL OF GOVERNMENTS

The Southwest Ohio Council of Governments was created by the Board of Developmental Disabilities of Butler, Hamilton, Clermont and Warren Counties. The Council consists of four members representing each of the four counties. Any other County Board of Developmental Disabilities may petition for membership to the Council however membership must be approved by two-thirds vote of the Council members.

The role of the Council is to coordinate the powers and duties of the member Boards to better serve and benefit persons with developmental disabilities within the four counties. The Council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2010, Butler County contributed \$15,000 to the Council. Financial information for the Southwest Ohio Council of Governments may be obtained at 1910 Fairgrove Avenue Suite E, Hamilton Ohio 45011.

COUNTY RISK SHARING AUTHORITY (CORSA)

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

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County's payment for insurance to CORSA in 2010 was \$1,023,547.

BUTLER HEALTH PLAN

Butler County Board of Developmental Disabilities participates in the Butler Health Plan (BHP), an insurance purchasing pool, formed to provide affordable and desirable dental, life, medical and other disability group insurance for member employees, eligible dependents and designated beneficiaries. The Board of Directors consists of one representative from each of the participating members and is elected by the majority vote of the board.

BUTLER COUNTY, OHIO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

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

COUNTY EMPLOYEE BENEFITS CONSORTIUM OF OHIO, INC. (CEBCO)

The County purchases commercial health care insurance from the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation, and insurance purchasing pool with membership open to Ohio political subdivisions, to collectively pool resources to purchase employee benefits. The entire risk of loss transfers to the commercial insurance carrier.

The business and affairs of the consortium are governed by a board comprised of representatives of counties that participate in the program. Two thirds of the directors are County Commissioners of the member Counties and one third are employees of member Counties. Each member of the consortium is entitled to one vote. At all times one director is required to be a member of the board of directors of the County Commissioners Association of Ohio and another is required to be a board member of the County Risk Sharing Authority, Inc.

REGIONAL TRANSIT AUTHORITY (RTA)

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

BUTLER COUNTY CONVENTION AND VISITOR BUREAU

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

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

BUTLER COUNTY PORT AUTHORITY

On July 29, 2004, the Butler County Commissioners established the Butler County Port Authority to undertake various projects that would create or preserve jobs and employment opportunities within the County. The Butler County Port Authority is a related organization of the County. The Port Authority Board consists of 7 voting members of which 4 members must have businesses or places of employment within Butler County. The remaining 3 members of the board need not possess either of the preceding qualifications. The President of the Butler County Transportation Improvement District (BCTID) shall serve as an ex officio member of the Port Authority Board without voting privileges. The Agency is not accumulating significant financial resources or experiencing financial stress which would cause additional financial benefit to or burden on the County. Financial information for the Butler County Port Authority may be obtained at 315 High Street, Hamilton, OH 45011.

BUTLER COUNTY, OHIO
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2010

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

METROPARKS OF BUTLER COUNTY

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

NOTE 22 - CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

The County has several outstanding contracts for construction and professional services. The following amounts remain on these contracts as of December 31, 2010.

Project	Outstanding Balance
Scout Master LS	\$ 31,505
Ross Township Sewer	60,633
Blu Max Repair Services	207,639
Liberty Fairfield GST	45,380
Water Master Update	92,989
Hamilton Mason Road	990
Westchester Road	53,637
Total	<u>\$ 492,773</u>

NOTE 23 - SUBSEQUENT EVENT

In March 2011, the County amended resolution 03-3-414 which no longer allows Metroparks to receive the additional transfer tax each month. Furthermore, Metroparks will no longer reimburse the County for the 2006 various purpose general obligation bond. As of December 31, 2010 the outstanding amount of the general obligation bond is \$4,265,000.

BUTLER COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 CONDITION ASSESSMENT OF THE COUNTY'S INFRASTRUCTURE – MODIFIED APPROACH
 FOR THE YEAR ENDED DECEMBER 31, 2010

Butler County reports its infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following three sections for 2008, 2007, and 2006. Beginning with reporting year 2009, the County moved to a three year conditional assessment rotation cycle. New conditional assessment information will be disclosed in reporting year 2011.

County Roads

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

Pavement Rating	Condition Rating	Description
1	Excellent	Pavements not in need of maintenance. New condition. Typically pavements 1-4 years old fall into this category. Older pavements with lower traffic counts and low truck traffic also fall into this category.
2	Good	Pavement in need of minor maintenance to restore to Excellent condition. Typically pavements 5-8 years old with high traffic counts or a large percentage of truck traffic.
3	Fair	Pavement in need of major maintenance to restore to Excellent condition. Typically pavements are 9-12 years old.
4	Poor	Pavement in need of major repair or heavy overlays to bring to Excellent condition. Pavements over 12 years old, or with high traffic volume and/or high truck traffic could be rated 4.

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

The following summarizes the physical condition assessment of county roads as of December 31 for 2008, 2007, and 2006:

Road Condition	2008		2007		2006	
	Road Miles	% of Total	Road Miles	% of Total	Road Miles	% of Total
Fair or Better	263	96%	256	96%	263	98%
Less than Fair	12	4%	12	4%	4	2%
Total	275	100%	268	100%	267	100%

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2010	\$2,413,314	\$1,965,281	\$448,033
2009	2,755,258	2,626,854	128,404
2008	2,747,701	2,402,175	345,526
2007	12,148,485	3,873,674	8,274,811
2006	8,865,982	6,370,154	2,495,828

BUTLER COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 CONDITION ASSESSMENT OF THE COUNTY'S INFRASTRUCTURE – MODIFIED APPROACH
 FOR THE YEAR ENDED DECEMBER 31, 2010

County Bridges

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

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

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

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

It is the County policy to maintain the bridge system in the County where 85% of the structures have a general appraisal summary of 5 (Fair) condition or higher. The following is a summary of the conditional assessment for bridges as of December 31 for 2008, 2007, and 2006:

Bridge Condition	2008		2007		2006	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Fair or Better	357	90%	345	92%	341	92%
Less than Fair	38	10%	31	8%	30	8%
Total	395	100%	376	100%	371	100%

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2010	\$4,789,750	\$4,334,282	\$455,468
2009	6,672,617	5,310,974	1,361,643
2008	8,232,687	7,300,786	931,901
2007	3,253,089	2,891,296	361,793
2006	984,612	590,306	394,306

BUTLER COUNTY, OHIO
 REQUIRED SUPPLEMENTARY INFORMATION
 CONDITION ASSESSMENT OF THE COUNTY'S INFRASTRUCTURE – MODIFIED APPROACH
 FOR THE YEAR ENDED DECEMBER 31, 2010

County Culverts

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

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

It is the goal of the Butler County Engineer to maintain 75% of culverts in a condition of 2-Fair or better. The following is a summary of the conditional assessment for culverts as of December 31 for 2008, 2007, and 2006:

Culvert Condition	2008		2007		2006	
	Number of Culverts	% of Total	Number of Culverts	% of Total	Number of Culverts	% of Total
Fair or Better	836	79%	855	80%	817	80%
Less than Fair	226	21%	217	20%	202	20%
Total	1062	100%	1072	100%	1019	100%

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2010	\$228,718	\$94,784	\$133,934
2009	204,160	121,563	\$82,597
2008	152,429	83,107	\$69,322
2007	249,236	188,099	61,137
2006	187,361	145,231	42,130

Combining Statements and Individual Fund Schedules

Combining Statements – Non-major Governmental Funds

Non-major Special Revenue Funds

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

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

All Other Legislative and Executive – To account for all other legislative and executive activities not presented on an individual basis.

All Other Judicial – To account for all other judicial activities not presented on an individual basis.

All Other Public Safety – To account for all other Public Safety activities not presented on an individual basis.

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

All Other Public Works – To account for all other public works activities not presented on an individual basis.

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

Alcohol and Drug Addiction – To account for Federal and State grants that are used to pay the costs of contracts with local agencies that provide services to the public.

All Other Health – To account for all other health activities not presented on an individual basis.

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

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

All Other Human Services – To account for all other human services activities not presented on an individual basis.

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

Residential Incentive Districts and Tax Incremental Financings (RIDS and TIFS) – To account for Residential Incentive Districts and Tax Incremental Financings revenues collected through the real estate tax collection process. This fund is used to hold the dollars until payments are required to be made.

Non-major Capital Projects Funds

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

Technology – To account for the financing and related cost of County technology activities.

Other Capital Improvements – To account for all other capital improvements not presented on an individual basis.

(Continued)

Combining Statements – Non-major Governmental Funds (continued)

Road Improvements – To account for projects related to the construction of roads.

Buildings Construction and Renovations – To account for improvements and new construction of buildings.

Non-major Bond Retirement Fund

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

Non-major Permanent Fund

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

Butler County, Ohio
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2010

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Bond Retirement Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 48,219,563	\$ 149,523	\$ 1,100,811	\$ 844,684	\$ 50,314,581
Cash and Cash Equivalents:					
In Segregated Accounts	455,416	-	-	-	455,416
Receivables:					
Property Taxes	9,327,115	-	-	-	9,327,115
Other Local Taxes	250,287	-	-	-	250,287
Payments in Lieu of Taxes	7,494,740	-	-	-	7,494,740
Accounts	159,198	-	-	-	159,198
Due from Other Governments	21,024,348	-	-	-	21,024,348
Special Assessments	1,542,577	-	8,980,113	-	10,522,690
Loans	320,966	-	-	-	320,966
Due from Other Funds	144,202	50,000	-	-	194,202
Prepaid Items	123,087	-	-	-	123,087
Materials and Supplies Inventory	604,444	-	-	-	604,444
Total Assets	89,665,943	199,523	10,080,924	844,684	100,791,074
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	322,110	-	-	-	322,110
Contracts Payable	2,348,285	372,944	-	-	2,721,229
Accrued Wages and Benefits Payable	1,364,190	-	-	-	1,364,190
Matured Compensated Absences Payable	5,968	-	-	-	5,968
Due to Other Funds	881,198	-	3,771	-	884,969
Due to Other Governments	173,411	-	-	-	173,411
Deferred Revenue	35,905,504	-	8,980,113	-	44,885,617
Advances from Other Funds	161,400	-	-	-	161,400
Matured Bonds Payable	-	-	13,250	-	13,250
Matured Interest Payable	-	-	5,543	-	5,543
Accrued Interest Payable	-	56,512	-	-	56,512
Notes Payable	-	17,735,000	-	-	17,735,000
Total Liabilities	41,162,066	18,164,456	9,002,677	-	68,329,199
Fund Balances (Deficit)					
Nonspendable	1,048,497	-	-	761,305	1,809,802
Restricted	47,455,380	-	1,075,003	83,379	48,613,762
Committed	-	-	3,244	-	3,244
Unassigned	-	(17,964,933)	-	-	(17,964,933)
Total Fund Balances (Deficit)	48,503,877	(17,964,933)	1,078,247	844,684	32,461,875
Total Liabilities and Fund Balances	\$ 89,665,943	\$ 199,523	\$ 10,080,924	\$ 844,684	\$ 100,791,074

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Butler County, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds
December 31, 2010

	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 1,304,955	\$ 3,488,812	\$ 2,615,668	\$ 3,440,899
Cash and Cash Equivalents:				
In Segregated Accounts	-	218,435	192,134	22,568
Receivables:				
Property Taxes	-	-	-	-
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Accounts	-	-	13,161	18,728
Due from Other Governments	-	6,627	125	2,227,637
Special Assessments	-	-	-	-
Loans	-	-	-	-
Due from Other Funds	-	-	-	98,612
Prepaid Items	2,320	30,162	36,793	1,481
Materials and Supplies Inventory	7,277	10,918	5,737	37,592
Total Assets	1,314,552	3,754,954	2,863,618	5,847,517
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	502	22,070	15,221	31,265
Contracts Payable	1,980	4,742	7,314	75,198
Accrued Wages and Benefits Payable	84,449	116,538	75,079	322,081
Matured Compensated Absences Payable	-	1,654	-	-
Due to Other Funds	36,791	51,224	100,004	151,778
Due to Other Governments	-	-	-	672
Deferred Revenue	-	-	-	1,584,247
Advances from Other Funds	-	-	-	-
Total Liabilities	123,722	196,228	197,618	2,165,241
Fund Balances				
Nonspendable	9,597	41,080	42,530	39,073
Restricted	1,181,233	3,517,646	2,623,470	3,643,203
Total Fund Balances	1,190,830	3,558,726	2,666,000	3,682,276
Total Liabilities and Fund Balances	\$ 1,314,552	\$ 3,754,954	\$ 2,863,618	\$ 5,847,517

Motor Vehicle	All Other Public Works	Child Support Enforcement	Alcohol and Drug Addiction	All Other Health	County Care Facility	Elderly Services Levy
\$ 7,739,719	\$ 9,102,967	\$ 750,595	\$ 571,160	\$ 376,162	\$ 766,964	\$ 16,624,316
15,147	6,036	186	-	886	24	-
-	-	-	-	-	-	9,327,115
250,287	-	-	-	-	-	-
-	-	-	-	-	-	-
48,546	78,763	-	-	-	-	-
6,423,718	5,565,720	3,804,340	1,793,750	1,944	35,519	1,130,971
4,021	1,538,556	-	-	-	-	-
-	320,966	-	-	-	-	-
41,444	-	-	4,146	-	-	-
17,632	8,062	3,728	13,024	227	9,658	-
516,326	7,559	3,655	861	2,340	12,179	-
<u>15,056,840</u>	<u>16,628,629</u>	<u>4,562,504</u>	<u>2,382,941</u>	<u>381,559</u>	<u>824,344</u>	<u>27,082,402</u>
169,133	13,408	3,943	2,651	-	63,917	-
629,589	397,569	-	320,689	-	20,162	891,042
244,746	57,766	168,689	22,983	15,206	249,622	-
-	-	4,314	-	-	-	-
121,798	71,459	214,012	13,697	6,905	109,067	-
4,701	168,038	-	-	-	-	-
5,611,677	6,854,003	3,364,548	519,879	-	-	10,458,086
-	60,000	-	85,400	-	-	-
<u>6,781,644</u>	<u>7,622,243</u>	<u>3,755,506</u>	<u>965,299</u>	<u>22,111</u>	<u>442,768</u>	<u>11,349,128</u>
533,958	336,587	7,383	13,885	2,567	21,837	-
<u>7,741,238</u>	<u>8,669,799</u>	<u>799,615</u>	<u>1,403,757</u>	<u>356,881</u>	<u>359,739</u>	<u>15,733,274</u>
8,275,196	9,006,386	806,998	1,417,642	359,448	381,576	15,733,274
<u>\$ 15,056,840</u>	<u>\$ 16,628,629</u>	<u>\$ 4,562,504</u>	<u>\$ 2,382,941</u>	<u>\$ 381,559</u>	<u>\$ 824,344</u>	<u>\$ 27,082,402</u>

(Continued)

Butler County, Ohio
Combining Balance Sheet
Non-major Special Revenue Funds (Continued)
December 31, 2010

	All Other Human Services	All Other Conservation and Recreation	Residential Incentive Districts and Tax Incremental Financings	Total Non-major Special Revenue Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 38,316	\$ 7,380	\$ 1,391,650	\$ 48,219,563
Cash and Cash Equivalents:				
In Segregated Accounts	-	-	-	455,416
Receivables:				
Property Taxes	-	-	-	9,327,115
Other Local Taxes	-	-	-	250,287
Payments in Lieu of Taxes	-	-	7,494,740	7,494,740
Accounts	-	-	-	159,198
Due from Other Governments	33,997	-	-	21,024,348
Special Assessments	-	-	-	1,542,577
Loans	-	-	-	320,966
Due from Other Funds	-	-	-	144,202
Prepaid Items	-	-	-	123,087
Materials and Supplies Inventory	-	-	-	604,444
Total Assets	72,313	7,380	8,886,390	89,665,943
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	-	-	-	322,110
Contracts Payable	-	-	-	2,348,285
Accrued Wages and Benefits Payable	7,031	-	-	1,364,190
Matured Compensated Absences Payable	-	-	-	5,968
Due to Other Funds	4,463	-	-	881,198
Due to Other Governments	-	-	-	173,411
Deferred Revenue	18,324	-	7,494,740	35,905,504
Advances from Other Funds	16,000	-	-	161,400
Total Liabilities	45,818	-	7,494,740	41,162,066
Fund Balances				
Nonspendable	-	-	-	1,048,497
Restricted	26,495	7,380	1,391,650	47,455,380
Total Fund Balances	26,495	7,380	1,391,650	48,503,877
Total Liabilities and Fund Balances	\$ 72,313	\$ 7,380	\$ 8,886,390	\$ 89,665,943

Butler County, Ohio
Combining Balance Sheet
Non-major Capital Projects Funds
December 31, 2010

	Technology	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ -	\$ 149,523	\$ 149,523
Due from Other Funds	-	-	50,000	50,000
Total Assets	-	-	199,523	199,523
Liabilities and Fund Balances				
Liabilities				
Contracts Payable	-	344,149	28,795	372,944
Accrued Interest Payable	16,327	7,595	32,590	56,512
Notes Payable	2,655,000	2,850,000	12,230,000	17,735,000
Total Liabilities	2,671,327	3,201,744	12,291,385	18,164,456
Fund Balances				
Unassigned (Deficit)	(2,671,327)	(3,201,744)	(12,091,862)	(17,964,933)
Total Liabilities and Fund Balances	\$ -	\$ -	\$ 199,523	\$ 199,523

Butler County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2010

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Debt Service Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
Revenues					
Property Taxes	\$ 8,192,151	\$ -	\$ -	\$ -	\$ 8,192,151
Other Local Taxes	2,472,087	-	-	-	2,472,087
Charges for Services	17,981,929	-	-	-	17,981,929
Licenses and Permits	760,343	-	-	-	760,343
Fines and Forfeitures	1,299,860	-	-	-	1,299,860
Intergovernmental	39,180,928	4,156,457	-	-	43,337,385
Special Assessments	1,610,419	-	968,356	-	2,578,775
Payments in Lieu of Taxes	5,891,032	-	-	-	5,891,032
Interest	33,861	2,140	584,677	3,276	623,954
Other	505,078	267,950	46,960	2,512	822,500
Total Revenues	77,927,688	4,426,547	1,599,993	5,788	83,960,016
Expenditures					
Current:					
General Government:					
Legislative and Executive	6,638,626	5,516	-	-	6,644,142
Judicial	2,784,976	-	-	-	2,784,976
Public Safety	8,962,184	-	-	-	8,962,184
Public Works	21,170,876	5,151,709	-	-	26,322,585
Health	6,502,420	-	-	6,000	6,508,420
Human Services	23,844,921	-	-	-	23,844,921
Conservation and Recreation	20,720	-	-	-	20,720
Intergovernmental	4,710,532	-	-	-	4,710,532
Debt Service:					
Principal Retirement	160,347	-	6,148,740	-	6,309,087
Interest and Fiscal Charges	25,072	355,198	4,076,548	-	4,456,818
Issuance Costs	39,689	143,527	108,807	-	292,023
Current Refunding	-	-	192,750	-	192,750
Total Expenditures	74,860,363	5,655,950	10,526,845	6,000	91,049,158
Excess of Revenues Over (Under) Expenditures	3,067,325	(1,229,403)	(8,926,852)	(212)	(7,089,142)
Other Financing Sources (Uses):					
General Obligation Bonds Issued	1,870,000	9,540,000	-	-	11,410,000
Premium on Debt Issued	-	17,877	664,869	-	682,746
Discount on Debt Issued	(22,171)	(27,723)	-	-	(49,894)
Proceeds from Sale of Capital Assets	8,592	-	-	-	8,592
Refunding Bonds Issued	-	-	7,200,000	-	7,200,000
Proceeds of Loans	-	651,103	-	-	651,103
Current Refunding	-	-	(7,707,424)	-	(7,707,424)
Transfers - In	516,537	732,185	8,811,958	-	10,060,680
Transfers - Out	(1,655,886)	-	-	-	(1,655,886)
Total Other Financing Sources (Uses)	717,072	10,913,442	8,969,403	-	20,599,917
Net Change in Fund Balances	3,784,397	9,684,039	42,551	(212)	13,510,775
Fund Balances (Deficit) at Beginning of Year	44,719,480	(27,648,972)	1,035,696	844,896	18,951,100
Fund Balances (Deficit) at End of Year	\$ 48,503,877	\$ (17,964,933)	\$ 1,078,247	\$ 844,684	\$ 32,461,875

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Butler County, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-major Special Revenue Funds
For the Year Ended December 31, 2010

	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety	Motor Vehicle
Revenues					
Property Taxes	\$ -	\$ 159,126	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	2,472,087
Charges for Services	3,113,939	3,182,701	2,385,779	4,328,201	381,645
Licenses and Permits	-	-	-	110,526	-
Fines and Forfeitures	-	933,614	61,651	2,051	261,926
Intergovernmental	-	13,127	140,166	4,819,883	10,778,592
Special Assessments	-	-	-	-	4,071
Payments in Lieu of Taxes	-	-	-	-	-
Interest	-	7,088	-	-	9,647
Other	585	1,111	-	640	208,587
Total Revenues	3,114,524	4,296,767	2,587,596	9,261,301	14,116,555
Expenditures					
Current:					
General Government:					
Legislative and Executive	2,460,358	4,178,268	-	-	-
Judicial	-	-	2,784,976	-	-
Public Safety	-	-	-	8,962,184	-
Public Works	-	-	-	-	13,676,016
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	150,164
Interest and Fiscal Charges	-	-	-	-	11,157
Issuance Costs	-	-	-	-	-
Total Expenditures	2,460,358	4,178,268	2,784,976	8,962,184	13,837,337
Excess of Revenues Over (Under) Expenditures	654,166	118,499	(197,380)	299,117	279,218
Other Financing Sources (Uses)					
General Obligation Bonds Issued	-	-	-	-	-
Discount on Debt Issued	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	8,592
Transfers - In	-	-	175,003	16,000	-
Transfers - Out	-	(200,000)	-	-	-
Total Other Financing Sources (Uses)	-	(200,000)	175,003	16,000	8,592
Net Change in Fund Balance	654,166	(81,501)	(22,377)	315,117	287,810
Fund Balances (Deficit) at Beginning of Year	536,664	3,640,227	2,688,377	3,367,159	7,987,386
Fund Balances at End of Year	\$ 1,190,830	\$ 3,558,726	\$ 2,666,000	\$ 3,682,276	\$ 8,275,196

All Other Public Works	Child Support Enforcement	Alcohol and Drug Addiction	All Other Health	County Care Facility	Elderly Services Levy	All Other Human Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,033,025	\$ -
1,386,740	1,080,363	105,011	6,419	1,996,331	-	-
-	-	-	649,817	-	-	-
-	-	-	40,618	-	-	-
5,457,906	4,643,246	5,547,996	2,000	5,499,372	2,071,456	199,954
1,606,348	-	-	-	-	-	-
-	-	-	-	-	13,699	-
17,126	-	-	-	-	-	-
64,842	20	221,872	2,056	5,326	-	39
<u>8,532,962</u>	<u>5,723,629</u>	<u>5,874,879</u>	<u>700,910</u>	<u>7,501,029</u>	<u>10,118,180</u>	<u>199,993</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,494,860	-	-	-	-	-	-
-	-	5,939,537	562,883	-	-	-
-	5,420,611	-	-	7,597,968	10,584,176	242,166
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	10,183	-	-
13,718	-	-	-	197	-	-
39,689	-	-	-	-	-	-
<u>7,548,267</u>	<u>5,420,611</u>	<u>5,939,537</u>	<u>562,883</u>	<u>7,608,348</u>	<u>10,584,176</u>	<u>242,166</u>
984,695	303,018	(64,658)	138,027	(107,319)	(465,996)	(42,173)
1,870,000	-	-	-	-	-	-
(22,171)	-	-	-	-	-	-
-	-	-	-	-	-	-
140,045	-	110,000	-	-	-	75,489
-	-	-	-	-	-	-
<u>1,987,874</u>	<u>-</u>	<u>110,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,489</u>
2,972,569	303,018	45,342	138,027	(107,319)	(465,996)	33,316
6,033,817	503,980	1,372,300	221,421	488,895	16,199,270	(6,821)
<u>\$ 9,006,386</u>	<u>\$ 806,998</u>	<u>\$ 1,417,642</u>	<u>\$ 359,448</u>	<u>\$ 381,576</u>	<u>\$ 15,733,274</u>	<u>\$ 26,495</u>

(Continued)

Butler County, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-major Special Revenue Funds
For the Year Ended December 31, 2010 (Continued)

	All Other Conservation and Recreation	Residential Incentive Districts and Tax Incremental Financings	Total Non-major Special Revenue Funds
Revenues			
Property Taxes	\$ -	\$ -	\$ 8,192,151
Other Local Taxes	-	-	2,472,087
Charges for Services	14,800	-	17,981,929
Licenses and Permits	-	-	760,343
Fines and Forfeitures	-	-	1,299,860
Intergovernmental	-	7,230	39,180,928
Special Assessments	-	-	1,610,419
Payments in Lieu of Taxes	-	5,877,333	5,891,032
Interest	-	-	33,861
Other	-	-	505,078
Total Revenues	14,800	5,884,563	77,927,688
Expenditures			
Current:			
General Government			
Legislative and Executive	-	-	6,638,626
Judicial	-	-	2,784,976
Public Safety	-	-	8,962,184
Public Works	-	-	21,170,876
Health	-	-	6,502,420
Human Services	-	-	23,844,921
Conservation and Recreation	20,720	-	20,720
Intergovernmental	-	4,710,532	4,710,532
Debt Service:			
Principal Retirement	-	-	160,347
Interest and Fiscal Charges	-	-	25,072
Issuance Costs	-	-	39,689
Total Expenditures	20,720	4,710,532	74,860,363
Excess of Revenues Over (Under) Expenditures	(5,920)	1,174,031	3,067,325
Other Financing Sources (Uses)			
General Obligation Bonds Issued	-	-	1,870,000
Discount on Debt Issued	-	-	(22,171)
Proceeds from Sale of Capital Assets	-	-	8,592
Transfers - In	-	-	516,537
Transfers - Out	-	(1,455,886)	(1,655,886)
Total Other Financing Sources (Uses)	-	(1,455,886)	717,072
Net Change in Fund Balance	(5,920)	(281,855)	3,784,397
Fund Balances (Deficit) at Beginning of Year	13,300	1,673,505	44,719,480
Fund Balances at End of Year	\$ 7,380	\$ 1,391,650	\$ 48,503,877

Butler County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Capital Projects Funds
For the Year Ended December 31, 2010

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
Revenues					
Intergovernmental	\$ -	\$ -	\$ 4,156,457	\$ -	\$ 4,156,457
Interest	-	-	1,357	783	2,140
Other	-	53,191	-	214,759	267,950
Total Revenues	-	53,191	4,157,814	215,542	4,426,547
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	5,516	5,516
Public Works	-	-	5,151,709	-	5,151,709
Debt Service:					
Interest and Fiscal Charges	57,342	-	116,473	181,383	355,198
Issuance Costs	-	-	143,527	-	143,527
Total Expenditures	57,342	-	5,411,709	186,899	5,655,950
Excess of Revenues Over (Under) Expenditures	(57,342)	53,191	(1,253,895)	28,643	(1,229,403)
Other Financing Sources (Uses):					
General Obligation Bonds Issued	-	-	9,540,000	-	9,540,000
Premium on Debt Issued	-	-	17,877	-	17,877
Discount on Debt Issued	-	-	(27,723)	-	(27,723)
Proceeds of Loans	-	-	651,103	-	651,103
Transfers-In	199,794	-	414,944	117,447	732,185
Total Other Financing Sources (Uses)	199,794	-	10,596,201	117,447	10,913,442
Net Change in Fund Balances	142,452	53,191	9,342,306	146,090	9,684,039
Fund Balances (Deficit) at Beginning of Year	(2,813,779)	(53,191)	(12,544,050)	(12,237,952)	(27,648,972)
Fund Balances (Deficit) at End of Year	\$ (2,671,327)	\$ -	\$ (3,201,744)	\$ (12,091,862)	\$ (17,964,933)

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INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the County, or other governmental units, on a cost reimbursement basis. The following are descriptions of each Internal Service Fund:

Health Insurance – To account for monies received from governmental and proprietary funds and regional governmental agencies to pay for the actual expenses of medical, dental and life insurance costs for employees.

Workers' Compensation – To account for funds received from governmental and proprietary funds and regional governmental agencies to pay for the actual expense of workers' compensation benefits.

County Fuel Depot – To account for funds received from governmental and proprietary funds to pay for the actual expenses of operating the County gas facility.

Butler County, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2010

	Health Insurance	Workers' Compensation	County Fuel Depot	Total
Assets				
Current Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 643,633	\$ 1,081,440	\$ 36,841	\$ 1,761,914
Receivables:				
Accounts	-	-	4,970	4,970
Due from Other Funds	-	2,345,235	70,857	2,416,092
Prepaid Items	-	816	-	816
Materials and Supplies Inventory	-	-	40,027	40,027
Total Assets	643,633	3,427,491	152,695	4,223,819
Liabilities				
Current Liabilities				
Accounts Payable	-	-	90,376	90,376
Contracts Payable	705	-	-	705
Accrued Wages and Benefits Payable	5,169	13,229	-	18,398
Due to Other Funds	2,752	-	-	2,752
Due to Other Governments	-	806,743	-	806,743
Claims Payable	-	856,376	-	856,376
Compensated Absences Payable	1,708	12,406	-	14,114
Total Current Liabilities	10,334	1,688,754	90,376	1,789,464
Non-Current Liabilities				
Advances from Other Funds	-	-	100,000	100,000
Claims Payable	-	2,324,363	-	2,324,363
Compensated Absences Payable	5,118	29,855	-	34,973
Total Non-Current Liabilities	5,118	2,354,218	100,000	2,459,336
Total Liabilities	15,452	4,042,972	190,376	4,248,800
Total Net Assets (Deficit)	\$ 628,181	\$ (615,481)	\$ (37,681)	\$ (24,981)

Butler County, Ohio
Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2010

	Health Insurance	Workers' Compensation	County Fuel Depot	Total
Operating Revenues				
Charges for Services	\$ 14,446,975	\$ 2,406,275	\$ 571,245	\$ 17,424,495
Operating Expenses				
Personal Services	139,236	315,131	-	454,367
Contractual Services	14,388,109	1,111,731	6,903	15,506,743
Claims and Judgments	-	1,260,360	-	1,260,360
Materials and Supplies	2,254	-	633,878	636,132
Other	321	-	-	321
Total Operating Expenses	14,529,920	2,687,222	640,781	17,857,923
Operating Loss	(82,945)	(280,947)	(69,536)	(433,428)
Other Non-Operating Revenues	42,494	-	-	42,494
Change in Net Assets	(40,451)	(280,947)	(69,536)	(390,934)
Net Assets (Deficit) at Beginning of Year	668,632	(334,534)	31,855	365,953
Net Assets (Deficit) at End of Year	\$ 628,181	\$ (615,481)	\$ (37,681)	\$ (24,981)

Butler County
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2010

	Health Insurance	Workers' Compensation	County Fuel Depot	Total
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Paid to Suppliers	\$(14,391,859)	\$ (1,087,405)	\$(560,031)	\$ (16,039,295)
Cash Paid to Employees	(143,258)	(286,559)	-	(429,817)
Cash Received from Interfund Services Provided	14,446,975	2,544,751	539,388	17,531,114
Other Non-Operating Revenues	42,494	-	-	42,494
Cash Paid for Claims	-	(782,417)	-	(782,417)
Net Increase (Decrease) in Cash and Cash Equivalents	(45,648)	388,370	(20,643)	322,079
Cash and Cash Equivalents at Beginning of Year	689,281	693,070	57,484	1,439,835
Cash and Cash Equivalents at End of Year	643,633	1,081,440	36,841	1,761,914
<u>Reconciliation of Operating Loss to Net</u>				
<u>Cash Provided by (Used For) Operating Activities:</u>				
Operating Loss	(82,945)	(280,947)	(69,536)	(433,428)
<u>Adjustments to Reconcile Operating Loss to Net Cash</u>				
<u>Provided by (Used For) Operating Activities:</u>				
Other Non-Operating Revenues	42,494	-	-	42,494
<u>Changes in Assets and Liabilities:</u>				
Increase in Accounts Receivable	-	-	(1,990)	(1,990)
(Increase) Decrease in Due from Other Funds	-	138,476	(29,867)	108,609
Increase in Materials and Supplies Inventory	-	-	(9,626)	(9,626)
Increase (Decrease) in Accrued Wages and Benefits Payable	(213)	3,306	-	3,093
Increase (Decrease) in Accounts Payable	(1,880)	-	90,376	88,496
Increase in Contracts Payable	705	-	-	705
Increase (Decrease) in Compensated Absences Payable	(3,934)	25,266	-	21,332
Increase in Due to Other Funds	125	-	-	125
Increase in Due to Other Governments	-	24,326	-	24,326
Increase in Claims Payable	-	477,943	-	477,943
Total Adjustments	37,297	669,317	48,893	755,507
Net Cash Provided by (Used for) Operating Activities	\$ (45,648)	\$ 388,370	\$ (20,643)	\$ 322,079

AGENCY FUNDS

Agency Funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results and operations. The following are the County's agency funds:

Undivided Tax – To account for various agency funds used for the collection and distribution of taxes by the County.

All Other Agency – To account for various individual agency funds combined for reporting purposes.

Butler County, Ohio
 Combining Statement of Fiduciary Assets and Liabilities
 Agency Funds
 December 31, 2010

	Undivided Tax	All Other Agency	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 16,644,183	\$ 7,336,384	\$ 23,980,567
Cash and Cash Equivalents in Segregated Accounts	16,022	4,394,356	4,410,378
Accrued Interest Receivable	-	335	335
Property Taxes Receivable	420,581,600	-	420,581,600
Revenue in Lieu of Taxes Receivable	39,988,139	-	39,988,139
Special Assessments Receivable	15,253,098	-	15,253,098
Due from Other Governments	12,837,810	261,281	13,099,091
Total Assets	<u>505,320,852</u>	<u>11,992,356</u>	<u>517,313,208</u>
Liabilities			
Undistributed Monies	-	11,789,316	11,789,316
Due to Other Governments	505,320,852	153,360	505,474,212
Loans Payable	-	49,680	49,680
Total Liabilities	<u>\$ 505,320,852</u>	<u>\$ 11,992,356</u>	<u>\$ 517,313,208</u>

Butler County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2010

	Beginning Balance 12/31/09	Additions	Deductions	Ending Balance 12/31/10
Undivided Tax Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 12,511,480	\$ 470,272,249	\$ 466,139,546	\$ 16,644,183
Cash and Cash Equivalents				
In Segregated Accounts	29,757	16,022	29,757	16,022
Due from Other Funds	-	45,779	45,779	-
Property Taxes Receivable	365,278,537	420,581,600	365,278,537	420,581,600
Revenue in Lieu of Taxes Receivable	-	39,988,139	-	39,988,139
Special Assessments Receivable	43,137,694	14,700,684	42,585,280	15,253,098
Due from Other Governments	13,690,263	12,837,810	13,690,263	12,837,810
Total Assets	434,647,731	958,442,283	887,769,162	505,320,852
Liabilities				
Due to Other Governments	434,647,731	958,442,283	887,769,162	505,320,852
All Other Agency Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	9,477,975	122,955,697	125,097,288	7,336,384
Cash and Cash Equivalents				
In Segregated Accounts	3,868,660	69,646,266	69,120,570	4,394,356
Accrued Interest Receivable	-	335	-	335
Due from Other Funds	-	23,808	23,808	-
Due from Other Governments	268,336	261,281	268,336	261,281
Total Assets	13,614,971	192,887,387	194,510,002	11,992,356
Liabilities				
Undistributed Monies	13,410,927	153,846,501	155,468,112	11,789,316
Due to Other Funds	-	39,018,886	39,018,886	-
Due to Other Governments	164,604	-	11,244	153,360
Loans Payable	39,440	22,000	11,760	49,680
Total Liabilities	\$ 13,614,971	\$ 192,887,387	\$ 194,510,002	\$ 11,992,356

(Continued)

Butler County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2010 (Continued)

	Beginning Balance 12/31/09	Additions	Deductions	Ending Balance 12/31/10
Total - All Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 21,989,455	\$ 593,227,946	\$ 591,236,834	\$23,980,567
Cash and Cash Equivalents				
In Segregated Accounts	3,898,417	69,662,288	69,150,327	4,410,378
Accrued Interest Receivable	-	335	-	335
Due from Other Funds	-	69,587	69,587	-
Property Taxes Receivable	365,278,537	420,581,600	365,278,537	420,581,600
Revenue in Lieu of Taxes Receivable	-	39,988,139	-	39,988,139
Special Assessments Receivable	43,137,694	14,700,684	42,585,280	15,253,098
Due from Other Governments	13,958,599	13,099,091	13,958,599	13,099,091
Total Assets	448,262,702	1,151,329,670	1,082,279,164	517,313,208
Liabilities				
Undistributed Monies	13,410,927	153,846,501	155,468,112	11,789,316
Due to Other Funds	-	39,018,886	39,018,886	-
Due to Other Governments	434,812,335	958,442,283	887,780,406	505,474,212
Loans Payable	39,440	22,000	11,760	49,680
Total Liabilities	\$ 448,262,702	\$ 1,151,329,670	\$ 1,082,279,164	\$ 517,313,208

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Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 14,674,000	\$ 12,274,653	\$ 12,275,178	\$ 525
Sales Taxes	29,670,000	29,503,426	29,510,558	7,132
Charges for Services	21,930,052	18,010,507	19,498,574	1,488,067
Licenses and Permits	14,970	14,970	15,160	190
Fines and Forfeitures	1,753,629	1,609,429	1,609,479	50
Intergovernmental	7,236,432	8,810,579	9,504,917	694,338
Payments in Lieu of Taxes	21,958	20,658	20,704	46
Investment Earnings	3,600,000	3,511,000	3,479,400	(31,600)
Other	1,181,015	920,016	987,825	67,809
Total Revenues	80,082,056	74,675,238	76,901,795	2,226,557
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Information Services				
Personal Services	1,548,360	1,537,531	1,513,607	23,924
Materials and Supplies	7,000	19,833	18,232	1,601
Contractual Services	73,320	70,389	68,906	1,483
Total Information Services	1,628,680	1,627,753	1,600,745	27,008
Audit Services				
Contractual Services	171,000	216,817	215,770	1,047
Auditor				
Personal Services	1,282,736	1,175,733	1,156,709	19,024
Materials and Supplies	17,400	12,853	12,634	219
Contractual Services	53,500	91,592	91,090	502
Other	3,600	1,206	1,206	-
Total Auditor	1,357,236	1,281,384	1,261,639	19,745
Commissioners				
Personal Services	948,330	870,388	861,865	8,523
Materials and Supplies	17,600	18,145	16,578	1,567
Contractual Services	21,200	19,424	11,643	7,781
Other	1,200	700	542	158
Total Commissioners	988,330	908,657	890,628	18,029
Department of Development				
Personal Services	999,754	900,387	875,696	24,691
Materials and Supplies	11,230	8,580	8,040	540
Contractual Services	190,262	182,001	173,926	8,075
Other	1,050	1,050	750	300
Total Department of Development	1,202,296	1,092,018	1,058,412	33,606
Mailroom				
Personal Services	87,784	85,269	85,022	247
Materials and Supplies	537,000	598,528	545,339	53,189
Total Mailroom	\$ 624,784	\$ 683,797	\$ 630,361	\$ 53,436

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Maintenance				
Personal Services	\$ 255,776	\$ 196,515	\$ 188,285	\$ 8,230
Materials and Supplies	158,000	175,870	146,983	28,887
Contractual Services	3,390,770	3,532,972	3,309,674	223,298
Total Maintenance	3,804,546	3,905,357	3,644,942	260,415
Records Center				
Personal Services	239,869	235,707	230,317	5,390
Materials and Supplies	12,000	6,942	5,341	1,601
Contractual Services	23,700	18,660	17,198	1,462
Total Records Center	275,569	261,309	252,856	8,453
Insurance, Pension and Taxes				
Material and Supplies	2,000	16,859	14,918	1,941
Contractual Services	1,189,800	1,102,612	1,086,203	16,409
Other	123,400	413,675	413,650	25
Total Insurance, Pension and Taxes	1,315,200	1,533,146	1,514,771	18,375
Commissioners-Other				
Contractual Services	864,080	4,175,829	3,838,791	337,038
Other	465,385	453,681	445,461	8,220
Total Commissioners-Other	1,329,465	4,629,510	4,284,252	345,258
Economic Development				
Personal Services	1,080	1,080	1,080	-
Board of Elections				
Personal Services	2,048,434	2,204,103	2,144,580	59,523
Materials and Supplies	399,545	397,540	319,373	78,167
Contractual Services	696,937	453,259	318,328	134,931
Total Board of Elections	3,144,916	3,054,902	2,782,281	272,621
Prosecuting Attorney				
Personal Services	3,758,671	3,490,903	3,488,105	2,798
Materials and Supplies	46,000	43,785	32,478	11,307
Contractual Services	101,500	175,203	152,552	22,651
Other	57,852	57,852	57,852	-
Total Prosecuting Attorney	3,964,023	3,767,743	3,730,987	36,756
CSEA Prosecutor				
Personal Services	274,836	280,415	280,415	-
Materials and Supplies	3,500	2,598	1,899	699
Contractual Services	27,000	27,893	25,501	2,392
Total CSEA Prosecutor	\$ 305,336	\$ 310,906	\$ 307,815	\$ 3,091

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Public Defender Area Courts				
Personal Services	\$ -	\$ 102,298	\$ 89,056	\$ 13,242
Recorder				
Personal Services	746,870	803,789	796,960	6,829
Materials and Supplies	5,000	5,000	2,090	2,910
Contractual Services	6,000	5,500	4,269	1,231
Other	5,000	5,000	3,755	1,245
Total Recorder	762,870	819,289	807,074	12,215
Treasurer				
Personal Services	650,478	615,888	609,974	5,914
Materials and Supplies	15,026	8,118	8,043	75
Contractual Services	114,726	104,841	104,331	510
Other	2,000	2,350	2,255	95
Total Treasurer	782,230	731,197	724,603	6,594
Total General Government: Legislative and Executive	21,657,561	24,927,163	23,797,272	1,129,891
General Government:				
Judicial				
Area Courts				
Personal Services	1,073,766	998,939	992,635	6,304
Materials and Supplies	20,500	29,317	28,223	1,094
Contractual Services	140,350	107,286	102,317	4,969
Other	-	175	175	-
Total Area Courts	1,234,616	1,135,717	1,123,350	12,367
Clerk of Courts				
Personal Services	1,510,024	1,453,300	1,450,294	3,006
Materials and Supplies	50,000	51,340	50,488	852
Contractual Services	18,986	14,118	14,118	-
Other	534	379	379	-
Total Clerk of Courts	1,579,544	1,519,137	1,515,279	3,858
Judicial Postage				
Materials and Supplies	299,967	319,967	319,956	11
Common Pleas Court				
Personal Services	1,823,749	1,723,772	1,712,307	11,465
Materials and Supplies	25,000	22,988	16,716	6,272
Contractual Services	1,033,844	1,263,114	1,245,873	17,241
Total Common Pleas Court	2,882,593	3,009,874	2,974,896	34,978
Court Services				
Personal Services	403,953	372,951	364,893	8,058
Contractual Services	337	764	409	355
Total Court Services	\$ 404,290	\$ 373,715	\$ 365,302	\$ 8,413

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Domestic Relations Court				
Personal Services	\$ 1,382,134	\$ 1,309,817	\$ 1,303,246	\$ 6,571
Materials and Supplies	26,000	14,783	14,621	162
Contractual Services	163,810	125,796	108,201	17,595
Other	1,250	1,250	554	696
Total Domestic Relations Court	1,573,194	1,451,646	1,426,622	25,024
Parenting Education				
Contractual Services	47,000	52,000	51,810	190
Juvenile Court				
Personal Services	2,464,379	2,460,194	2,448,615	11,579
Materials and Supplies	47,000	44,424	42,075	2,349
Contractual Services	1,451,050	1,553,836	1,490,087	63,749
Other	2,000	6,000	1,905	4,095
Total Juvenile Court	3,964,429	4,064,454	3,982,682	81,772
Probate Court				
Personal Services	656,068	628,694	619,741	8,953
Materials and Supplies	21,100	21,595	17,145	4,450
Contractual Services	26,380	26,569	20,910	5,659
Other	1,000	1,000	750	250
Total Probate Court	704,548	677,858	658,546	19,312
Court of Appeals				
Personal Services	221,739	221,737	211,711	10,026
Materials and Supplies	25,500	51,768	45,983	5,785
Contractual Services	502,148	500,850	479,262	21,588
Other	6,000	4,725	3,764	961
Total Court of Appeals	755,387	779,080	740,720	38,360
Municipal Courts				
Personal Services	411,003	411,171	410,816	355
Contractual Services	494,970	449,945	366,496	83,449
Total Municipal Courts	905,973	861,116	777,312	83,804
Total General Government: Judicial	14,351,541	14,244,564	13,936,475	308,089
Public Safety				
Adult Probation				
Personal Services	1,537,472	1,486,150	1,479,400	6,750
Materials and Supplies	84,000	82,485	47,857	34,628
Contractual Services	466,500	470,279	453,077	17,202
Total Adult Probation	\$ 2,087,972	\$ 2,038,914	\$ 1,980,334	\$ 58,580

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Criminal Justice Board				
Personal Services	\$ -	\$ 1,026	\$ 1,026	\$ -
General Communications Sales Tax				
Personal Services	352,404	343,075	341,854	1,221
Materials and Supplies	14,000	23,382	22,838	544
Contractual Services	860,201	876,647	873,160	3,487
Other	2,300	2,496	2,484	12
Total General Communications Sales Tax	1,228,905	1,245,600	1,240,336	5,264
Coroner				
Personal Services	669,045	660,438	660,397	41
Materials and Supplies	14,151	7,820	7,700	120
Contractual Services	13,075	2,864	2,864	-
Total Coroner	696,271	671,122	670,961	161
Coroner's Morgue				
Materials and Supplies	14,440	12,368	12,023	345
Contractual Services	265,040	265,040	264,414	626
Total Coroner's Morgue	279,480	277,408	276,437	971
Juvenile Facilities				
Personal Services	1,919,976	1,829,769	1,817,077	12,692
Materials and Supplies	160,800	140,834	137,942	2,892
Contractual Services	51,300	43,332	39,843	3,489
Other	300	41	41	-
Total Juvenile Facilities	2,132,376	2,013,976	1,994,903	19,073
Sheriff's Academy				
Materials and Supplies	17,173	24,887	24,480	407
Contractual Services	60,826	41,787	40,930	857
Total Sheriff's Academy	77,999	66,674	65,410	1,264
Sheriff's Resolutions				
Personal Services	-	84,815	74,044	10,771
Materials and Supplies	-	328,538	242,862	85,676
Contractual Services	4,508,531	4,453,351	4,328,892	124,459
Other	-	41,462	41,462	-
Total Sheriff's Resolutions	4,508,531	4,908,166	4,687,260	220,906
Sheriff				
Personal Services	21,537,352	20,191,092	19,967,055	224,037
Materials and Supplies	609,205	651,819	599,768	52,051
Contractual Services	567,501	704,784	690,590	14,194
Other	318,530	205,961	156,962	48,999
Total Sheriff	\$ 23,032,588	\$ 21,753,656	\$ 21,414,375	\$ 339,281

(continued)

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance—Budget and Actual
 General Fund (continued)
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Paramedics				
Personal Services	\$ 824,572	\$ 802,218	\$ 737,567	\$ 64,651
Materials and Supplies	500	500	500	-
Contractual Services	667,455	700,857	662,786	38,071
Total Paramedics	1,492,527	1,503,575	1,400,853	102,722
Total Public Safety	35,536,649	34,480,117	33,731,895	748,222
Public Works				
Solid Waste Landfill				
Contractual Services	14,600	15,600	15,600	-
Engineers-Plat Room				
Personal Services	180,191	180,273	178,725	1,548
Total Public Works	194,791	195,873	194,325	1,548
Health				
Other-Health				
Contractual Service	500,000	874,195	874,195	-
Registration Vital Statistics				
Other	1,528	5,911	5,911	-
Total Health	501,528	880,106	880,106	-
Human Services				
Veterans Memorial				
Contractual Services	5,850	14,637	10,456	4,181
Other	10,000	4,213	4,208	5
Total Veterans Memorial	15,850	18,850	14,664	4,186
Veterans Services				
Personal Services	624,356	627,747	625,954	1,793
Materials and Supplies	14,300	20,376	18,985	1,391
Contractual Services	538,930	614,798	608,175	6,623
Other	408,000	218,703	203,448	15,255
Total Veterans Services	1,585,586	1,481,624	1,456,562	25,062
Total Human Services	\$ 1,601,436	\$ 1,500,474	\$ 1,471,226	\$ 29,248

(continued)

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
General Fund (continued)
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Conservation and Recreation				
Agricultural				
Contractual Services	\$ 2,200	\$ 2,200	\$ 1,048	\$ 1,152
Other	471,400	471,400	471,400	-
Total Agricultural	473,600	473,600	472,448	1,152
Emergency Management				
Other	95,000	100,000	100,000	-
Total Conservation and Recreation	568,600	573,600	572,448	1,152
Other				
Unclaimed Monies				
Other	-	25,000	11,860	13,140
Debt Service:				
Principal Retirement	1,041,175	1,614,974	1,610,471	4,503
Interest and Fiscal Charges	81,613	115,941	115,941	-
Total Debt Service	1,122,788	1,730,915	1,726,412	4,503
Total Expenditures	75,534,894	78,557,812	76,322,019	2,235,793
Excess of Revenues Over (Under) Expenditures	4,547,162	(3,882,574)	579,776	4,462,350
Other Financing Sources (Uses):				
Other Financing Sources	3,454,863	3,102,863	3,417,522	314,659
Proceeds from Sale of Capital Assets	12,000	12,000	10,472	(1,528)
Advances - In	-	209,999	213,532	3,533
Advances - Out	-	(218,375)	(116,571)	101,804
Transfers - In	-	-	200,000	200,000
Transfers - Out	(10,358,000)	(9,718,521)	(9,706,397)	12,124
Total Other Financing Sources (Uses)	(6,891,137)	(6,612,034)	(5,981,442)	630,592
Net Change in Fund Balance	(2,343,975)	(10,494,608)	(5,401,666)	5,092,942
Fund Balance at Beginning of Year	9,708,160	9,708,160	9,708,160	-
Prior Year Encumbrances Appropriated	4,195,429	4,195,429	4,195,429	-
Fund Balance at End of Year	\$ 11,559,614	\$ 3,408,981	\$ 8,501,923	\$ 5,092,942

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 Developmental Disabilities-Special Revenue Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 25,473,888	\$ 16,598,928	\$ 16,598,938	\$ 10
Charges for Services	60,000	35,000	47,335	12,335
Intergovernmental	2,251,077	10,851,037	11,858,450	1,007,413
Payments in Lieu of Taxes	-	-	25,179	25,179
Other	5,000	5,000	18,093	13,093
Total Revenues	<u>27,789,965</u>	<u>27,489,965</u>	<u>28,547,995</u>	<u>1,058,030</u>
Expenditures:				
Current:				
Health				
Developmental Disabilities				
Personal Services	14,618,946	14,619,259	13,824,472	794,787
Materials and Supplies	957,000	1,173,042	776,438	396,604
Contractual Services	14,131,000	15,613,609	13,932,464	1,681,145
Capital Outlay	430,000	595,235	410,479	184,756
Other	72,000	84,689	38,794	45,895
Total Expenditures	<u>30,208,946</u>	<u>32,085,834</u>	<u>28,982,647</u>	<u>3,103,187</u>
Excess of Revenues Over (Under) Expenditures	(2,418,981)	(4,595,869)	(434,652)	4,161,217
Other Financing Sources :				
Other Financing Sources	<u>30,000</u>	<u>30,000</u>	<u>65,122</u>	<u>35,122</u>
Net Change in Fund Balance	(2,388,981)	(4,565,869)	(369,530)	4,196,339
Fund Balance at Beginning of Year	28,473,666	28,473,666	28,473,666	-
Prior Year Encumbrances Appropriated	386,743	386,743	386,743	-
Fund Balance at End of Year	<u>\$ 26,471,428</u>	<u>\$ 24,294,540</u>	<u>\$ 28,490,879</u>	<u>\$ 4,196,339</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Job and Family Services/Children Services Agency-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 14,316,000	\$ 12,769,190	\$ 12,769,190	\$ -
Intergovernmental	44,557,310	35,054,158	35,812,039	757,881
Payments in Lieu of Taxes	-	-	12,662	12,662
Other	1,351,000	1,212,983	1,228,576	15,593
Total Revenues	60,224,310	49,036,331	49,822,467	786,136
Expenditures:				
Current:				
Human Services				
Job and Family/Children Services				
Personal Services	19,861,149	20,011,715	19,736,372	275,343
Materials and Supplies	398,420	530,535	420,181	110,354
Contractual Services	41,651,489	31,465,524	29,975,648	1,489,876
Capital Outlay	45,000	45,000	36,801	8,199
Other	1,385,384	2,700,192	2,120,794	579,398
Total Human Services	63,341,442	54,752,966	52,289,796	2,463,170
Debt Service:				
Principal Retirement	22,057	22,057	22,057	-
Interest and Fiscal Charges	2,720	2,720	2,720	-
Total Debt Service	24,777	24,777	24,777	-
Total Expenditures	63,366,219	54,777,743	52,314,573	2,463,170
Excess of Revenues Over (Under) Expenditures	(3,141,909)	(5,741,412)	(2,492,106)	3,249,306
Other Financing Sources:				
Other Financing Sources	528,324	528,324	528,324	-
Transfers - In	1,153,768	1,100,768	1,101,603	835
Total Other Financing Sources	1,682,092	1,629,092	1,629,927	835
Net Change in Fund Balance	(1,459,817)	(4,112,320)	(862,179)	3,250,141
Fund Balance at Beginning of Year	7,590,914	7,590,914	7,590,914	-
Prior Year Encumbrances Appropriated	961,050	961,050	961,050	-
Fund Balance at End of Year	\$ 7,092,147	\$ 4,439,644	\$ 7,689,785	\$ 3,250,141

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Mental Health-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,698,000	\$ 7,989,185	\$ 7,989,185	\$ -
Charges for Services	-	-	58,167	58,167
Intergovernmental	17,461,968	18,200,783	21,643,468	3,442,685
Payments in Lieu of Taxes	-	-	3,001	3,001
Other	375,000	204,400	206,689	2,289
Total Revenues	<u>26,534,968</u>	<u>26,394,368</u>	<u>29,900,510</u>	<u>3,506,142</u>
Expenditures:				
Current:				
Health				
Mental Health				
Personal Services	895,737	908,305	860,835	47,470
Materials and Supplies	26,080	28,732	12,518	16,214
Contractual Services	27,944,347	38,365,325	28,114,435	10,250,890
Other	-	5,242	5,242	-
Total Expenditures	<u>28,866,164</u>	<u>39,307,604</u>	<u>28,993,030</u>	<u>10,314,574</u>
Excess of Revenues Over (Under) Expenditures	(2,331,196)	(12,913,236)	907,480	13,820,716
Other Financing Sources:				
Other Financing Sources	-	140,600	147,098	6,498
Net Change in Fund Balance	(2,331,196)	(12,772,636)	1,054,578	13,827,214
Fund Balance at Beginning of Year	11,565,605	11,565,605	11,565,605	-
Prior Year Encumbrances Appropriated	1,207,687	1,207,687	1,207,687	-
Fund Balance at End of Year	<u>\$ 10,442,096</u>	<u>\$ 656</u>	<u>\$ 13,827,870</u>	<u>\$ 13,827,214</u>

Butler County, Ohio
Schedule of Revenues, Expenses, and
Changes in Fund Equity-Budget and Actual
Sewer-Enterprise Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 18,870,000	\$ 17,875,863	\$ 18,785,024	\$ 909,161
Contributed Capital	2,750,600	2,542,230	2,779,677	237,447
Special Assessments	50,000	63,500	65,817	2,317
Grants	-	150,391	150,391	-
Other Non-Operating Revenues	52,100	42,970	71,372	28,402
Other Operating Revenues	64,300	62,437	130,455	68,018
Proceeds of Loans	-	1,991,613	2,006,618	15,005
Total Revenues	21,787,000	22,729,004	23,989,354	1,260,350
Expenses:				
Personal Services	5,491,471	5,576,386	5,410,744	165,642
Contractual Services	8,344,985	13,189,153	11,186,530	2,002,623
Materials and Supplies	1,259,388	1,380,842	1,285,373	95,469
Other Operating Expenses	717,251	638,776	412,144	226,632
Debt Service:				
Principal Retirement	2,561,096	3,700,558	3,644,391	56,167
Interest and Fiscal Charges	2,080,403	2,163,180	2,116,883	46,297
Total Expenses	20,454,594	26,648,895	24,056,065	2,592,830
Excess of Revenues Over (Under) Expenses	1,332,406	(3,919,891)	(66,711)	3,853,180
Fund Equity at Beginning of Year	35,235,203	35,235,203	35,235,203	-
Prior Year Encumbrances Appropriated	1,138,206	1,138,206	1,138,206	-
Fund Equity at End of Year	\$ 37,705,815	\$ 32,453,518	\$ 36,306,698	\$ 3,853,180

Butler County, Ohio
Schedule of Revenues, Expenses, and
Changes in Fund Equity-Budget and Actual
Water-Enterprise Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 20,200,700	\$ 20,223,200	\$ 21,039,697	\$ 816,497
Contributed Capital	1,424,675	1,179,675	1,226,297	46,622
Special Assessments	63,000	88,000	88,494	494
Other Non-Operating Revenues	162,650	140,150	314,264	174,114
Other Operating Revenues	90,500	130,950	173,159	42,209
Proceeds from Loans	-	4,407,646	4,915,145	507,499
Total Revenues	21,941,525	26,169,621	27,757,056	1,587,435
Expenses:				
Personal Services	3,793,714	3,827,203	3,798,268	28,935
Contractual Services	15,909,764	22,948,177	21,060,265	1,887,912
Materials and Supplies	559,491	626,127	560,310	65,817
Other Operating Expenses	669,625	701,919	578,328	123,591
Capital Outlay	55,000	55,000	51,317	3,683
Debt Service:				
Principal Retirement	3,838,181	3,867,981	3,788,864	79,117
Interest and Fiscal Charges	2,845,821	2,909,476	2,866,672	42,804
Bond Issuance Costs	-	106,788	106,788	-
Total Expenses	27,671,596	35,042,671	32,810,812	2,231,859
Excess of Revenues Over (Under) Expenses	(5,730,071)	(8,873,050)	(5,053,756)	3,819,294
Fund Equity at Beginning of Year	19,056,067	19,056,067	19,056,067	-
Prior Year Encumbrances Appropriated	1,141,951	1,141,951	1,141,951	-
Fund Equity at End of Year	\$ 14,467,947	\$ 11,324,968	\$ 15,144,262	\$ 3,819,294

Butler County, Ohio
 Schedule of Revenues, Expenses, and
 Changes in Fund Equity-Budget and Actual
 GSC Parking Facility-Enterprise Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 138,000	\$ 131,287	\$ 132,081	\$ 794
Expenses:				
Personal Services	74,263	79,073	76,884	2,189
Contractual Services	3,300	3,300	3,071	229
Materials and Supplies	5,400	12,900	12,624	276
Other Operating Expenses	55,000	46,990	691	46,299
Total Expenses	<u>137,963</u>	<u>142,263</u>	<u>93,270</u>	<u>48,993</u>
Excess of Revenues Over (Under) Expenses	37	(10,976)	38,811	49,787
Fund Equity at Beginning of Year	12,376	12,376	12,376	-
Fund Equity at End of Year	<u>\$ 12,413</u>	<u>\$ 1,400</u>	<u>\$ 51,187</u>	<u>\$ 49,787</u>

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 Real Estate Assessment-Special Revenue Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 3,400,000	\$ 3,113,889	\$ 3,113,939	\$ 50
Other	-	575	585	10
Total Revenues	<u>3,400,000</u>	<u>3,114,464</u>	<u>3,114,524</u>	<u>60</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Real Estate Assessment				
Personal Services	2,192,357	2,193,648	1,984,127	209,521
Materials and Supplies	77,630	104,475	77,703	26,772
Contractual Services	455,800	585,797	466,792	119,005
Other	6,000	6,000	1,897	4,103
Total Expenditures	<u>2,731,787</u>	<u>2,889,920</u>	<u>2,530,519</u>	<u>359,401</u>
Excess of Revenues Over Expenditures	668,213	224,544	584,005	359,461
Other Financing Sources:				
Other Financing Sources	-	16,029	16,069	40
Net Change in Fund Balance	668,213	240,573	600,074	359,501
Fund Balance at Beginning of Year	624,580	624,580	624,580	-
Prior Year Encumbrances Appropriated	35,832	35,832	35,832	-
Fund Balance at End of Year	<u>\$ 1,328,625</u>	<u>\$ 900,985</u>	<u>\$ 1,260,486</u>	<u>\$ 359,501</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Legislative and Executive-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 420,000	\$ 161,651	\$ 161,651	\$ -
Charges for Services	3,005,600	2,584,599	3,185,695	601,096
Fines and Forfeitures	908,150	896,999	933,614	36,615
Intergovernmental	-	35,928	35,928	-
Investment Earnings	4,000	4,000	7,088	3,088
Other	10,000	1,000	1,111	111
Total Revenues	<u>4,347,750</u>	<u>3,684,177</u>	<u>4,325,087</u>	<u>640,910</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Other Legislative and Executive				
Personal Services	2,853,122	2,832,372	2,740,616	91,756
Materials and Supplies	122,382	152,055	110,224	41,831
Contractual Services	1,665,528	1,691,659	1,145,736	545,923
Other	423,453	310,570	303,364	7,206
Total Expenditures	<u>5,064,485</u>	<u>4,986,656</u>	<u>4,299,940</u>	<u>686,716</u>
Excess of Revenues Over (Under) Expenditures	<u>(716,735)</u>	<u>(1,302,479)</u>	<u>25,147</u>	<u>1,327,626</u>
Other Financing Sources (Uses):				
Other Financing Sources	-	563	8,676	8,113
Transfers - Out	-	(200,000)	(200,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(199,437)</u>	<u>(191,324)</u>	<u>8,113</u>
Net Change in Fund Balance	(716,735)	(1,501,916)	(166,177)	1,335,739
Fund Balance at Beginning of Year	3,482,877	3,482,877	3,482,877	-
Prior Year Encumbrances Appropriated	32,303	32,303	32,303	-
Fund Balance at End of Year	<u>\$ 2,798,445</u>	<u>\$ 2,013,264</u>	<u>\$ 3,349,003</u>	<u>\$ 1,335,739</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Judicial-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,379,100	\$ 2,233,210	\$ 2,451,448	\$ 218,238
Fines and Forfeitures	21,000	21,000	62,964	41,964
Intergovernmental	250,000	134,638	142,588	7,950
Total Revenues	<u>2,650,100</u>	<u>2,388,848</u>	<u>2,657,000</u>	<u>268,152</u>
Expenditures:				
Current:				
General Government:				
Judicial				
Other Judicial				
Personal Services	1,951,732	1,988,196	1,881,593	106,603
Materials and Supplies	219,647	236,442	93,048	143,394
Contractual Services	834,990	942,056	760,417	181,639
Other	240,500	241,851	116,296	125,555
Total Expenditures	<u>3,246,869</u>	<u>3,408,545</u>	<u>2,851,354</u>	<u>557,191</u>
Excess of Revenues Over (Under) Expenditures	<u>(596,769)</u>	<u>(1,019,697)</u>	<u>(194,354)</u>	<u>825,343</u>
Other Financing Sources (Uses):				
Advances - Out	-	(25,002)	(25,002)	-
Transfers - In	-	25,000	175,003	150,003
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2)</u>	<u>150,001</u>	<u>150,003</u>
Net Change in Fund Balance	(596,769)	(1,019,699)	(44,353)	975,346
Fund Balance at Beginning of Year	2,488,518	2,488,518	2,488,518	-
Prior Year Encumbrances Appropriated	54,784	54,784	54,784	-
Fund Balance at End of Year	<u>\$ 1,946,533</u>	<u>\$ 1,523,603</u>	<u>\$ 2,498,949</u>	<u>\$ 975,346</u>

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 All Other Public Safety-Special Revenue Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 4,705,000	\$ 4,220,242	\$ 4,305,760	\$ 85,518
Licenses and Permits	155,000	107,850	110,526	2,676
Fines and Forfeitures	2,440	2,026	2,051	25
Intergovernmental	4,348,198	4,193,473	4,829,579	636,106
Other	3,800	1,450	548	(902)
Total Revenues	<u>9,214,438</u>	<u>8,525,041</u>	<u>9,248,464</u>	<u>723,423</u>
Expenditures:				
Current:				
Public Safety				
Other Public Safety				
Personal Services	7,602,996	7,322,417	7,104,417	218,000
Materials and Supplies	1,180,508	1,419,203	1,144,984	274,219
Contractual Services	1,018,627	1,055,612	849,644	205,968
Capital Outlay	44,000	54,469	50,258	4,211
Other	25,750	90,792	89,955	837
Total Expenditures	<u>9,871,881</u>	<u>9,942,493</u>	<u>9,239,258</u>	<u>703,235</u>
Excess of Revenues Over (Under) Expenditures	<u>(657,443)</u>	<u>(1,417,452)</u>	<u>9,206</u>	<u>1,426,658</u>
Other Financing Sources:				
Other Financing Sources	20,000	26,052	41,043	14,991
Advances - In	-	3,600	3,600	-
Transfers - In	5,000	16,000	16,000	-
Total Other Financing Sources	<u>25,000</u>	<u>45,652</u>	<u>60,643</u>	<u>14,991</u>
Net Change in Fund Balance	(632,443)	(1,371,800)	69,849	1,441,649
Fund Balance at Beginning of Year	3,125,671	3,125,671	3,125,671	-
Prior Year Encumbrances Appropriated	52,873	52,873	52,873	-
Fund Balance at End of Year	<u>\$ 2,546,101</u>	<u>\$ 1,806,744</u>	<u>\$ 3,248,393</u>	<u>\$ 1,441,649</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Motor Vehicle-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other Local Taxes	\$ -	\$ 2,400,000	\$ 2,480,230	\$ 80,230
Charges for Services	3,020,000	354,613	384,372	29,759
Fines and Forfeitures	356,000	258,387	267,534	9,147
Intergovernmental	10,020,000	10,622,500	11,224,904	602,404
Special Assessments	4,000	4,000	4,071	71
Investment Earnings	-	-	9,647	9,647
Other	522,000	205,293	208,587	3,294
Total Revenues	<u>13,922,000</u>	<u>13,844,793</u>	<u>14,579,345</u>	<u>734,552</u>
Expenditures:				
Current:				
Public Works				
Motor Vehicle				
Personal Services	5,388,557	5,795,111	5,668,522	126,589
Materials and Supplies	1,332,084	1,757,151	1,428,871	328,280
Contractual Services	7,698,870	9,963,108	7,958,638	2,004,470
Capital Outlay	140,000	140,000	82,585	57,415
Other	365,000	347,466	263,603	83,863
Total Public Works	<u>14,924,511</u>	<u>18,002,836</u>	<u>15,402,219</u>	<u>2,600,617</u>
Debt Service:				
Principal Retirement	250,000	250,000	165,000	85,000
Interest and Fiscal Charges	6,000	6,000	2,057	3,943
Total Debt Service	<u>256,000</u>	<u>256,000</u>	<u>167,057</u>	<u>88,943</u>
Total Expenditures	<u>15,180,511</u>	<u>18,258,836</u>	<u>15,569,276</u>	<u>2,689,560</u>
Excess of Revenue Over (Under) Expenditures	<u>(1,258,511)</u>	<u>(4,414,043)</u>	<u>(989,931)</u>	<u>3,424,112</u>
Other Financing Sources:				
Proceeds from Sale of Capital Assets	7,000	8,207	8,592	385
Other Financing Sources	20,000	28,000	32,431	4,431
Total Other Financing Sources	<u>27,000</u>	<u>36,207</u>	<u>41,023</u>	<u>4,816</u>
Net Change in Fund Balance	(1,231,511)	(4,377,836)	(948,908)	3,428,928
Fund Balance at Beginning of Year	6,114,293	6,114,293	6,114,293	-
Prior Year Encumbrances Appropriated	548,126	548,126	548,126	-
Fund Balance at End of Year	<u>\$ 5,430,908</u>	<u>\$ 2,284,583</u>	<u>\$ 5,713,511</u>	<u>\$ 3,428,928</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Public Works-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 932,000	\$ 1,012,000	\$ 1,384,729	\$ 372,729
Intergovernmental	5,481,163	5,352,892	5,420,500	67,608
Special Assessments	1,590,000	1,582,500	1,606,348	23,848
Investment Earnings	20,000	17,000	17,126	126
Other	62,100	58,694	64,842	6,148
Total Revenues	<u>8,085,263</u>	<u>8,023,086</u>	<u>8,493,545</u>	<u>470,459</u>
Expenditures:				
Current:				
Public Works				
Other Public Works				
Personal Services	1,350,726	1,367,443	1,337,445	29,998
Materials and Supplies	265,256	368,766	136,887	231,879
Contractual Services	6,810,127	6,942,437	6,053,009	889,428
Other	606,474	320,551	254,136	66,415
Total Public Works	<u>9,032,583</u>	<u>8,999,197</u>	<u>7,781,477</u>	<u>1,217,720</u>
Debt Service:				
Principal Retirement	1,860,000	1,860,000	1,860,000	-
Interest and Fiscal Charges	23,186	23,186	23,185	1
Bond Issuance Costs	-	39,689	39,689	-
Total Debt Service	<u>1,883,186</u>	<u>1,922,875</u>	<u>1,922,874</u>	<u>1</u>
Total Expenditures	<u>10,915,769</u>	<u>10,922,072</u>	<u>9,704,351</u>	<u>1,217,721</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,830,506)</u>	<u>(2,898,986)</u>	<u>(1,210,806)</u>	<u>1,688,180</u>
Other Financing Sources (Uses):				
General Obligation Bonds Issued	1,884,000	1,870,000	1,870,000	-
Discount on Debt Issued	-	(22,171)	(22,171)	-
Advances - In	-	89,344	105,000	15,656
Advances - Out	-	(120,400)	(120,400)	-
Transfers - In	70,000	138,999	140,045	1,046
Total Other Financing Sources (Uses)	<u>1,954,000</u>	<u>1,955,772</u>	<u>1,972,474</u>	<u>16,702</u>
Net Change in Fund Balance	(876,506)	(943,214)	761,668	1,704,882
Fund Balance at Beginning of Year	7,818,017	7,818,017	7,818,017	-
Prior Year Encumbrances Appropriated	62,465	62,465	62,465	-
Fund Balance at End of Year	<u>\$ 7,003,976</u>	<u>\$ 6,937,268</u>	<u>\$ 8,642,150</u>	<u>\$ 1,704,882</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Child Support Enforcement-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,082,000	\$ 1,060,000	\$ 1,080,323	\$ 20,323
Intergovernmental	4,909,800	4,399,143	4,464,731	65,588
Other	200	20	20	-
Total Revenues	<u>5,992,000</u>	<u>5,459,163</u>	<u>5,545,074</u>	<u>85,911</u>
Expenditures:				
Current:				
Human Services				
Child Support Enforcement				
Personal Services	4,327,724	4,327,724	4,187,875	139,849
Materials and Supplies	138,000	153,489	110,036	43,453
Contractual Services	1,560,567	1,394,465	1,264,081	130,384
Other	228,933	226,933	154,836	72,097
Total Expenditures	<u>6,255,224</u>	<u>6,102,611</u>	<u>5,716,828</u>	<u>385,783</u>
Excess of Revenues Over (Under) Expenditures	(263,224)	(643,448)	(171,754)	471,694
Other Financing Sources:				
Other Financing Sources	<u>8,000</u>	<u>8,000</u>	<u>9,596</u>	<u>1,596</u>
Net Change in Fund Balance	(255,224)	(635,448)	(162,158)	473,290
Fund Balance at Beginning of Year	544,395	544,395	544,395	-
Prior Year Encumbrances Appropriated	91,053	91,053	91,053	-
Fund Balance at End of Year	<u>\$ 380,224</u>	<u>\$ -</u>	<u>\$ 473,290</u>	<u>\$ 473,290</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Alcohol and Drug Addiction-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 90,000	\$ 102,328	\$ 102,328	\$ -
Intergovernmental	5,473,083	4,561,780	4,580,361	18,581
Other	1,000	222,861	221,872	(989)
Total Revenues	<u>5,564,083</u>	<u>4,886,969</u>	<u>4,904,561</u>	<u>17,592</u>
Expenditures:				
Current:				
Health				
Alcohol and Drug Addiction				
Personal Services	534,306	484,853	471,635	13,218
Materials and Supplies	16,311	20,747	13,046	7,701
Contractual Services	5,456,095	5,614,624	5,525,036	89,588
Other	29,405	229,333	229,333	-
Total Expenditures	<u>6,036,117</u>	<u>6,349,557</u>	<u>6,239,050</u>	<u>110,507</u>
Excess of Revenues Over (Under) Expenditures	<u>(472,034)</u>	<u>(1,462,588)</u>	<u>(1,334,489)</u>	<u>128,099</u>
Other Financing Sources:				
Advances - In	-	-	4,200	4,200
Transfers - In	110,000	110,000	110,000	-
Total Other Financing Sources	<u>110,000</u>	<u>110,000</u>	<u>114,200</u>	<u>4,200</u>
Net Change in Fund Balance	(362,034)	(1,352,588)	(1,220,289)	132,299
Fund Balance at Beginning of Year	1,165,217	1,165,217	1,165,217	-
Prior Year Encumbrances Appropriated	234,083	234,083	234,083	-
Fund Balance at End of Year	<u>\$ 1,037,266</u>	<u>\$ 46,712</u>	<u>\$ 179,011</u>	<u>\$ 132,299</u>

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 All Other Health-Special Revenue Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ -	\$ 10,800	\$ 12,005	\$ 1,205
License and Permits	511,500	500,700	649,817	149,117
Fines and Forfeitures	28,500	28,500	40,026	11,526
Intergovernmental	-	2,000	2,000	-
Other	-	-	2,056	2,056
Total Revenues	<u>540,000</u>	<u>542,000</u>	<u>705,904</u>	<u>163,904</u>
Expenditures:				
Current:				
Health				
Other Health				
Personal Services	311,262	317,127	315,528	1,599
Materials and Supplies	22,360	25,124	21,743	3,381
Contractual Services	16,300	23,713	21,508	2,205
Capital Outlay	-	21,583	21,583	-
Other	180,100	181,565	180,992	573
Total Expenditures	<u>530,022</u>	<u>569,112</u>	<u>561,354</u>	<u>7,758</u>
Net Change in Fund Balance	9,978	(27,112)	144,550	171,662
Fund Balance at Beginning of Year	223,181	223,181	223,181	-
Prior Year Encumbrances Appropriated	2,708	2,708	2,708	-
Fund Balance at End of Year	<u>\$ 235,867</u>	<u>\$ 198,777</u>	<u>\$ 370,439</u>	<u>\$ 171,662</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
County Care Facility-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,860,000	\$ 1,916,260	\$ 2,007,350	\$ 91,090
Intergovernmental	5,440,000	5,889,814	5,935,287	45,473
Other	-	-	5,866	5,866
Total Revenues	<u>7,300,000</u>	<u>7,806,074</u>	<u>7,948,503</u>	<u>142,429</u>
Expenditures:				
Current:				
Human Services				
County Care Facility				
Personal Services	5,611,457	5,941,881	5,904,289	37,592
Materials and Supplies	1,108,948	1,125,585	1,111,703	13,882
Contractual Services	631,992	741,807	696,296	45,511
Capital Outlay	98,000	35,226	35,226	-
Other	300,000	308,795	307,713	1,082
Total Expenditures	<u>7,750,397</u>	<u>8,153,294</u>	<u>8,055,227</u>	<u>98,067</u>
Excess of Revenues Over (Under) Expenditures	(450,397)	(347,220)	(106,724)	240,496
Other Financing Sources:				
Other Financing Sources	<u>56,000</u>	<u>50,000</u>	<u>52,049</u>	<u>2,049</u>
Net Change in Fund Balance	(394,397)	(297,220)	(54,675)	242,545
Fund Balance at Beginning of Year	614,398	614,398	614,398	-
Prior Year Encumbrances Appropriated	<u>27,753</u>	<u>27,753</u>	<u>27,753</u>	-
Fund Balance at End of Year	<u>\$ 247,754</u>	<u>\$ 344,931</u>	<u>\$ 587,476</u>	<u>\$ 242,545</u>

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 Elderly Services Levy-Special Revenue Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,850,000	\$ 7,878,000	\$ 7,878,089	\$ 89
Intergovernmental	1,010,000	1,982,301	2,071,456	89,155
Payments in Lieu of Taxes	14,000	13,699	13,699	-
Total Revenues	9,874,000	9,874,000	9,963,244	89,244
Expenditures:				
Current:				
Human Services				
Contractual Services	12,000,000	13,159,141	11,591,976	1,567,165
Excess of Revenues Over (Under) Expenditures	(2,126,000)	(3,285,141)	(1,628,732)	1,656,409
Fund Balance at Beginning of Year	16,089,310	16,089,310	16,089,310	-
Prior Year Encumbrances Appropriated	991,976	991,976	991,976	-
Fund Balance at End of Year	\$ 14,955,286	\$ 13,796,145	\$ 15,452,554	\$ 1,656,409

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 All Other Human Services-Special Revenue Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 194,407	\$ 185,119	\$ 188,167	\$ 3,048
Other	500	39	39	-
Total Revenues	<u>194,907</u>	<u>185,158</u>	<u>188,206</u>	<u>3,048</u>
Expenditures:				
Current:				
Human Services				
Other Human Services				
Personal Services	245,628	247,412	235,688	11,724
Materials and Supplies	3,575	1,658	539	1,119
Contractual Services	4,167	6,345	4,479	1,866
Other	450	1,820	1,820	-
Total Expenditures	<u>253,820</u>	<u>257,235</u>	<u>242,526</u>	<u>14,709</u>
Excess of Revenues Over (Under) Expenditures	<u>(58,913)</u>	<u>(72,077)</u>	<u>(54,320)</u>	<u>17,757</u>
Other Financing Sources (Uses):				
Advances - Out	-	(14,130)	(14,130)	-
Transfers - In	49,129	69,940	75,489	5,549
Total Other Financing Sources (Uses)	<u>49,129</u>	<u>55,810</u>	<u>61,359</u>	<u>5,549</u>
Net Change in Fund Balance	(9,784)	(16,267)	7,039	23,306
Fund Balance at Beginning of Year	30,358	30,358	30,358	-
Prior Year Encumbrances Appropriated	641	641	641	-
Fund Balance at End of Year	<u>\$ 21,215</u>	<u>\$ 14,732</u>	<u>\$ 38,038</u>	<u>\$ 23,306</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
All Other Conservation and Recreation-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 13,500	\$ 13,500	\$ 14,800	\$ 1,300
Expenditures:				
Current:				
Conversation and Recreation				
Contractual Services	20,720	20,720	20,720	-
Net Change in Fund Balance	(7,220)	(7,220)	(5,920)	1,300
Fund Balance at Beginning of Year	13,300	13,300	13,300	-
Fund Balance at End of Year	<u>\$ 6,080</u>	<u>\$ 6,080</u>	<u>\$ 7,380</u>	<u>\$ 1,300</u>

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Residential Incentive Districts and Tax Incremental Financings-Special Revenue Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 7,230	\$ 7,230
Payments in Lieu of Taxes	3,785,035	5,404,399	5,877,333	472,934
Total Revenues	3,785,035	5,404,399	5,884,563	480,164
Expenditures:				
Current:				
General Government				
Contractual Services	115,000	46,000	-	46,000
Intergovernmental				
Contractual Services	1,238,582	9,649,376	9,558,208	91,168
Total Expenditures	1,353,582	9,695,376	9,558,208	137,168
Excess of Revenues Over (Under) Expenditures	2,431,453	(4,290,977)	(3,673,645)	617,332
Transfers - Out	(744,666)	(1,505,250)	(1,455,886)	49,364
Net Change in Fund Balance	1,686,787	(5,796,227)	(5,129,531)	666,696
Fund Balance at Beginning of Year	6,521,181	6,521,181	6,521,181	-
Fund Balance at End of Year	\$ 8,207,968	\$ 724,954	\$ 1,391,650	\$ 666,696

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Technology-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures:				
Debt Service:				
Principal Retirement	\$ 2,795,000	\$ 2,795,000	\$ 2,795,000	\$ -
Interest and Fiscal Charges	46,000	59,794	59,794	-
Total Expenditures	<u>2,841,000</u>	<u>2,854,794</u>	<u>2,854,794</u>	<u>-</u>
Excess of Revenues Under Expenditures	<u>(2,841,000)</u>	<u>(2,854,794)</u>	<u>(2,854,794)</u>	<u>-</u>
Other Financing Sources:				
Notes Issued	2,640,000	2,655,000	2,655,000	-
Transfers - In	201,000	199,794	199,794	-
Total Other Financing Sources	<u>2,841,000</u>	<u>2,854,794</u>	<u>2,854,794</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 Other Capital Improvements - Capital Projects Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Other	\$ 71,145	\$ 53,191	\$ 53,191	\$ -
Excess of Revenues Over Expenditures	71,145	53,191	53,191	-
Advances Out	(54,000)	(54,000)	(54,000)	-
Net Change in Fund Balance	17,145	(809)	(809)	-
Fund Balance at Beginning of Year	809	809	809	-
Fund Balance at End of Year	\$ 17,954	\$ -	\$ -	\$ -

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Road Improvements-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 4,156,457	\$ 4,156,457	\$ -
Investment Earnings	-	1,357	1,357	-
Total Revenues	-	4,157,814	4,157,814	-
Expenditures:				
Road Improvement				
Capital Outlay				
Contractual Services	-	4,807,560	4,807,560	-
Debt Service:				
Principal Retirement	13,023,000	13,023,000	13,023,000	-
Interest and Fiscal Charges	114,156	175,165	175,165	-
Bond Issuance Costs	-	143,527	143,527	-
Total Debt Service Expenditures	13,137,156	13,341,692	13,341,692	-
Total Expenditures	13,137,156	18,149,252	18,149,252	-
Excess of Revenues Under Expenditures	(13,137,156)	(13,991,438)	(13,991,438)	-
Other Financing Sources (Uses):				
Proceeds of Loans	-	651,103	651,103	-
Notes Issued	13,023,000	2,850,000	2,850,000	-
General Obligation Bonds Issued	-	9,540,000	9,540,000	-
Premium on Debt Issued	67,015	17,877	17,877	-
Discount on Debt Issued	-	(27,723)	(27,723)	-
Transfers - In	70,000	414,944	414,944	-
Total Other Financing Sources (Uses)	13,160,015	13,446,201	13,446,201	-
Net Change in Fund Balance	22,859	(545,237)	(545,237)	-
Fund Balance at Beginning of Year	545,237	545,237	545,237	-
Fund Balance at End of Year	\$ 568,096	\$ -	\$ -	\$ -

Butler County, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance-Budget and Actual
Buildings Construction and Renovations-Capital Projects Fund
Budget Basis
For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Investment Earnings	\$ -	\$ 700	\$ 783	\$ 83
Other	61,350	157,894	164,759	6,865
Total Revenues	61,350	158,594	165,542	6,948
Expenditures:				
Capital Outlay				
Buildings Construction and Renovations				
Contractual Services	-	133,365	131,026	2,339
Other	-	5,516	5,516	-
Total Capital Outlay	-	138,881	136,542	2,339
Debt Service:				
Principal Retirement	12,270,000	12,270,000	12,270,000	-
Interest and Fiscal Charges	202,638	212,167	211,247	920
Total Debt Service	12,472,638	12,482,167	12,481,247	920
Total Expenditures	12,472,638	12,621,048	12,617,789	3,259
Excess of Revenues Over (Under) Expenditures	(12,411,288)	(12,462,454)	(12,452,247)	10,207
Other Financing Sources:				
Notes Issued	12,270,000	12,194,001	12,230,000	35,999
Transfers - In	82,000	88,150	117,447	29,297
Total Other Financing Sources	12,352,000	12,282,151	12,347,447	65,296
Net Change in Fund Balance	(59,288)	(180,303)	(104,800)	75,503
Fund Balance at Beginning of Year	246,660	246,660	246,660	-
Prior Year Encumbrances Appropriated	7,664	7,664	7,664	-
Fund Balance at End of Year	\$ 195,036	\$ 74,021	\$ 149,524	\$ 75,503

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 Bond Retirement-Debt Service Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Special Assessments	\$ 1,532,510	\$ 1,519,428	\$ 1,553,033	\$ 33,605
Other	-	23,000	46,960	23,960
Total Revenues	<u>1,532,510</u>	<u>1,542,428</u>	<u>1,599,993</u>	<u>57,565</u>
Expenditures:				
Debt Service:				
Principal Retirement	6,657,538	6,148,740	6,148,740	-
Interest and Fiscal Charges	4,079,239	4,074,555	4,076,548	(1,993)
Bond Issuance Costs	-	114,050	108,807	5,243
Total Expenditures	<u>10,736,777</u>	<u>10,337,345</u>	<u>10,334,095</u>	<u>3,250</u>
Excess of Revenues Over (Under) Expenditures	<u>(9,204,267)</u>	<u>(8,794,917)</u>	<u>(8,734,102)</u>	<u>60,815</u>
Other Financing Sources (Uses):				
Payment to Refunded Bond Escrow Agent	-	(7,900,174)	(7,900,174)	-
Refunding Bonds Issued	-	7,200,000	7,200,000	-
Premium on Debt Issue	-	664,869	664,869	-
Advances - In	15,500	3,771	3,771	-
Transfers - In	9,200,045	8,811,417	8,811,958	541
Total Other Financing Sources (Uses)	<u>9,215,545</u>	<u>8,779,883</u>	<u>8,780,424</u>	<u>541</u>
Net Change in Fund Balance	11,278	(15,034)	46,322	61,356
Fund Balance at Beginning of Year	1,054,492	1,054,492	1,054,492	-
Fund Balance at End of Year	<u>\$ 1,065,770</u>	<u>\$ 1,039,458</u>	<u>\$ 1,100,814</u>	<u>\$ 61,356</u>

Butler County, Ohio
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budget and Actual
 Developmental Disabilities Trust-Permanent Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Investment Earnings	\$ 4,000	\$ 3,000	\$ 3,276	\$ 276
Other	-	1,000	2,512	1,512
Total Revenues	4,000	4,000	5,788	1,788
Expenditures:				
Current:				
General Government				
Developmental Disabilities Trust				
Contractual Services	100,000	100,000	6,000	94,000
Net Change in Fund Balance	(96,000)	(96,000)	(212)	95,788
Fund Balance at Beginning of Year	844,896	844,896	844,896	-
Fund Balance at End of Year	\$ 749,537	\$ 749,537	\$ 845,325	\$ 95,788

Butler County, Ohio
 Schedule of Revenues, Expenses, and
 Changes in Fund Equity-Budget and Actual
 Health Insurance-Internal Service Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 14,285,000	\$ 14,243,000	\$ 14,446,975	\$ 203,975
Other Non-Operating Revenues	-	42,000	42,494	494
Total Revenues	14,285,000	14,285,000	14,489,469	204,469
Expenses:				
Personal Services	155,352	160,951	143,258	17,693
Contractual Services	14,081,500	14,410,909	14,389,424	21,485
Materials and Supplies	1,700	2,400	2,254	146
Other	2,400	1,200	321	879
Total Expenses	14,240,952	14,575,460	14,535,257	40,203
Net Change in Fund Equity	44,048	(290,460)	(45,788)	244,672
Fund Equity at Beginning of Year	687,401	687,401	687,401	-
Prior Year Encumbrances Appropriated	1,880	1,880	1,880	-
Fund Equity at End of Year	\$ 733,329	\$ 398,821	\$ 643,493	\$ 244,672

Butler County, Ohio
 Schedule of Revenues, Expenses, and
 Changes in Fund Equity-Budget and Actual
 Workers' Compensation - Internal Service Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,000,000	\$ 2,000,000	\$ 2,547,973	\$ 547,973
Other Non-Operating Revenues	-	-	65,384	65,384
Total Revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,613,357</u>	<u>613,357</u>
Expenses:				
Personal Services	256,618	288,102	286,559	1,543
Contractual Services	1,061,950	1,202,953	1,152,789	50,164
Claims and Judgments	850,000	818,500	782,417	36,083
Total Expenses	<u>2,168,568</u>	<u>2,309,555</u>	<u>2,221,765</u>	<u>87,790</u>
Net Change in Fund Equity	(168,568)	(309,555)	391,592	701,147
Fund Equity at Beginning of Year	636,329	636,329	636,329	-
Prior Year Encumbrances Appropriated	768	768	768	-
Fund Equity at End of Year	<u>\$ 468,529</u>	<u>\$ 327,542</u>	<u>\$ 1,028,689</u>	<u>\$ 701,147</u>

Butler County, Ohio
 Schedule of Revenues, Expenses, and
 Changes in Fund Equity-Budget and Actual
 County Fuel Depot-Internal Service Fund
 Budget Basis
 For the Year Ended December 31, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 608,000	\$ 535,638	\$ 537,872	\$ 2,234
Expenses:				
Contractual Services	8,000	8,830	6,903	1,927
Materials and Supplies	600,000	581,750	576,285	5,465
Total Expenses	608,000	590,580	583,188	7,392
Net Change in Fund Equity	-	(54,942)	(45,316)	9,626
Fund Equity at Beginning of Year	54,598	54,598	54,598	-
Prior Year Encumbrances Appropriated	545	545	545	-
Fund Equity at End of Year	\$ 55,143	\$ 201	\$ 9,827	\$ 9,626

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Statistical Section

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STATISTICAL SECTION

This part of Butler County Ohio's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial position has changed over time.	142-148
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the County's ability to generate its most significant local revenue source, the property tax.	149-161
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	162-166
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and provide information that facilitate comparisons of financial information over time and among governments.	167-168
Operating Information 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.	169-178

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**BUTLER COUNTY, OHIO
NET ASSETS BY COMPONENT
LAST NINE YEARS (ACCRUAL BASIS OF ACCOUNTING)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities:									
Invested in Capital Assets, Net of Related Debt	\$ 261,504,606	\$ 273,113,179	\$ 274,568,980	\$ 284,893,107	\$ 290,996,712	\$ 303,847,268	\$ 309,737,672	\$ 311,399,939	\$ 313,384,171
Restricted	67,150,688	80,013,671	91,557,032	94,009,926	113,494,538	143,098,392	117,767,313	149,211,906	146,016,914
Unrestricted (Deficit)	19,884,831	(2,953,484)	(9,110,830)	(2,854,954)	8,438,851	18,544,219	(3,264,872)	(19,510,956)	(17,936,362)
Total Governmental Activities Net Assets	348,540,125	350,173,366	357,015,192	376,048,079	412,930,101	465,489,879	424,240,113	441,100,889	441,464,723
Business-Type Activities:									
Invested in Capital Assets, Net of Related Debt	142,565,025	147,192,603	175,845,751	203,448,271	218,544,211	220,104,614	206,941,720	204,061,114	208,564,765
Restricted	17,015,730	15,123,280	13,894,357	12,406,549	12,615,860	11,791,705	11,551,342	6,000,000	6,000,000
Unrestricted	28,037,520	39,070,468	30,939,460	35,131,712	32,779,386	38,024,420	50,594,713	55,953,474	50,135,882
Total Business-Type Activities Net Assets	187,618,275	201,386,351	220,679,568	250,986,532	263,939,457	269,920,739	269,087,775	266,014,588	264,700,647
Primary Government:									
Invested in Capital Assets, Net of Related Debt	404,069,631	420,305,762	450,414,741	488,341,378	509,540,923	523,951,882	516,679,392	515,461,053	521,948,936
Restricted	84,166,418	95,136,951	105,451,389	106,416,475	126,110,398	154,890,097	129,318,655	155,211,906	152,016,914
Unrestricted	47,922,351	36,116,984	21,828,630	32,276,758	41,218,237	56,568,639	47,329,841	36,442,518	32,199,520
Total Primary Government Net Assets	\$ 536,158,400	\$ 551,559,717	\$ 577,694,760	\$ 627,034,611	\$ 676,869,558	\$ 735,410,618	\$ 693,327,888	\$ 707,115,477	\$ 706,165,370

**BUTLER COUNTY, OHIO
CHANGES IN NET ASSETS OF GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
LAST NINE YEARS (ACCURAL BASIS OF ACCOUNTING) (CONTINUED)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Program Revenues									
Governmental Activities									
Charges for Services									
General Government:									
Legislative and Executive	\$ 16,942,229	\$ 26,064,981	\$ 39,481,913	\$ 26,096,369	\$ 25,539,301	\$ 25,761,198	\$ 18,925,412	\$ 16,307,020	\$ 16,543,682
Judicial	5,220,484	3,703,685	3,711,346	4,171,246	5,405,269	5,818,814	6,016,149	6,440,735	5,770,050
Public Safety	1,436,746	5,996,412	6,490,098	4,435,139	9,018,145	12,368,985	13,631,099	14,803,587	11,749,950
Public Works	1,131,460	2,175,913	10,026,807	10,382,866	7,095,760	767,323	3,025,891	2,407,770	2,030,311
Health	897,590	1,042,160	1,355,895	1,446,007	930,496	1,317,932	910,720	820,543	886,327
Human Services	1,911,831	1,945,316	1,946,389	1,928,863	2,336,047	2,448,406	3,160,525	3,051,968	3,076,694
Conservation and Recreation	-	-	-	-	-	26,784	40,890	13,620	14,800
Subtotal - Charges for Services	27,540,340	40,928,467	63,012,448	48,460,490	50,325,018	48,509,442	45,710,686	43,845,241	40,071,814
Operating Grants, Contributions, and Interest									
General Government:									
Legislative and Executive	1,226,721	160,789	355,609	353,185	16,966	43,820	440,633	996,461	48,265
Judicial	48,770	1,182,707	1,020,690	1,186,715	1,246,084	986,906	1,230,555	1,682,162	1,182,265
Public Safety	6,136,704	6,721,740	6,671,901	7,086,662	7,661,085	7,087,851	4,309,488	5,306,196	5,066,305
Public Works	2,305,868	193,292	3,658,865	3,960,609	4,851,754	11,398,189	10,837,709	18,164,149	13,758,422
Health	30,257,939	30,579,700	29,222,174	30,622,659	36,549,354	32,777,452	31,433,888	36,860,053	36,458,047
Human Services	41,788,193	46,424,550	44,947,797	46,836,974	54,423,787	63,185,700	51,118,231	64,352,303	43,432,078
Subtotal - Operating Grants, Contributions, and Interest	81,764,195	85,262,778	85,877,036	90,046,804	104,749,030	115,479,918	99,370,504	127,361,324	99,945,382
Capital Grants, Contributions, and Interest									
General Government:									
Legislative and Executive	34,813	-	-	3,543,122	-	-	-	125,627	-
Judicial	5,757	-	-	89,041	-	-	-	-	-
Public Safety	6,158,459	301,836	20,272	-	-	-	15,785	-	25,000
Public Works	17,880,521	-	13,337,057	16,317,031	11,062,312	6,785,122	13,920,646	8,999,202	5,748,244
Health	-	-	758,073	-	-	-	-	-	-
Human Services	-	15,736,890	-	-	1,244,826	-	-	-	-
Subtotal - Capital Grants, Contributions, and Interest	24,079,550	16,038,726	14,115,402	19,949,194	12,307,138	6,785,122	13,936,431	9,124,829	5,773,244
Total Governmental Activities Program Revenue	133,384,085	142,229,971	163,004,886	158,456,488	167,381,186	170,774,482	159,017,621	180,331,394	145,790,440
Business-Type Activities									
Charges for Services									
Sewer	16,527,843	16,464,896	17,330,204	17,547,243	18,988,269	20,980,896	21,299,055	18,346,224	18,181,460
Water	20,166,493	16,500,238	19,243,602	21,836,928	21,956,744	26,065,961	23,456,446	20,204,971	20,765,879
GSC Parking Facility	131,445	176,084	160,594	172,315	169,805	158,869	156,404	146,206	132,052
Capital Grants, Contributions, and Interest	19,328,626	21,624,175	26,867,947	34,706,212	22,321,495	14,010,237	6,585,488	8,295,657	8,540,416
Total Business-Type Activities Program Revenues	56,154,407	54,765,393	63,602,347	74,262,698	63,436,313	61,215,963	51,507,393	46,993,058	47,619,807
Total Primary Government Program Revenues	\$ 189,538,492	\$ 196,995,364	\$ 226,607,233	\$ 232,719,186	\$ 230,817,499	\$ 231,990,445	\$ 210,525,014	\$ 227,324,452	\$ 193,410,247

(Continued)

BUTLER COUNTY, OHIO
 CHANGES IN NET ASSETS OF GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
 LAST NINE YEARS (ACCRUAL BASIS OF ACCOUNTING) (CONTINUED)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Expenses									
Governmental Activities									
General Government									
Legislative and Executive	\$24,241,162	\$31,288,759	\$41,811,607	\$29,973,286	\$31,211,969	\$35,086,479	\$37,260,435	\$27,727,443	\$29,955,984
Judicial	12,735,544	12,834,297	13,961,424	15,310,560	15,952,902	16,766,093	16,978,319	17,732,020	16,189,897
Public Safety	34,599,025	36,659,180	39,076,252	39,391,890	44,885,490	51,218,782	48,709,320	46,897,900	41,154,980
Public Works	15,657,130	17,582,429	20,443,207	22,396,375	20,803,499	24,981,832	25,416,281	24,661,639	25,701,107
Health	47,395,622	46,285,012	47,785,590	47,524,463	56,672,547	54,781,525	62,270,201	58,320,120	62,355,137
Human Services	69,442,215	69,048,201	70,220,434	78,630,914	82,199,251	89,695,591	93,725,373	90,877,303	72,649,003
Conservation and Recreation	520,722	531,971	477,828	517,825	589,151	686,496	587,061	571,952	593,168
Other	-	-	-	-	-	-	-	-	11,660
Intergovernmental	-	-	-	-	-	-	-	4,780,375	4,710,532
Interest and Fiscal Charges	4,905,164	4,795,392	4,445,020	4,546,165	5,351,240	5,459,844	5,822,661	4,866,734	4,884,161
Total Governmental Activities Expense	209,496,584	219,025,241	238,221,362	238,291,478	257,646,049	278,676,642	296,341,941	276,455,486	258,205,829
Business-Type Activities									
Sewer	20,016,850	20,988,143	24,059,068	26,013,574	26,108,534	27,027,272	26,429,926	24,587,715	23,256,101
Water	22,896,846	21,173,268	22,957,096	28,528,100	25,975,558	29,630,418	26,946,953	26,323,570	26,275,587
GSC Parking Garage	83,212	80,760	162,505	167,163	170,220	162,063	82,346	220,725	91,310
Total Business-Type Activities Expense	42,996,908	42,242,171	47,178,669	54,708,837	52,254,312	56,819,753	53,459,225	51,132,010	49,622,998
Total Primary Government Expenses	252,493,492	261,267,412	285,400,031	293,000,315	309,900,361	335,496,395	349,801,166	327,587,496	307,828,827
Net (Expense) / Revenue									
Governmental Activities	(76,112,499)	(76,795,270)	(75,216,476)	(79,834,990)	(90,264,863)	(107,902,160)	(137,324,320)	(96,124,092)	(112,415,389)
Business-Type Activities	13,157,489	12,523,222	16,423,678	19,553,861	11,182,001	4,396,210	(1,951,832)	(4,138,952)	(2,003,191)
Total Primary Government Net (Expense) / Revenue	(62,955,000)	(64,272,048)	(58,792,798)	(60,281,129)	(79,082,862)	(103,505,950)	(139,276,152)	(100,263,044)	(114,418,580)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes Levied for:									
General Purposes	9,571,297	12,810,448	12,419,287	12,956,608	14,737,266	14,620,159	14,191,594	15,079,052	12,790,526
Health - Developmental Disabilities	16,803,125	14,890,749	14,765,474	18,467,802	20,014,999	19,665,938	19,073,043	19,323,359	17,194,685
Human Services - Children Services Agency	7,804,510	8,214,528	12,829,080	13,282,374	14,283,235	14,269,273	13,884,835	14,495,323	13,171,183
Health - Mental Health	1,869,810	1,959,018	1,920,227	1,995,109	2,239,541	9,343,505	9,023,904	8,240,166	8,284,372
Human Services - Elderly Services Levy	7,259,359	7,583,447	7,476,865	7,803,077	13,973,467	13,992,100	13,280,836	8,908,467	8,069,527
Animal Shelter	-	-	-	-	29,997	3,340,811	-	-	-
Sales Tax	16,642,460	17,182,889	18,414,113	22,607,425	40,662,394	41,317,071	33,408,493	31,843,586	30,225,506
Local Taxes	2,110,549	2,278,929	-	-	2,699,651	2,450,378	2,454,986	2,430,185	2,472,087
Payments in Lieu of Taxes (1)	-	-	-	-	93,487	3,620,542	4,438,718	3,981,481	6,129,462
Grants and Entitlements not Restricted to Specific Programs	10,072,833	9,966,355	11,232,408	11,954,539	6,276,571	7,659,749	7,664,080	6,603,883	8,370,821
Investment Earnings	4,726,714	651,296	1,732,089	4,921,808	10,119,758	14,879,642	10,362,722	3,875,844	3,380,084
Gain on Sale of Capital Assets	-	-	-	-	-	281,924	-	-	11,145
Other	819,767	2,771,852	2,412,759	4,847,763	3,277,088	5,238,068	3,707,444	4,278,573	2,679,825
Transfers	(380,965)	119,000	-	31,372	-	-	-	-	-
Total Governmental Activities	\$ 77,299,459	\$ 78,428,511	\$ 83,202,302	\$ 98,667,877	\$ 128,407,454	\$ 150,679,160	\$ 131,490,655	\$ 119,059,919	\$ 112,779,223

(Continued)

**BUTLER COUNTY, OHIO
CHANGES IN NET ASSETS OF GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
LAST NINE YEARS (ACCRUAL BASIS OF ACCOUNTING) (CONTINUED)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Business-Type Activities									
Investment Earnings	\$ 112,115	\$ 77,142	\$ 276,589	\$ 781,251	\$ 635,202	\$ 462,058	\$ 125,300	\$ 468	-
Other	1,678,347	1,286,712	1,448,950	10,003,224	1,135,722	1,123,014	769,887	1,065,297	689,250
Transfers	380,965	(119,000)	-	(31,372)	-	-	-	-	-
Total Business-Type Activities	2,171,427	1,244,854	1,725,539	10,753,103	1,770,924	1,585,072	895,187	1,065,765	689,250
Total Primary Government	79,470,886	79,673,365	84,927,841	109,620,980	130,178,378	152,264,232	132,385,842	120,125,684	118,652,381
Change in Net Assets									
Governmental Activities	1,186,960	1,633,241	7,985,826	19,032,887	38,142,591	42,777,000	(5,833,665)	22,935,827	363,834
Business-Type Activities	15,328,926	13,768,076	18,149,217	30,306,964	12,952,925	5,981,282	(1,056,645)	(3,073,187)	(1,313,941)
Total Primary Government Change in Net Assets	\$ 16,515,886	\$ 15,401,317	\$ 26,135,043	\$ 49,339,851	\$ 51,095,516	\$ 48,758,282	\$ (6,890,310)	\$ 19,862,640	\$ (950,107)

Note 1: In 2008, the County changed the accounting treatment applied to payments in lieu of taxes transactions. The County now views these transactions as exchange transactions.

BUTLER COUNTY, OHIO
 GOVERNMENTAL FUND BALANCES
 LAST TEN YEARS (ACCURAL BASIS OF ACCOUNTING)

	2001	2002	2003	2004	2005	2006	2007	2008	2009 (1)	2010 (1)
General Fund										
Reserved	\$ 4,187,656	\$ 4,195,492	\$ 3,637,460	\$ 4,216,411	\$ 1,912,847	\$ 7,520,543	\$ 8,048,067	\$ 11,396,642	\$ -	\$ -
Unreserved, Designated	-	-	-	-	-	17,729,295	16,953,260	8,409,077	-	-
Unreserved, Undesignated	14,352,808	11,313,356	10,013,728	6,957,053	8,715,587	5,262,983	13,287,018	11,656,994	-	-
Restatements	-	-	-	-	-	-	-	-	-	-
Nonspendable:										
Prepaid Items	-	-	-	-	-	-	-	-	454,547	454,547
Materials and Supplies Inventory	-	-	-	-	-	-	-	-	64,571	64,198
Loans Receivables	-	-	-	-	-	-	-	-	480,243	423,283
Interfund Loans	-	-	-	-	-	-	-	-	369,040	261,400
Long Term:										
Intergovernmental Receivables	-	-	-	-	-	-	-	-	4,265,000	4,075,000
Committed	-	-	-	-	-	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	-	-	2,400,467	729,254
Assigned	-	-	-	-	-	-	-	-	273,326	796,556
Unassigned	-	-	-	-	-	-	-	-	12,889,189	10,831,199
Total General Fund	18,540,464	15,508,848	13,651,188	11,173,464	10,628,434	30,512,821	38,288,345	31,462,713	21,196,383	17,635,437
All Other Governmental Funds										
Reserved	6,797,712	7,512,507	5,870,249	10,462,267	10,488,074	8,520,627	8,496,349	13,340,880	-	-
Unreserved, Undesignated (Deficit) Reported In:										
Special Revenue Funds	37,326,719	26,955,861	28,827,510	38,329,806	49,050,968	60,449,732	75,216,379	66,039,506	-	-
Debt Service Funds	930,745	701,453	7,056,879	9,394,492	9,860,557	10,274,042	10,709,381	1,742,251	-	-
Capital Project Funds	(39,631,918)	(7,405,332)	(12,841,676)	(5,623,226)	(4,329,568)	(5,673,702)	(21,970,837)	(25,582,374)	-	-
Restatements	-	-	-	-	-	-	-	-	-	-
Nonspendable:										
Prepaid Items	-	-	-	-	-	-	-	-	1,463,731	1,463,731
Materials and Supplies Inventory	-	-	-	-	-	-	-	-	674,546	646,318
Loans Receivables	-	-	-	-	-	-	-	-	320,966	320,966
Long-Term:										
Developmental Disabilities Trust	-	-	-	-	-	-	-	-	761,517	761,305
Restricted for:										
Developmental Disabilities	-	-	-	-	-	-	-	-	29,188,851	31,672,581
Job and Family Services/Children Services	-	-	-	-	-	-	-	-	5,687,385	7,436,664
Agency	-	-	-	-	-	-	-	-	14,464,029	15,715,664
Mental Health	-	-	-	-	-	-	-	-	16,199,270	15,733,274
Elderly Services Levy	-	-	-	-	-	-	-	-	7,403,582	7,741,238
Motor Vehicle	-	-	-	-	-	-	-	-	5,704,597	8,669,799
All Other Public Works	-	-	-	-	-	-	-	-	15,449,544	16,469,451
Other Purposes	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Debt Service Payments	-	-	-	-	-	-	-	-	-	3,244
Unassigned	-	-	-	-	-	-	-	-	(27,655,793)	(17,964,933)
Total All Other Governmental Funds	5,423,258	27,764,489	28,912,962	52,563,339	65,070,031	73,570,699	72,451,272	55,540,263	69,642,225	88,669,302
Total Governmental Funds	\$23,963,722	\$43,273,337	\$42,564,150	\$63,736,803	\$75,698,465	\$104,083,520	\$110,739,617	\$87,002,976	\$90,838,608	\$106,304,739

Note 1: The change in fund balance accounts has occurred due to the implementation of GASB 54 for 2010.

BUTLER COUNTY, OHIO
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Property Taxes	\$ 56,984,477	\$ 56,635,633	\$ 47,667,011	\$ 49,452,124	\$ 54,548,053	\$ 63,587,785	\$ 74,811,809	\$ 69,674,972	\$ 66,870,321	\$ 58,738,278
Sales Taxes (2)	-	-	17,071,061	18,226,392	21,013,937	40,557,333	41,256,564	34,238,835	29,479,864	29,655,211
Other Local Taxes (1)	-	-	-	-	-	-	2,450,378	2,454,986	2,430,185	2,472,087
Charges for Services	22,895,309	24,051,238	37,586,693	54,430,214	39,599,181	50,623,535	45,676,573	42,536,158	41,316,620	37,075,325
Licenses and Permits	451,134	356,079	395,704	625,484	576,368	578,800	528,432	741,296	690,948	775,503
Fines and Forfeitures	1,381,193	1,496,642	1,577,450	1,588,923	1,596,855	1,990,868	2,123,869	2,231,081	2,090,293	2,875,370
Intergovernmental	109,774,122	116,397,421	104,819,010	115,938,364	121,141,697	115,942,192	127,289,857	119,929,792	128,666,114	118,933,561
Special Assessments	3,243,508	1,935,767	1,796,964	3,437,822	4,069,049	4,769,460	3,797,896	2,578,575	2,586,571	2,578,775
Payments in Lieu of Taxes	-	-	-	102,604	98,044	93,487	3,371,248	4,063,662	3,981,481	5,952,578
Investment Earnings	8,050,600	4,909,336	2,320,112	2,042,232	4,753,193	9,875,014	14,863,587	10,371,186	4,190,583	3,485,998
Contributions and Donations	-	-	-	-	57,442	-	-	-	-	-
Other	3,319,072	3,347,703	2,476,504	2,152,051	4,733,899	3,324,541	5,238,068	4,312,857	4,343,465	2,747,025
Total Revenues	206,109,415	209,129,819	215,710,509	247,986,210	252,187,718	291,343,015	321,408,281	293,133,400	286,646,445	285,289,711
Expenditures										
Current:										
General Government:										
Legislative and Executive	22,320,463	22,416,059	27,389,325	39,470,890	32,422,732	28,864,871	33,006,531	34,806,814	25,460,279	27,443,929
Judicial	10,774,926	11,973,877	12,417,152	13,600,268	14,903,814	15,614,805	16,293,690	16,701,077	17,584,347	15,714,806
Public Safety	28,030,833	32,038,169	33,995,976	36,712,267	37,831,821	48,197,839	60,514,200	56,351,505	50,753,912	40,499,329
Public Works	22,342,883	17,495,693	16,723,691	21,793,001	24,075,562	22,258,619	30,092,525	26,885,234	25,174,244	26,508,452
Health	43,063,262	47,016,101	47,016,129	47,080,225	46,791,219	55,828,433	54,243,058	61,761,021	57,606,967	61,607,948
Human Services	74,701,273	70,167,063	68,945,768	69,795,718	78,182,733	82,122,458	89,324,671	93,732,570	91,078,866	72,220,003
Conservation and Recreation	487,768	520,722	531,971	477,828	517,825	589,151	686,496	587,061	571,952	593,168
Other	743,474	-	-	-	-	-	-	-	-	11,860
Capital Outlay	33,491,306	17,202,016	2,864,741	902,028	702,757	748,995	4,254,031	10,115,027	2,388,023	4,710,532
Intergovernmental	-	-	-	-	-	-	-	5,572,290	4,780,375	-
Debt Service:										
Principal Retirement	2,431,193	12,196,730	14,895,447	18,282,294	19,421,622	21,760,855	5,943,125	6,770,900	7,410,684	7,673,850
Interest and Fiscal Charges	4,404,660	-	4,892,067	4,801,820	4,463,136	5,735,766	5,454,896	5,730,483	4,996,253	4,560,525
Issuance Costs	-	-	-	156,127	555,185	245,108	210,797	60,948	65,618	292,023
Current Refunding	-	-	-	-	-	-	-	-	-	192,750
Total Expenditures	242,792,041	231,026,430	229,672,267	253,072,466	259,868,406	281,986,900	300,024,020	319,074,930	287,871,520	262,029,175
Excess of Revenues Over (Under) Expenditures	\$ (36,382,626)	\$ (21,896,611)	\$ (13,961,758)	\$ (5,076,256)	\$ (7,680,688)	\$ 9,376,115	\$ 21,384,261	\$ (25,941,530)	\$ (1,225,075)	\$ 3,260,536

(Continued)

**BUTLER COUNTY, OHIO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING) (CONTINUED)**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)										
General Obligation Bonds Issued	\$ 3,045,000	\$ 32,620,000	\$ -	\$ 10,350,000	\$ -	\$ 17,500,000	\$ -	\$ -	\$ 1,935,000	\$ 11,410,000
Premium on Debt Issued	-	2,163,461	192,695	470,259	2,042,726	578,718	960,332	83,744	30,433	682,746
Discount on Debt Issued	-	-	-	-	-	-	-	-	-	(49,894)
Proceeds from Sale of Capital Assets	672,237	-	-	-	-	-	118,942	-	-	19,064
Noted Issued	-	11,465,000	14,485,000	15,470,000	17,105,000	-	-	-	-	-
Refunding Bonds Issued	-	-	-	8,905,000	29,365,000	-	17,095,000	-	-	7,200,000
Special Assessment Bonds Issued	-	-	-	-	1,144,000	-	-	3,315,000	-	-
Proceeds of Loans	-	-	-	768,868	-	-	374,761	-	773,396	651,103
Accrued Interest Received on Debt Issued	-	-	-	11,851	-	-	-	-	-	-
Payment to Refund Bond Escrow Agent	-	4,776,101	-	(8,841,258)	32,908,080	-	(17,836,926)	-	-	-
Current Refunding	-	-	-	-	-	-	-	-	-	(7,707,424)
Inception of Capital Lease	-	87,215	72,200	-	2,862,332	83,878	1,532,939	1,218,866	1,476,982	-
Transfers - In	7,764,627	6,322,346	6,242,489	6,100,441	7,071,258	7,928,785	2,803,627	3,089,344	3,211,274	11,362,283
Transfers - Out	(8,098,273)	(6,703,311)	(6,123,489)	(6,100,441)	(7,039,886)	(7,928,785)	(2,803,627)	(3,089,344)	(3,211,274)	(11,362,283)
Total Other Financing Sources	3,383,591	50,730,812	14,868,895	27,134,720	85,458,510	18,162,596	2,245,048	4,617,610	4,215,811	12,205,595
Prior Year Restatement of Fund Balance	13,662,964	27,616	(1,616,324)	(1,185,811)	-	-	(16,973,312)	(2,412,721)	844,896	-
Net Change in Fund Balances	\$(19,636,071)	\$ 28,861,817	\$ (709,187)	\$ 20,872,653	\$ 77,777,822	\$ 27,538,711	\$ 6,655,997	\$(23,736,641)	\$ 3,835,632	\$ 15,466,131
Debt Service as a Percentage of Noncapital Expenditures	2.82%	5.78%	8.79%	9.24%	9.53%	10.10%	4.12%	4.22%	4.49%	4.84%

Note 1: Prior to 2007 Other Local Taxes were included as part of Property Taxes Revenue.
 Note 2: One half of one percent Sales Tax was imposed in 2006. In January 2008 one quarter of one percent of the Sales Tax was removed.

**BUTLER COUNTY, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS**

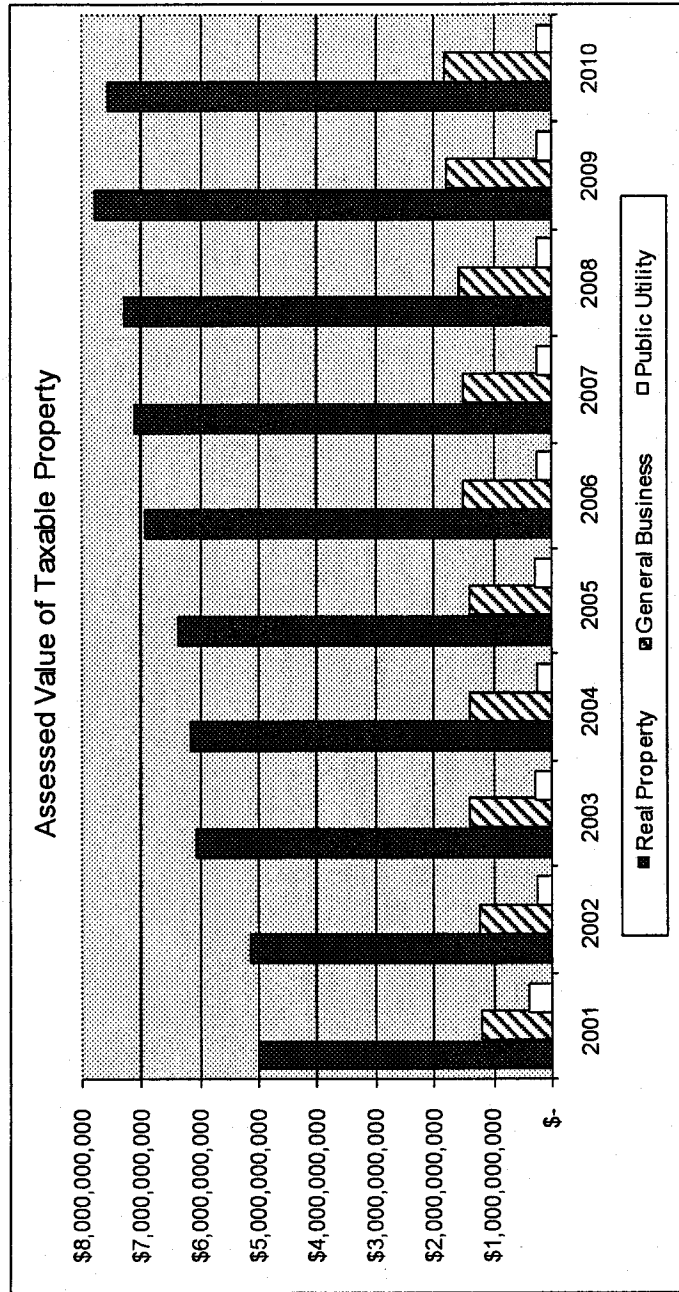
Collection Year	Real Property			Tangible Personal Property						Total	Weighted Average Tax Rate
	Assessed Value		Estimated Actual Value	General Business		Public Utility		Assessed Value	Estimated Actual Value		
	Residential/Agricultural	Commercial/Industrial/PU		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2001	\$ 3,783,180,290	\$ 1,206,848,680	\$14,257,225,629	\$ 722,909,820	\$2,891,639,280	\$ 360,025,500	\$ 409,119,886	\$6,072,964,290	\$17,557,984,795	34.59%	\$ 7.05
2002	3,922,893,560	1,221,719,660	14,698,894,914	766,473,543	3,193,639,763	237,777,970	270,202,239	6,148,864,733	18,162,736,915	33.85%	7.44
2003	4,638,038,390	1,405,199,000	17,266,392,543	724,768,577	3,151,167,726	258,533,610	293,788,193	7,026,539,577	20,711,348,462	33.93%	5.65
2004	4,762,263,590	1,413,231,970	17,644,273,029	739,614,001	3,215,713,048	246,408,050	280,009,148	7,161,517,611	21,139,995,224	33.88%	7.32
2005	4,942,502,150	1,420,219,660	18,179,205,171	744,780,872	3,238,177,704	251,886,670	286,234,852	7,359,389,352	21,703,617,728	33.91%	6.98
2006	5,425,220,650	1,510,667,250	19,816,822,571	756,743,427	4,035,964,944	244,863,700	278,254,205	7,937,495,027	24,131,041,720	32.89%	8.65
2007	5,593,932,480	1,530,799,300	20,356,376,514	604,188,591	4,833,508,728	236,656,000	268,927,272	7,965,576,371	25,458,812,514	31.29%	10.11
2008	5,686,682,890	1,583,855,220	20,772,966,029	463,957,189	742,331,502	221,175,070	251,335,307	7,955,670,369	21,766,632,838	36.55%	9.57
2009	5,993,230,710	1,803,864,330	22,277,414,400	15,192,330	151,923,300	224,151,810	254,717,966	8,036,439,180	22,684,055,666	35.43%	8.64
2010	5,719,180,580	1,844,459,770	21,610,401,000	8,135,430	162,708,600	229,648,530	260,964,239	7,801,424,310	22,034,073,839	35.41%	8.93

Real property is reappraised every six years with a state mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for machinery and equipment and 23 percent for inventories. The general business tangible personal property tax has been phased out beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and zero for 2009. Effective for 2009, telecommunications is the only remaining type of personal property tax. This will be phased out by 2011. The percentages for telecommunications are 10% for 2009, 5% for 2010, and 0% for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, and 2 1/2% and homestead exemptions before being billed.

Source: Butler County Auditor



BUTLER COUNTY, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Unvoted Millage										
Operating	\$1.92000	\$1.92000	\$1.92000	\$1.92000	\$1.92000	\$1.92000	\$1.92000	\$1.92000	\$1.92000	\$1.92000
Miami Conservancy	0.03000	0.03000	0.03000	0.02000	0.02000	0.02000	0.03000	0.03000	0.03000	0.02500
Voted Millage - By Levy										
1976 Developmental Disabilities										
Residential/Agricultural Real	0.15359	0.15242	0.13203	0.13161	-	-	-	-	-	-
Commercial/Industrial and Public Utility Real	0.22908	0.22919	0.21211	0.21719	-	-	-	-	-	-
General Business and Public Utility Personal	0.50000	0.50000	0.50000	0.50000	-	-	-	-	-	-
1984 Developmental Disabilities										
Residential/Agricultural Real	0.25950	0.25754	0.22308	0.22237	-	-	-	-	-	-
Commercial/Industrial and Public Utility Real	0.31146	0.31158	0.28836	0.29527	-	-	-	-	-	-
General Business and Public Utility Personal	0.50000	0.50000	0.50000	0.50000	-	-	-	-	-	-
1986 Developmental Disabilities										
Residential/Agricultural Real	-	-	-	-	-	-	-	-	-	-
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	-	-	-	-
General Business and Public Utility Personal	-	-	-	-	-	-	-	-	-	-
2000 Developmental Disabilities										
Residential/Agricultural Real	1.97639	1.96143	1.69901	1.69357	1.68058	1.57403	1.56238	1.55796	1.49110	1.57161
Commercial/Industrial and Public Utility Real	2.00000	2.00000	1.85098	1.89535	1.89852	1.86687	1.88957	1.87952	1.69023	1.77141
General Business and Public Utility Personal	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
2004 Developmental Disabilities										
Residential/Agricultural Real	-	-	-	-	0.99233	0.92941	0.92253	0.91993	0.88045	0.92798
Commercial/Industrial and Public Utility Real	-	-	-	-	1.00000	0.98333	0.99529	0.98999	0.89029	0.93305
General Business and Public Utility Personal	-	-	-	-	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
1985 Mental Health Board										
Residential/Agricultural Real	0.28480	0.28265	0.24483	0.24405	0.24218	0.22682	0.22514	0.22451	0.21487	0.22648
Commercial/Industrial and Public Utility Real	0.32001	0.32013	0.29628	0.30338	0.30389	0.29882	0.30246	0.30085	0.27055	0.28354
General Business and Public Utility Personal	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000
2006 Mental Health Board										
Residential/Agricultural Real	-	-	-	-	-	-	0.99260	0.98979	0.94731	0.98846
Commercial/Industrial and Public Utility Real	-	-	-	-	-	-	1.00000	0.99468	0.89450	0.93747
General Business and Public Utility Personal	-	-	-	-	-	-	1.00000	1.00000	1.00000	1.00000

(Continued)

BUTLER COUNTY, OHIO
 PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS (CONTINUED)

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Voted Millage – By Levy										
2006 Animal Shelter							\$0.49630			
Residential/Agricultural Real							0.50000			
Commercial/Industrial and Public Utility Real							0.50000			
General Business and Public Utility Personal										
1989 Children's Services Agency										
Residential/Agricultural Real	1.20165	1.19256	1.03301							
Commercial/Industrial and Public Utility Real	1.39422	1.39475	1.29083							
General Business and Public Utility Personal	2.00000	2.00000	2.00000							
2008 Children's Services Agency										
Residential/Agricultural Real				1.99360	1.97830	1.85287	1.83916	1.83396	1.91058	2.00000
Commercial/Industrial and Public Utility Real				2.00000	2.00000	1.96666	1.99058	1.97999	1.80000	1.88496
General Business and Public Utility Personal				2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
1996 Senior Citizens										
Residential/Agricultural Real	0.80277									
Commercial/Industrial and Public Utility Real	0.91329									
General Business and Public Utility Personal	1.00000									
2001 Senior Citizens										
Residential/Agricultural Real		1.29016	1.11755	1.11397	1.10543					
Commercial/Industrial and Public Utility Real		1.30000	1.20314	1.23198	1.23404					
General Business and Public Utility Personal		1.30000	1.30000	1.30000	1.30000					
2005 Senior Citizens										
Residential/Agricultural Real						1.87320	1.805933	1.85407	1.15343	1.21571
Commercial/Industrial and Public Utility Real						1.96666	1.99058	1.97999	1.15738	1.21297
General Business and Public Utility Personal						2.00000	2.00000	2.00000	1.30000	1.30000
Total Voted Millage By Type of Property										
Residential/Agricultural Real	4.67870	5.13676	4.44951	5.39917	5.98882	6.45633	7.89744	7.38022	6.60133	6.94024
Commercial/Industrial and Public Utility Real	5.16806	5.55565	5.14170	5.94317	6.43645	7.08234	8.66848	8.12502	6.70152	7.02340
General Business and Public Utility Personal	6.50000	6.80000	6.80000	6.80000	6.80000	7.50000	9.00000	8.50000	7.80000	7.80000
Total Millage By Type of Property										
Residential/Agricultural Real	6.62870	7.08676	6.38951	7.33917	7.93882	8.39633	9.84744	9.33021	8.55133	8.88524
Commercial/Industrial and Public Utility Real	7.11806	7.50565	7.08170	7.88317	8.37645	9.02234	10.61848	10.07501	8.65152	8.96840
General Business and Public Utility Personal	8.45000	8.75000	8.75000	8.75000	8.74000	9.44000	10.95000	10.45000	9.75000	9.74500

(Continued)

BUTLER COUNTY, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS (CONTINUED)

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Rates by Taxing District										
Cities:										
Fairfield	\$5.90933	\$5.90272	\$5.35541	\$5.35741	\$5.34934	\$5.02221	\$5.01206	\$5.00579	\$4.88384	\$5.10315
Residential/Agricultural Real	5.94000	5.94000	5.46168	5.52777	5.58406	5.37459	5.42924	5.42234	4.99351	5.22728
Commercial/Industrial and Public Utility Real	5.94000	5.94000	5.94000	5.94000	5.94000	5.94000	5.94000	5.94000	5.94000	5.94000
General Business and Public Utility Personal										
Hamilton	5.12000	5.12000	6.79564	6.79902	6.83473	6.69492	6.68917	6.68839	6.65431	6.73992
Residential/Agricultural Real	5.12000	5.12000	7.01672	7.06603	7.14589	7.09028	7.11923	7.14143	6.94467	7.03847
Commercial/Industrial and Public Utility Real	5.12000	5.12000	7.12000	7.12000	7.16000	7.16000	7.16000	7.16000	7.16000	7.16000
General Business and Public Utility Personal										
Middletown	5.86000	5.86000	5.86000	5.88000	5.90000	5.90000	5.90000	5.90000	5.90000	5.90000
Residential/Agricultural Real	5.86000	5.86000	5.86000	5.88000	5.90000	5.90000	5.90000	5.90000	5.90000	5.90000
Commercial/Industrial and Public Utility Real	5.86000	5.86000	5.86000	5.88000	5.90000	5.90000	5.90000	5.90000	5.90000	5.90000
General Business and Public Utility Personal										
Monroe	6.60934	6.46646	5.78934	7.06429	6.98737	7.01895	6.18114	6.14354	5.92247	4.90975
Residential/Agricultural Real	8.31289	8.39148	8.21447	10.01255	10.00393	10.03001	8.51989	8.55240	8.07130	6.98461
Commercial/Industrial and Public Utility Real	9.85000	9.85000	9.85000	11.17000	11.17000	11.17000	9.32000	9.32000	9.32000	8.00000
General Business and Public Utility Personal										
Oxford	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
Residential/Agricultural Real	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
Commercial/Industrial and Public Utility Real	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000	3.65000
General Business and Public Utility Personal										
Trenton	4.55989	4.54447	4.40188	4.39271	3.24000	3.24000	3.24000	3.24000	3.24000	3.24000
Residential/Agricultural Real	4.58285	4.56804	4.43234	4.43413	3.24000	3.24000	3.24000	3.24000	3.24000	3.24000
Commercial/Industrial and Public Utility Real	4.74000	4.74000	4.74000	4.74000	3.24000	3.24000	3.24000	3.24000	3.24000	3.24000
General Business and Public Utility Personal										
Villages:										
College Corner	6.15572	6.15572	5.50066	5.50066	5.50095	5.49357	5.49293	5.49270	4.81757	4.97226
Residential/Agricultural Real	7.60372	7.60372	6.84204	6.84204	6.84204	6.84204	6.38367	6.38367	6.25419	6.25419
Commercial/Industrial and Public Utility Real	14.40000	14.40000	14.40000	14.40000	14.40000	14.40000	14.40000	14.40000	14.40000	14.40000
General Business and Public Utility Personal										

(Continued)

BUTLER COUNTY, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS (CONTINUED)

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Villages:										
Jacksonburg										
Residential/Agricultural Real	\$2.00000	\$2.00000	\$2.00000	\$2.00000	\$2.00000	\$2.00000	\$2.00000	\$2.00000	\$2.00000	\$2.00000
Commercial/Industrial and Public Utility Real	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
General Business and Public Utility Personal	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
Millville										
Residential/Agricultural Real	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000
Commercial/Industrial and Public Utility Real	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000
General Business and Public Utility Personal	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000	2.30000
New Miami										
Residential/Agricultural Real	3.69032	7.99488	7.29526	7.30259	7.30259	7.05463	7.05747	3.30000	3.13703	6.73390
Commercial/Industrial and Public Utility Real	4.10089	8.20041	7.51588	7.51591	7.51591	7.17360	7.05550	3.30000	3.19329	6.79778
General Business and Public Utility Personal	4.30000	8.30000	8.30000	8.30000	8.30000	8.30000	8.30000	3.30000	3.30000	8.30000
Sevenmile										
Residential/Agricultural Real	6.26028	5.66027	5.25700	5.15851	5.15752	7.05464	3.70529	3.70663	3.61539	2.73000
Commercial/Industrial and Public Utility Real	7.00442	6.40442	6.18269	6.08269	6.08269	7.17936	4.70994	4.70994	4.56931	2.73000
General Business and Public Utility Personal	7.62000	7.02000	6.82000	6.72000	6.72000	6.72000	5.42000	5.42000	5.42000	2.73000
Somerville										
Residential/Agricultural Real	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000
Commercial/Industrial and Public Utility Real	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000
General Business and Public Utility Personal	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000	3.09000
Townships:										
Fairfield										
Residential/Agricultural Real	6.97612	6.84975	6.00824	5.96827	5.93866	5.69314	5.63499	5.62097	5.40070	5.61307
Commercial/Industrial and Public Utility Real	7.17721	7.19000	6.16790	6.38986	5.16953	5.75430	6.07546	5.33824	5.56685	5.81457
General Business and Public Utility Personal	7.19000	7.19000	7.19000	7.19000	7.19000	7.19000	7.19000	7.19000	7.19000	7.19000
Fairfield Fire District										
Residential/Agricultural Real	11.79268	11.55814	10.00553	9.93105	9.87616	9.42364	9.31581	9.28982	8.88402	-
Commercial/Industrial and Public Utility Real	12.16542	12.19000	10.25863	10.68224	8.37058	9.47644	10.08158	8.69678	9.13069	-
General Business and Public Utility Personal	12.19000	12.19000	12.19000	12.19000	12.19000	12.19000	12.19000	12.19000	12.19000	-

(Continued)

BUTLER COUNTY, OHIO
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
LAST TEN YEARS (CONTINUED)

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Hanover										
Residential/Agricultural Real	\$2.72000	\$2.72000	\$2.72000	\$2.72000	\$2.72000	\$2.72000	\$4.46341	\$4.45784	\$4.39446	\$4.47000
Commercial/Industrial and Public Utility Real	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	4.45866	4.45954	4.36449	4.46308
General Business and Public Utility Personal	2.72000	2.72000	2.72000	2.72000	2.72000	2.72000	4.47000	4.47000	4.47000	4.47000
Liberty										
Residential/Agricultural Real	9.65225	9.44701	8.60930	8.46939	8.29812	8.08019	9.07286	9.03736	8.88326	10.01371
Commercial/Industrial and Public Utility Real	9.36170	9.05024	8.81452	8.80417	8.51552	8.74424	9.76515	9.52754	8.76776	8.93333
General Business and Public Utility Personal	10.59000	10.59000	10.59000	10.59000	10.59000	10.59000	11.09000	11.09000	11.09000	11.09000
Madison										
Residential/Agricultural Real	1.74579	1.74402	1.67161	1.67146	1.67062	1.62584	1.62661	1.62659	1.62159	1.64277
Commercial/Industrial and Public Utility Real	1.88711	1.88711	1.83876	1.84668	1.86908	1.84953	1.85232	1.84836	1.80898	1.80946
General Business and Public Utility Personal	2.26000	2.26000	2.26000	2.26000	2.26000	2.26000	2.26000	2.26000	2.26000	2.26000
Milford										
Residential/Agricultural Real	4.65391	4.64783	4.48500	4.49477	4.49446	4.32320	6.32517	6.31050	5.94721	6.08978
Commercial/Industrial and Public Utility Real	5.15822	5.10450	4.99677	4.99677	4.99677	4.92652	6.88788	6.85731	6.33694	6.33895
General Business and Public Utility Personal	5.74000	5.74000	5.74000	5.74000	5.74000	5.74000	7.74000	7.74000	7.74000	7.74000
Morgan										
Residential/Agricultural Real	5.40332	5.54938	5.21615	5.46729	5.45731	5.12685	5.58897	5.58489	6.06667	6.18376
Commercial/Industrial and Public Utility Real	5.80073	5.61132	5.02325	5.29820	5.29820	5.23022	5.68425	5.68425	5.97498	6.12488
General Business and Public Utility Personal	6.22000	5.72000	5.72000	5.72000	5.72000	5.72000	5.72000	5.72000	6.22000	6.22000
Oxford										
Residential/Agricultural Real	5.61958	5.60183	5.20114	6.95904	6.95211	6.17824	6.17241	6.14816	5.76191	6.01653
Commercial/Industrial and Public Utility Real	6.51188	6.51188	6.48900	8.23900	8.23900	7.64170	6.48060	6.21665	3.55646	3.55646
General Business and Public Utility Personal	7.84000	7.84000	7.84000	9.59000	9.59000	9.59000	9.59000	9.59000	9.59000	9.59000
Reily										
Residential/Agricultural Real	7.24589	6.75579	6.44892	7.39000	7.36915	7.05233	7.04501	7.04264	7.01267	7.20284
Commercial/Industrial and Public Utility Real	7.24589	7.23638	6.79602	7.39000	7.39000	7.32789	7.32789	7.32789	7.35174	7.29159
General Business and Public Utility Personal	7.39000	7.39000	7.39000	7.39000	7.39000	7.39000	7.39000	7.39000	7.39000	7.39000
Ross										
Residential/Agricultural Real	4.89024	6.43050	6.10720	6.07934	6.33714	6.00272	6.57842	6.56746	6.16523	6.31623
Commercial/Industrial and Public Utility Real	5.06233	6.50392	6.18917	6.21257	6.47485	6.22600	6.65257	6.64420	6.02052	6.12369
General Business and Public Utility Personal	5.72000	6.72000	6.72000	6.72000	6.72000	6.72000	6.72000	6.72000	6.72000	6.72000

(Continued)

BUTLER COUNTY, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS (CONTINUED)

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
St. Clair										
Residential/Agricultural Real	\$3.82496	\$3.82343	\$3.69544	\$4.14391	\$4.46851	\$4.44145	\$4.44598	\$4.44510	\$4.15820	\$4.24908
Commercial/Industrial and Public Utility Real	3.84590	3.84593	3.86077	4.23634	4.46689	4.45291	4.44457	4.44905	4.41949	4.47000
General Business and Public Utility Personal	4.47000	4.47000	4.47000	4.47000	4.47000	4.47000	4.47000	4.47000	4.47000	4.47000
Wayne										
Residential/Agricultural Real	3.57639	3.56717	3.46418	3.46469	4.76164	4.60155	4.59691	3.45644	3.36854	4.72923
Commercial/Industrial and Public Utility Real	3.58000	3.58000	3.48059	3.47766	4.77766	4.81274	4.81274	3.55055	3.46020	4.77020
General Business and Public Utility Personal	3.58000	3.58000	3.58000	3.58000	4.88000	4.88000	4.88000	3.58000	3.58000	4.89000
West Chester										
Residential/Agricultural Real	9.68700	12.39019	11.29850	11.28300	11.20549	10.86922	13.29864	13.24677	12.60274	13.02813
Commercial/Industrial and Public Utility Real	9.44359	12.44096	12.01912	12.24324	12.03437	12.22604	14.42940	14.24576	12.69629	13.16575
General Business and Public Utility Personal	10.59000	13.09000	13.09000	13.09000	13.09000	13.09000	14.59000	14.59000	14.59000	14.59000
Joint Vocational Schools:										
Butler County JVS										
Residential/Agricultural Real	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000
Commercial/Industrial and Public Utility Real	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000
General Business and Public Utility Personal	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000	1.93000
Great Oaks JVS										
Residential/Agricultural Real	2.34421	2.33712	2.13885	2.11538	2.10883	2.00000	2.00000	2.00000	2.00000	2.01569
Commercial/Industrial and Public Utility Real	2.46880	2.48728	2.34505	2.36535	2.37664	2.23693	2.21936	2.21081	2.11384	2.13807
General Business and Public Utility Personal	2.70000	2.70000	2.70000	2.70000	2.70000	2.70000	2.70000	2.70000	2.70000	2.70000
Miami Valley Tech JVS										
Residential/Agricultural Real	2.00000	2.00000	2.30689	2.29585	2.27539	2.10844	2.09832	2.06607	2.03968	2.05330
Commercial/Industrial and Public Utility Real	2.75376	2.25602	2.33263	2.33654	2.34874	2.25405	2.25950	2.23915	2.16514	2.19069
General Business and Public Utility Personal	2.58000	2.58000	2.58000	2.58000	2.58000	2.58000	2.58000	2.58000	2.58000	2.58000
School Districts:										
Edgewood City										
Residential/Agricultural Real	26.25001	32.73708	30.27635	30.21236	30.03971	35.28072	35.28001	35.13001	32.63002	36.80297
Commercial/Industrial and Public Utility Real	27.16008	33.74129	33.40668	33.39966	33.38948	39.83427	39.80744	39.71201	36.10198	40.73118
General Business and Public Utility Personal	37.11000	43.76000	43.76000	43.76000	43.76000	50.64000	50.64000	50.49000	47.99000	50.99000

(Continued)

BUTLER COUNTY, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
 LAST TEN YEARS (CONTINUED)

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Fairfield City										
Residential/Agricultural Real	\$30.24206	\$29.95467	\$27.05724	\$28.48467	\$33.23818	\$31.55048	\$31.40127	\$31.35133	\$28.71432	\$29.74027
Commercial/Industrial and Public Utility Real	33.09322	33.05070	30.28542	31.98280	36.81783	35.69384	36.14147	35.82337	31.66628	32.97213
General Business and Public Utility Personal	54.23000	54.11000	53.82000	53.82000	58.66000	58.60000	58.60000	58.60000	56.59000	56.52000
Hamilton City										
Residential/Agricultural Real	27.65690	27.64353	27.20002	27.43744	27.40002	27.20001	32.60793	32.60755	32.48656	33.68108
Commercial/Industrial and Public Utility Real	34.19538	34.23823	32.65664	33.39285	33.92930	32.96734	38.67935	38.96479	36.44834	37.69044
General Business and Public Utility Personal	48.21000	48.21000	48.01000	48.21000	48.21000	48.01000	53.42000	53.42000	53.31000	53.42000
Lakota Local										
Residential/Agricultural Real	39.04158	38.71042	34.20658	33.23384	32.92870	37.61133	37.01254	36.84575	35.75720	36.68346
Commercial/Industrial and Public Utility Real	39.31170	39.14837	36.61006	36.30944	35.71049	41.81848	41.90688	41.33991	37.50991	38.45546
General Business and Public Utility Personal	61.88000	61.88000	60.84000	60.04000	60.04000	65.64000	65.39000	65.39000	65.34000	65.34000
Madison Local										
Residential/Agricultural Real	29.75001	30.00001	29.30000	29.15001	29.10001	36.50002	36.53748	36.04396	36.35000	37.85621
Commercial/Industrial and Public Utility Real	29.95264	30.20276	29.30001	29.47105	30.35233	37.17764	37.29135	36.64454	36.35002	36.86884
General Business and Public Utility Personal	36.29000	36.54000	32.14000	31.99000	31.94000	39.34000	39.34000	38.85000	39.19000	39.69000
Middletown City										
Residential/Agricultural Real	31.79000	31.59000	30.39000	34.89872	34.89382	41.94000	41.94000	42.57694	42.86128	45.66967
Commercial/Industrial and Public Utility Real	31.79000	31.62466	30.39000	35.33044	35.83617	45.52261	42.20179	43.00444	42.56000	44.52219
General Business and Public Utility Personal	34.98000	34.78000	33.58000	38.08000	38.08000	45.13000	45.13000	45.75000	45.75000	47.00000
Monroe Local										
Residential/Agricultural Real	31.79000	39.93001	-	37.25001	36.62001	36.89001	41.44001	40.85001	40.10001	38.93416
Commercial/Industrial and Public Utility Real	31.79000	40.32449	-	38.32615	37.67802	38.01213	42.29059	41.78003	40.10001	38.20694
General Business and Public Utility Personal	34.98000	43.36000	-	40.68000	40.05000	40.32000	44.87000	44.28000	43.53000	41.03800
New Miami Local										
Residential/Agricultural Real	24.30001	24.32961	24.25575	24.29220	24.29522	24.24156	24.24109	24.24099	24.17408	25.31624
Commercial/Industrial and Public Utility Real	24.30001	24.33136	24.30528	24.30531	24.30231	24.28661	24.27754	24.27645	24.22739	24.51756
General Business and Public Utility Personal	29.39000	29.42000	29.42000	29.42000	29.42000	29.42000	29.42000	29.42000	29.42000	29.57000
Ross Local										
Residential/Agricultural Real	24.62602	24.56734	28.94295	28.87405	28.64743	26.71995	26.70002	26.50001	26.18002	25.65024
Commercial/Industrial and Public Utility Real	27.19716	27.25679	31.11014	31.17261	31.12516	29.84849	29.87494	29.64872	26.88242	26.18120
General Business and Public Utility Personal	45.73000	45.73000	51.98000	51.98000	51.98000	51.73000	51.73000	51.53000	51.21000	50.03000

(Continued)

**BUTLER COUNTY, OHIO
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 ASSESSED VALUE)
LAST TEN YEARS (CONTINUED)**

Collection Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Talawanda City										
Residential/Agricultural Real	\$26.40272	\$26.31517	\$24.24443	\$25.45427	\$25.37183	\$23.17002	\$23.17003	\$23.15003	\$27.82003	\$28.75416
Commercial/Industrial and Public Utility Real	27.98817	27.93829	25.21530	26.77622	26.86896	25.52164	25.63820	25.65672	28.00281	29.55123
General Business and Public Utility Personal	50.30000	50.30000	50.30000	51.49000	51.49000	51.47000	51.47000	51.45000	56.12000	56.17000
Out of County School Districts:										
College Corner Local										
Residential/Agricultural Real	24.71343	24.71943	24.30488	24.32231	24.33114	24.37675	24.38430	24.38386	23.69949	24.16101
Commercial/Industrial and Public Utility Real	25.77504	25.77504	25.13507	25.23619	25.23619	24.76491	24.76491	24.76491	24.66271	24.66271
General Business and Public Utility Personal	32.10000	32.10000	32.10000	32.10000	32.10000	32.10000	32.10000	32.10000	32.10000	32.10000
Mason Local										
Residential/Agricultural Real	31.48572	37.73514	38.76762	37.95676	37.59062	43.74732	41.00141	42.49164	42.41954	45.48918
Commercial/Industrial and Public Utility Real	34.11770	40.64756	41.79058	42.85488	42.08389	48.17900	43.76230	45.15885	44.95252	43.98098
General Business and Public Utility Personal	64.57000	71.11000	72.61000	74.11000	74.11000	80.65000	81.76000	83.45000	83.45000	83.45000
Northwest Local										
Residential/Agricultural Real	28.51493	28.54339	26.89285	26.84669	26.80263	23.96740	23.82354	27.68432	28.15861	28.19097
Commercial/Industrial and Public Utility Real	31.57760	32.31974	30.13759	30.41112	30.75530	28.33662	27.98930	31.56802	31.64859	32.08444
General Business and Public Utility Personal	49.80000	49.80000	49.64000	49.64000	49.64000	49.64000	49.50000	53.39000	53.56000	53.57000
Preble Shawnee Local										
Residential/Agricultural Real	25.49000	25.48901	25.44130	22.99000	23.44086	23.39818	23.39919	23.39904	23.37431	23.37488
Commercial/Industrial and Public Utility Real	25.49000	25.48591	25.47680	22.99000	23.48172	23.44091	23.44219	23.44219	23.43216	23.43209
General Business and Public Utility Personal	25.49000	25.49000	25.49000	23.49000	23.49000	23.49000	23.49000	23.49000	23.49000	23.49000
Princeton Local										
Residential/Agricultural Real	24.67755	24.69631	22.93628	25.99338	25.97780	23.48106	23.42362	23.42867	23.53443	23.66486
Commercial/Industrial and Public Utility Real	29.32211	29.53832	28.03975	31.51204	31.90181	30.13473	30.37081	29.92956	29.12372	29.74537
General Business and Public Utility Personal	46.19000	46.19000	45.79000	49.03000	49.03000	49.03000	49.03000	49.03000	48.99000	48.99000
Southwest Local										
Residential/Agricultural Real	25.84902	25.74574	25.31913	25.12157	24.94505	24.46831	23.62001	23.62003	23.46001	23.35003
Commercial/Industrial and Public Utility Real	31.11609	31.04264	29.47580	29.22645	28.99390	27.08158	26.13142	26.08015	25.00721	24.91757
General Business and Public Utility Personal	47.88000	47.75000	47.44000	47.25000	47.08000	46.68000	45.30000	45.30000	45.14000	44.98000

Note: The rates presented for a particular calendar year are the rates that will generate the property tax revenue billed in that year when applied to the assessed values presented in the Assessed Value Table. Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal. Rates may only be raised by obtaining the approval of a majority of the voters at a public election.
Source: Butler County Auditor

BUTLER COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN YEARS

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2001	\$ 36,710,203	\$ 35,296,717	96.15 %	\$ 924,003	\$ 36,220,720	98.67 %
2002	39,050,967	37,431,914	95.85	1,166,797	38,598,711	98.84
2003	41,908,616	40,079,541	95.64	1,288,439	41,367,980	98.71
2004	48,245,395	46,139,554	95.64	1,642,553	47,782,107	99.04
2005	53,335,484	51,293,478	96.17	1,741,707	53,035,185	99.44
2006	61,493,150	58,964,700	95.89	2,096,044	61,060,744	99.30
2007	80,547,889	74,545,921	92.55	2,937,556	77,483,477	96.20
2008	76,057,818	69,182,604	90.96	3,554,162	72,736,766	95.63
2009	69,043,097	64,983,254	94.12	2,629,019	67,612,273	97.93
2010	69,597,356	65,714,900	94.42	1,640,881	67,355,781	96.78

Note 1: Includes Homestead and Rollback taxes assessed locally, but distributed through the State of Ohio and reported as Intergovernmental revenue.

Note 2: The County does not identify delinquent property tax collections by year.

Source: Butler County Auditor

BUTLER COUNTY, OHIO
 PRINCIPAL TAXPAYERS – REAL ESTATE TAX
 2010 AND 2002 (1)

2010			2002		
Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value	Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value
West Chester Medical Center LLC	\$ 31,054,470	0.41%	Dugan Financing LLC	\$ 44,197,930	0.86%
Duke Realty LLC	21,222,580	0.28	Cincinnati Financial Insurance	29,611,470	0.58
MillerCoors LLC	16,687,310	0.22	MillerCoors LLC	25,539,850	0.50
AK Steel Corporation	13,722,860	0.18	AK Steel Corporation	22,455,780	0.44
Meijer Stores LTD PTR	13,217,610	0.17	Meijer Stores LTD PTR	14,336,250	0.28
First Industrial LP	12,780,390	0.17	Security Capital	13,106,870	0.25
US Industrial Reit III Midwest	12,775,000	0.17	Centerpoint Realty	13,105,870	0.25
Sam Boymel TR	12,535,510	0.17	Distribution Fund Services	12,963,830	0.25
Dugan Financing LLC	11,063,600	0.15	Duke Realty LLC	12,791,250	0.25
DCT Port Union LLC	10,956,720	0.14	Smart Papers	12,782,920	0.25
Total	\$ 156,016,050	2.06%	Total	\$ 200,892,020	3.91%
Total Assessed Valuation	\$ 7,563,640,350		Total Assessed Valuation	\$ 5,144,613,220	

Note 1: The amounts presented represent the assessed property values upon which 2010 and 2002 collections were based. Information prior to 2002 is not available.

Source: Butler County Auditor

**BUTLER COUNTY, OHIO
PRINCIPAL TAXPAYERS – PUBLIC UTILITIES PERSONAL PROPERTY TAX
2010 AND 2002 (1)**

		2010		2002	
Name of Taxpayer	Assessed Value	Percent of Public Utility Property Assessed Value	Name of Taxpayer	Assessed Value	Percent of Public Utility Property Assessed Value
Duke Energy Ohio Inc.	\$ 177,538,190	77.30%	Ohio Bell Telephone Co.	\$ 9,673,690	4.07%
Duke Energy Kentucky Inc.	22,578,770	9.83	Dayton Power & Light	3,369,910	1.42
Butler Rural Electric	9,938,040	4.33	Norfolk Southern Combined	2,911,320	1.22
Texas Eastern Transmission Corp.	6,901,860	3.01	MCI Worldcom Network Svcs.	2,114,700	0.89
Dayton Power & Light	3,271,550	1.42	Quest Communications	1,581,070	0.66
Bank of America Leasing	3,058,370	1.33	Nextel West Corp.	762,730	0.32
Texas Gas Transmission LLC	2,893,820	1.26	Ohio Telephone	523,980	0.22
Glenwood Energy of Verona Inc.	957,470	0.42	KMC Funding Corp.	406,950	0.17
Duke Energy Indiana Inc.	702,190	0.31	Mid Valley Pipeline Co.	282,280	0.12
Bank of America NA	590,070	0.26	Genuity Solutions	226,550	0.10
Total	\$ 228,430,330	99.47%	Total	\$ 21,853,180	9.19%
Total Assessed Valuation	\$ 229,648,530		Total Assessed Valuation	\$ 237,777,970	

Note 1: The amounts reported represent the assessed public utilities personal property values upon which 2010 and 2002 collections were based. Information prior to 2002 is not available.

Source: Butler County Auditor

BUTLER COUNTY, OHIO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Governmental Activities										
Year	General Obligation Bonds	Special Assessment Bonds			Loans	Capital Leases	Long-Term Notes	Short-Term Notes (1)	Percentage of Personal Income	Debt Per Capita
		Sales Tax Bonds	Assessment Bonds	Loans						
2001	\$ 15,060,000	\$ 26,915,000	\$ 14,294,000	\$ 1,179,705	\$ 25,047	\$ -	\$ 50,125,000	2.08%	\$ 620	
2002	49,173,461	25,925,000	13,511,000	1,103,476	85,516	11,465,000	23,085,000	2.50	757	
2003	47,535,289	24,890,000	12,748,000	1,024,945	133,800	14,485,000	-	2.43	758	
2004	58,404,314	23,810,000	9,981,000	1,972,576	104,283	15,470,000	18,655,000	2.46	788	
2005	49,038,755	28,445,588	10,510,000	1,802,025	2,810,544	17,105,000	15,140,000	2.36	778	
2006	64,630,026	27,749,172	10,003,310	1,627,870	1,999,412	-	21,460,000	2.23	757	
2007	61,605,330	26,532,756	9,466,643	1,824,765	2,532,262	-	34,643,000	2.16	758	
2008	58,498,514	24,751,340	12,305,218	1,643,071	2,512,592	-	30,463,000	2.01	715	
2009	57,022,131	22,909,924	11,658,332	2,119,417	2,704,140	-	30,113,000	1.94	673	
2010	72,648,168	13,267,896	10,930,900	2,488,072	1,461,478	-	17,735,000	1.82	629	

Business-Type Activities										
Year	General Obligation Bonds	Water Judgment Bonds	Revenue Bonds	Loans	Long-Term Notes	Short-Term Notes (1)	Total Primary Government	Percentage of Personal Income	Debt Per Capita	
										2001
2002	918,368	35,552,419	93,773,315	-	-	1,945,000	256,537,555	2.50	757	
2003	691,770	35,470,652	89,520,000	-	4,830,000	27,765,000	259,094,456	2.43	758	
2004	465,172	35,198,885	89,614,650	371,750	8,400,000	9,250,000	271,697,630	2.46	788	
2005	838,574	34,747,118	98,674,880	4,610,000	-	7,500,000	271,222,594	2.36	778	
2006	3,793,870	34,110,351	97,204,913	5,209,474	-	-	267,788,398	2.23	757	
2007	4,656,680	32,976,751	91,499,366	5,883,636	-	-	271,621,189	2.16	758	
2008	4,630,087	31,904,658	85,567,039	5,696,103	-	-	257,971,622	2.01	715	
2009	18,205,306	30,677,565	60,427,852	8,422,166	-	-	244,259,833	1.94	673	
2010	15,117,345	29,405,472	58,026,745	12,476,499	-	-	233,557,575	1.82	629	

Note 1: Short-Term Notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued.
Source: Butler County Auditor

BUTLER COUNTY, OHIO
 RATIO OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN YEARS

Year	General Obligation Bonds	Total Estimated Actual Value	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
2001	\$ 16,204,966	\$ 17,557,984,795	0.09	\$ 48.14
2002	50,091,829	18,162,736,915	0.28	147.78
2003	48,227,059	20,711,348,462	0.23	141.11
2004	58,869,486	21,139,995,224	0.28	170.68
2005	49,877,329	21,703,617,728	0.23	143.15
2006	68,423,896	24,131,041,720	0.28	193.35
2007	66,262,010	25,458,812,514	0.26	185.03
2008	63,128,601	21,766,632,838	0.29	174.99
2009	75,227,437	22,684,055,666	0.33	207.13
2010	87,765,513	22,034,073,839	0.40	238.41

Source: Butler County Auditor

BUTLER COUNTY, OHIO
COMPUTATION OF LEGAL DEBT MARGIN
LAST NINE YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Tax Valuation	\$6,148,864,733	\$7,026,539,577	\$7,161,517,611	\$7,359,389,352	\$7,937,495,027	\$7,965,576,371	\$7,955,670,369	\$8,036,439,180	\$7,801,424,310
Debt Limit (1)	152,221,618	179,163,489	177,537,940	182,484,734	196,937,376	197,639,409	197,391,759	199,410,980	192,758,960
Amount of Debt Applicable to Debt Limit:									
General Obligation Bonds	18,047,784	16,425,000	28,700,000	20,495,000	30,780,000	30,213,576	28,524,099	26,367,977	19,782,759
General Obligation Notes	15,385,000	15,710,000	15,600,000	14,885,000	7,205,000	15,355,000	15,995,000	15,900,000	13,855,000
General Obligation Loans	-	-	-	-	137,346	458,768	403,310	529,136	3,780,319
Amount of Debt Subject to Debt Limit	33,432,784	32,135,000	44,300,000	35,380,000	38,122,346	46,027,344	44,922,409	42,797,113	37,418,078
Legal Debt Margin	118,788,834	147,028,489	133,237,940	147,104,734	158,815,030	151,612,065	152,469,350	156,613,867	155,340,882
Legal Debt Margin as a Percentage of Debt Limit	78.04%	82.06%	75.05%	80.61%	80.64%	76.71%	77.24%	78.54%	80.59%
Unvoted Debt Limit (2)	61,488,647	70,265,396	71,615,176	73,593,894	79,374,950	79,655,764	79,556,704	80,364,392	78,014,243
Debt Subject to Limit	33,432,784	32,898,000	44,300,000	35,380,000	38,122,346	46,027,344	44,922,409	42,797,113	37,418,078
Unvoted Legal Debt Margin	\$ 28,055,863	\$ 37,367,396	\$ 27,315,176	\$ 38,213,894	\$ 41,252,604	\$ 33,628,420	\$ 34,634,295	\$ 37,567,279	\$ 40,596,165
Unvoted Legal Debt Margin as a percentage of the Unvoted Debt Limit	45.63%	53.18%	38.14%	51.93%	51.97%	42.22%	43.53%	46.75%	52.04%

Note 1: Ohio Bond Law sets a limit on debt calculated as follows:

Three percent of the first \$100,000,000 of the tax valuation

One and one half percent of the next \$200,000,000 of the tax valuation

Two and one half percent of the amount of the tax valuation in excess of \$300,000,000.

Note 2: Ohio Bond Law sets a limit of one percent of the tax valuation.

Note 3: Information prior to 2002 is not available.

Source: Butler County Auditor

BUTLER COUNTY, OHIO
 PLEDGED REVENUE COVERAGE
 LAST TEN YEARS

Sewer Pledged Revenue

Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expense) Other (2)	Net Non-Operating Revenue (Expense) (3)	Net Available Revenue (4)	Debt Service (5)		Total	Coverage
								Principal (6)	Interest (6)		
2001	\$15,970,470	\$10,185,500	\$5,784,970	\$4,587,703	\$ 457,824	\$ 5,045,527	\$10,830,497	\$ 2,775,000	\$ 3,335,335	\$ 6,110,335	1.77
2002	16,854,168	11,070,073	5,784,095	6,762,444	7,716,403	7,478,847	13,262,942	2,900,000	2,946,367	5,846,367	2.27
2003	16,947,133	11,944,257	5,002,876	7,958,313	612,134	8,570,447	13,573,323	3,040,000	3,077,642	6,117,642	2.22
2004	17,778,094	13,209,048	4,569,046	9,014,420	2,798,802	11,813,222	16,382,268	2,785,000	2,725,944	5,510,944	2.97
2005	18,451,160	14,517,963	3,933,197	9,196,888	10,040,054	19,236,942	23,170,139	3,645,000	2,772,472	6,417,472	3.61
2006	19,238,592	14,220,210	5,018,382	5,654,267	560,847	6,215,114	11,233,496	3,800,000	1,752,062	5,552,062	2.02
2007	21,011,439	14,409,447	6,601,992	3,952,630	561,743	4,514,373	11,116,365	3,980,580	2,639,131	6,619,711	1.68
2008	21,385,170	12,766,850	8,618,320	3,388,044	141,025	3,529,069	12,147,389	4,132,360	2,486,488	6,618,848	1.84
2009	18,759,922	11,551,662	7,208,260	3,310,028	675,006	4,779,557	11,987,817	1,354,220	1,871,886	3,226,106	3.47
2010	18,311,915	10,339,223	7,972,692	2,779,677	75,781	2,855,458	10,828,150	1,475,687	1,779,554	3,255,241	3.33

Water Pledged Revenue

Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expense) Other (2)	Net Non-Operating Revenue (Expense) (3)	Net Available Revenue (4)	Debt Service (5)		Total	Coverage
								Principal (6)	Interest (6)		
2001	17,900,347	17,594,434	305,913	2,830,333	318,154	3,148,487	3,454,400	1,125,000	1,562,237	2,687,237	1.29
2002	20,300,608	17,442,027	2,858,581	3,232,357	1,239,956	4,472,313	7,330,894	1,170,000	1,367,629	2,537,629	2.89
2003	16,675,326	14,266,723	2,408,603	3,368,055	1,318,859	4,686,914	7,095,517	1,215,000	1,459,589	2,674,589	2.65
2004	19,539,968	14,438,596	5,101,372	4,153,770	2,283,690	6,437,460	11,538,832	1,260,000	1,421,566	2,681,566	4.30
2005	22,029,345	18,879,165	3,150,180	4,629,241	9,158,934	13,788,175	16,938,355	1,485,000	1,370,366	2,855,366	5.93
2006	22,186,770	16,636,338	5,550,432	2,923,530	729,728	3,653,258	9,203,690	1,900,000	1,814,159	3,714,159	2.48
2007	26,395,879	20,168,090	6,227,789	2,265,660	660,300	2,925,960	9,153,749	2,113,882	1,900,573	4,014,455	2.28
2008	23,839,865	17,094,090	6,745,775	1,953,742	284,638	2,238,380	8,984,155	2,217,533	1,823,212	4,040,745	2.22
2009	20,468,437	16,456,494	4,011,943	1,688,432	534,571	3,108,991	7,120,934	1,195,000	1,064,913	2,259,913	2.76
2010	20,939,038	16,810,215	4,128,823	1,226,297	320,381	1,546,678	5,675,501	1,493,896	1,187,180	2,681,076	2.12

Note 1: Operating expenses are shown exclusive of depreciation, per bond covenant.

Note 2: Non-Operating Revenue (Expense) Other excludes capital grants and contributions.

Note 3: Net Non-Operating Revenue (Expense) are shown exclusive of interest and fiscal charges, per bond covenant.

Note 4: Net Available Revenue includes Net Operating Revenue combined with Net Non-Operating Revenue (Expense).

Note 5: Debt Service per bond redemption schedules.

Note 6: Principal and Interest Expense shown are less amounts for current refunding bonds.

Source: Butler County Auditor

(Continued)

BUTLER COUNTY, OHIO
 PLEDGED REVENUE COVERAGE
 LAST TEN YEARS (CONTINUED)

		Sales Tax Revenue Bonds					Special Assessment Bonds					
Year	Sales Tax Revenues	Debt Service			Total Debt	Coverage	Special Assessment Collections	Debt Service			Total Debt	Coverage
		Principal	Interest					Principal	Interest			
2001	\$ 16,102,332	\$ 950,000	\$ 1,330,233	\$ 2,280,233	7.06	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
2002	16,642,460	990,000	1,291,045	2,281,045	7.30	-	-	-	-	-	-	-
2003	17,182,889	1,035,000	1,249,465	2,284,465	7.52	1,884,272	763,000	536,103	1,299,103	1,299,103	1.45	1.45
2004	18,047,011	1,080,000	1,204,443	2,284,443	7.90	1,563,809	587,000	537,466	1,124,466	1,124,466	1.39	1.39
2005	19,503,113	1,100,000	700,434	1,800,434	10.83	1,380,252	615,000	509,519	1,124,519	1,124,519	1.23	1.23
2006	40,662,394	680,000	1,266,775	1,946,775	20.89	1,374,653	506,690	531,040	1,037,730	1,037,730	1.32	1.32
2007	41,317,071	1,200,000	1,242,975	2,442,975	16.91	1,405,765	610,170	505,912	1,116,082	1,116,082	1.26	1.26
2008	33,408,493	1,765,000	1,200,975	2,965,975	11.26	1,101,044	570,670	434,080	1,004,750	1,004,750	1.10	1.10
2009	31,843,586	1,825,000	1,134,100	2,959,100	10.76	1,234,683	653,200	607,959	1,261,159	1,261,159	0.98	0.98
2010	30,225,506	9,600,000	1,075,325	10,675,325	2.83	1,553,034	733,740	530,357	1,264,097	1,264,097	1.23	1.23

Source: Butler County Auditor

BUTLER COUNTY, OHIO
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income	Unemployment Rate (2)
2001	336,587	\$ 10,042,746,319	\$ 29,837	4.0%
2002	338,958	10,278,562,392	30,324	5.3%
2003	341,766	10,677,111,606	31,241	5.4%
2004	344,914	11,050,699,646	32,039	5.4%
2005	348,425	11,491,404,925	32,981	5.3%
2006	353,888	12,034,315,328	34,006	5.6%
2007	358,116	12,561,634,932	35,077	5.1%
2008	360,775	12,811,481,025	35,511	5.9%
2009	363,184	12,585,778,336	34,654	9.3%
2010	368,130	-	-	9.6%

Note 1: The county's population is estimated by the Bureau of Economic Analysis for the years 2001 through 2009. The 2010 population reflects data collected by the United States Census Bureau.

Note 2: Unemployment figures are derived from Ohio Labor Market Information. These numbers are estimates and are prepared in cooperation with the Bureau of Labor Statistics, are determined by place of residence, and are not seasonally adjusted.

Note 3: (-) Information not available.

BUTLER COUNTY, OHIO
 PRINCIPAL EMPLOYERS (1)
 2010 AND 2001

		2010					2001				
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment	Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment		
Miami University	Education	3,400	1	2.00%	AK Steel	Manufacturing	4,100	1	2.44%		
Cincinnati Financial Corp.	Financial	2,900	2	1.70	Miami University	Education	3,600	2	2.14		
AK Steel	Manufacturing	2,400	3	1.41	Cincinnati Financial Corp.	Financial	2,500	3	1.49		
Butler County	Government	2,000	4	1.18	Butler County	Government	2,500	3	1.49		
Lakota Local School District	Education	1,688	5	0.99	Champion International	Manufacturing	2,292	5	1.36		
General Electric Aviation	Aerospace	1,675	6	0.98	Middletown Regional Hosp.	Healthcare	1,600	6	0.95		
Mercy Fairfield Hospital	Healthcare	1,200	7	0.71	Cincinnati Insurance Co.	Insurance	1,486	7	0.88		
Hamilton City Schools	Education	1,114	8	0.65	Ohio Casualty Insurance Co.	Insurance	1,400	8	0.83		
Fort Hamilton Hospital	Healthcare	1,036	9	0.61	Lakota Local School District	Education	1,300	9	0.77		
Fairfield City Schools	Education	994	10	0.58	Fort Hamilton Hospital	Healthcare	1,200	10	0.71		
Total		18,407		10.81%	Total		21,978		13.06%		
Total Employment within the County (2)		170,100			Total Employment within the County (2)		168,200				

Note 1: Only full-time employees are presented
 Note 2: Ohio Labor Market Information

BUTLER COUNTY, OHIO
 COUNTY GOVERNMENT EMPLOYEES BY FUNCTION / ACTIVITY
 LAST NINE YEARS (1) (CONTINUED)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government:									
Legislative and Executive	19	16	19	21	22	21	18	16	14
Auditor	-	-	-	-	-	-	-	5	6
Auditor Administration	10	12	10	10	11	9	8	-	-
Auditor Bureau of Motor Vehicles	6	6	6	5	6	6	4	1	2
Auditor Consumer Services	2	2	2	2	2	2	2	1	1
Auditor Dog and Kennel	1	1	1	1	1	1	1	1	1
Auditor Elected Official	-	-	-	-	-	-	6	5	4
Auditor GIS	1	1	1	1	1	1	1	1	1
Auditor Health Insurance	32	36	38	34	21	21	1	1	1
Auditor Information Services	51	49	36	31	35	38	33	28	26
Auditor Real Estate	33	34	48	34	44	57	97	85	91
Board of Elections	-	-	-	-	-	-	-	1,735	2,672
Board of Elections - Election Pay (2)	13	12	11	12	11	12	11	9	10
Commissioners	1	1	1	1	1	1	-	-	-
Commissioners Criminal Justice Board	26	24	25	27	26	25	23	16	12
Commissioners Department of Development	4	4	4	4	4	5	5	5	5
Commissioners Dog and Kennel	3	3	3	3	3	3	3	3	3
Commissioners Elected Official	3	4	4	4	5	5	6	6	6
Commissioners Entitlement	-	-	-	-	-	-	25	23	19
Commissioners Information Services	3	3	3	3	3	3	3	2	2
Commissioners Mail Room	7	7	7	6	6	6	7	6	4
Commissioners Maintenance	6	5	5	4	3	3	3	3	3
Commissioners Parking Garage	8	8	11	11	12	12	9	4	3
Commissioners Records Center	1	1	1	1	1	1	1	1	1
Commissioners Regional Airport	1	1	1	1	1	1	1	-	-
Commissioners Tax Abatement	50	50	49	47	52	52	55	54	51
Prosecuting Attorney	4	4	4	4	4	4	5	4	4
Prosecuting Attorney CSEA	1	1	1	2	1	1	1	1	-
Prosecuting Attorney Domestic Violence	5	5	5	6	6	6	6	7	6
Prosecuting Attorney DTAC	1	1	1	1	1	1	1	1	1
Prosecuting Attorney Elected Official	1	1	-	-	-	-	-	-	-
Prosecuting Attorney Gun Control Grant	2	2	2	-	-	-	-	-	-
Prosecuting Attorney Juvenile VOCA	1	1	1	3	3	3	3	3	3
Prosecuting Attorney VOCA	-	-	-	-	-	-	-	-	-
Public Defender	18	19	19	16	17	17	17	17	14
Recorder	1	1	1	1	1	1	1	1	1
Recorder Elected Official	1	1	1	1	1	1	1	1	1

(Continued)

BUTLER COUNTY, OHIO
 COUNTY GOVERNMENT EMPLOYEES BY FUNCTION / ACTIVITY
 LAST NINE YEARS (1) (CONTINUED)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Treasurer	20	18	19	20	18	16	17	11	11
Treasurer DTAC	3	4	4	3	4	5	4	8	8
Treasurer Duplicate Bill	1	1	2	5	-	-	-	-	-
Treasurer Elected Official	1	1	1	1	1	1	1	1	1
Treasurer PP Tax Collector	2	2	2	3	2	2	1	1	-
Treasurer Prepayment Interest	3	2	1	1	3	1	1	1	-
Judicial									
Area Courts	24	28	27	25	24	26	26	27	16
Area Courts Elected Official	3	3	3	3	3	3	4	4	4
Area Courts Special Projects	6	8	12	19	20	23	21	21	20
Clerk of Courts	37	35	38	46	50	46	43	39	36
Clerk of Courts Elected Official	1	1	1	1	1	1	1	1	1
Clerk of Courts Title	32	34	36	38	31	36	38	43	43
Common Pleas Asbestos Litigation	1	1	1	-	-	-	-	-	-
Common Pleas Court	22	22	20	23	29	29	31	31	29
Common Pleas Drug Court	8	7	7	7	8	8	8	7	7
Common Pleas Elected Official	6	7	7	6	6	7	7	7	7
Common Pleas General Division Special Projects	5	5	6	6	7	8	8	8	8
Common Pleas Jury Commission	2	2	2	2	2	2	2	2	2
Common Pleas Law Library	2	2	2	2	2	2	2	2	4
Domestic Relations Court	32	28	29	26	29	29	32	27	24
Domestic Relations Elected Official	2	2	3	2	2	2	2	2	2
Domestic Relations Special Projects	1	1	1	1	1	-	-	-	-
Juvenile Court	53	51	52	56	52	53	59	53	47
Juvenile Court Driver Improvement	-	-	-	-	1	1	-	-	-
Juvenile Court Elected Official	2	2	2	2	2	2	2	2	2
Juvenile Court Special Projects	-	-	-	-	-	1	2	2	2
Juvenile Detention	52	54	53	51	51	52	54	45	37
Juvenile Family Drug Court	-	-	-	-	1	2	-	-	-
Juvenile JAIBG Grant	3	3	2	-	-	-	-	-	-
Juvenile Reclaim Grant	26	21	18	19	26	26	26	21	22
Juvenile Rehab	41	41	41	45	47	49	46	41	38
Juvenile Subsidy Grant	12	10	11	11	8	9	9	8	-
Municipal Court	26	26	26	28	32	36	39	39	40
Municipal Court Criminal Prosecutors	1	1	1	1	1	1	1	1	-
Municipal Court Elected Official	5	5	5	5	5	5	5	5	5

(Continued)

BUTLER COUNTY, OHIO
 COUNTY GOVERNMENT EMPLOYEES BY FUNCTION / ACTIVITY
 LAST NINE YEARS (1) (CONTINUED)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Probate Court	16	19	19	18	18	17	17	14	15
Probate Court Computer Fees	2	-	1	3	2	2	2	2	1
Probate Court Elected Official	1	1	1	1	1	1	1	1	1
Public Safety	37	37	37	37	35	34	33	34	32
Adult Probation	12	12	11	9	11	12	11	10	14
Adult Probation ISP Grant	-	-	-	-	-	-	-	-	1
Adult Probation Misdemeanor	-	-	3	3	1	4	8	8	5
Adult Probation Services	7	7	7	7	9	7	8	13	11
Coroner	1	1	1	1	1	1	1	1	1
Coroner Elected Official	3	3	3	2	2	2	2	2	1
Coroner Lab and Morgue	4	4	4	4	4	3	4	4	5
Emergency Management	249	259	226	256	288	336	337	320	268
Sheriff	1	1	1	1	1	1	1	1	1
Sheriff Elected Official	23	25	26	27	35	35	37	34	34
Sheriff Paramedic	38	38	38	-	-	-	-	-	-
Sheriff Resolutions	1	1	1	1	1	1	1	3	2
Sheriff VOCA	1	1	1	1	1	1	1	1	1
Sheriff Victim Assistance Program	1	1	1	1	1	1	1	1	1
Public Works	81	81	84	81	89	87	91	87	97
Engineer	1	1	1	1	1	1	1	1	1
Engineer Elected Official	3	3	3	3	3	3	3	3	3
Engineer Plat Room	164	166	154	156	157	156	144	131	114
Water and Sewer	5	5	5	5	5	6	6	5	7
Health	361	350	360	319	302	297	256	243	233
Alcohol and Drug Addiction	11	9	10	9	8	10	10	10	8
Board of Developmental Disabilities	95	88	90	93	84	89	83	81	75
Mental Health Board	164	145	173	184	197	205	183	177	176
Human Services	196	179	168	180	180	179	173	172	172
Child Support Enforcement Agency	194	195	199	190	191	195	187	167	150
Children Services Board	-	-	-	-	-	-	-	8	-
County Care Facility	9	11	9	9	10	10	10	10	10
Job and Family Services	5	5	4	5	5	4	5	5	5
Job and Family Services SYEP									
Veteran Services									
Veteran Services Commissioners									

(Continued)

**BUTLER COUNTY, OHIO
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION / ACTIVITY
LAST NINE YEARS (1) (CONTINUED)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Internal Service									
Commissioners Workers Compensation	4	3	3	4	5	4	4	3	3
Agency									
Court of Appeals – 12 th District	19	20	19	23	22	22	26	25	25
Health Department	31	34	37	38	38	37	35	60	66
Metro Parks	13	13	15	15	27	29	42	36	34
Regional Transit Authority	49	11	10	12	13	12	17	-	-
Soil and Water Conservation	10	8	7	5	6	6	7	7	3
Grand Total	2,561	2,479	2,486	2,457	2,536	2,621	2,596	4,184	4,964

Note 1: Information prior to 2002 is not available.
 Note 2: Board of Elections Pay individuals began being treated as employees in 2009.

Source: Butler County Auditor

BUTLER COUNTY, OHIO
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN YEARS

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government:										
Legislative and Executive										
Commissioners										
Number of resolutions	2,197	2,108	2,107	3,270	2,538	2,415	2,377	2,361	2,250	1,942
Number of meetings	67	69	61	66	68	59	56	61	73	68
Auditor										
Number of exempt conveyances	7,589	6,228	6,636	6,304	6,318	5,618	5,261	5,128	4,885	4,622
Number of real estate transfers	14,026	10,524	11,202	11,358	11,799	10,284	8,497	6,525	6,181	5,678
Number of parcels billed	133,698	135,506	138,839	-	-	-	147,558	148,658	156,579	156,951
Number of appropriation checks issued	71,789	68,940	71,630	71,266	72,445	73,636	75,060	75,873	69,643	61,656
Number of payroll checks issued	47,578	25,316	21,522	20,738	17,909	15,953	12,693	15,702	13,051	11,050
Number of purchase orders issued	25,095	26,938	29,940	26,893	28,967	30,129	31,355	30,304	22,927	20,914
Bureau of Motor Vehicles										
Number of tags issued	67,080	66,623	65,562	68,294	68,842	64,279	62,552	60,583	-	-
Treasurer										
Number of parcels collected	90,625	90,445	138,734	140,504	152,470	151,239	159,465	151,189	144,157	151,806
Prosecuting Attorney										
Number of criminal cases	-	-	1,951	2,258	2,380	2,411	2,485	2,456	2,138	2,064
Board of Elections										
Number of registered voters	206,056	215,796	207,675	238,022	230,873	232,187	238,219	262,380	236,598	240,541
Number of voters last general election	70,878	89,568	66,169	168,976	83,090	119,521	65,797	175,132	88,097	121,742
Percentage of registered voters that voted	34.40	41.51	31.86	70.99	35.98	51.48	28.00	66.75	37.23	50.61
Recorder										
Number of deeds recorded	17,326	19,010	20,035	19,923	20,252	17,981	16,128	13,512	12,586	11,740
Number of mortgages recorded	34,448	40,637	49,791	34,447	32,709	27,392	21,965	15,827	18,425	16,459
Number of military discharges recorded	55	38	20	29	32	43	35	30	35	32
Community and Economic Development										
Number of projects	40	32	57	64	79	37	51	124	123	152
Number of jobs created	-	-	-	-	7	10	105	-	-	-
Judicial										
Common Pleas Court										
Number of civil cases filed	3,223	3,432	3,529	4,031	4,176	2,343	2,215	5,617	5,617	5,246
Number of criminal cases filed	2,335	2,833	2,538	3,008	3,391	4,787	5,022	2,244	2,137	2,064
Probate Court										
Number of civil cases filed	53	46	41	36	52	50	47	54	41	39
Juvenile Court										
Number of civil cases filed	1,287	1,495	1,767	2,396	3,536	3,819	3,591	2,623	2,806	2,640
Number of criminal cases filed	7,221	7,438	6,274	4,502	4,540	4,778	4,914	4,886	3,905	3,533
Number of adjudged delinquent cases filed	5,420	5,633	4,540	2,959	2,739	2,757	2,582	2,216	1,913	1,706

(Continued)

BUTLER COUNTY, OHIO
 OPERATING INDICATORS BY FUNCTION / PROGRAM
 LAST TEN YEARS (CONTINUED)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Area Courts										
Number of civil cases filed	1,721	2,023	2,215	2,183	2,613	2,985	3,284	3,558	3,267	3,795
Number of criminal cases filed	25,713	27,181	27,117	22,683	24,021	25,552	25,569	21,097	20,264	18,475
Number of small claims cases filed	434	412	453	471	424	488	423	311	360	386
Clerk of Courts:										
Number of civil cases filed	3,222	3,432	3,529	4,031	4,176	4,782	5,022	5,617	5,708	5,246
Number of criminal cases filed	1,846	2,030	1,951	2,256	2,374	2,343	2,215	2,244	2,138	2,064
Domestic Relations										
Number of divorce cases filed	1,669	1,529	1,496	1,571	1,493	1,567	1,559	1,547	1,516	1,515
Number of motions filed	1,312	1,596	1,737	3,902	4,139	4,153	12,499	19,794	17,106	10,206
Number of protective orders issued	1,449	1,326	1,186	1,282	1,365	1,584	1,482	1,555	1,781	1,573
Public Safety										
Sheriff										
Jail Operation										
Average daily jail census	451	515	692	748	734	974	1,056	1,045	956	921
Prisoners booked	7,447	7,365	10,265	10,537	10,592	14,948	16,145	15,801	13,513	13,973
Prisoners released	-	7,277	10,159	10,507	10,509	14,645	16,381	15,707	13,651	14,013
Out of county bed days used	2,316	390	1,681	1,477	-	-	4,320	3,564	4,254	23,105
Enforcement										
Number of incidents reported	6,345	8,152	5,972	6,052	5,568	7,593	9,464	9,524	7,986	5,888
Number of citations issued	7,318	6,636	6,351	7,318	5,724	5,452	5,812	5,967	3,460	2,173
Concealed Weapons Permit										
Number of permits issued	-	-	-	-	969	992	1,104	1,031	2,061	1,755
Adult Probation										
Offenders supervised	2,127	2,381	2,419	2,107	1,985	2,227	2,311	2,649	2,698	2,666
Coroner										
Number of cases investigated	327	298	314	332	362	322	360	338	330	325
Number of autopsies performed	218	212	211	205	221	196	224	219	230	228
Public Works										
Engineer										
Miles of roads resurfaced	9	6	14	38	46	33	11	9	29	14
Number of bridges replaced / improved	9	11	12	9	6	4	28	10	4	7
Number of culverts built / replaced / improved	7	8	10	14	25	16	19	13	22	22
Building Department										
Number of permits issued	3,269	3,622	3,834	4,197	3,854	3,627	4,176	3,820	3,325	3,182
Number of inspections performed	26,219	27,918	29,914	29,674	31,427	25,127	19,302	15,642	11,292	10,237
Sewer District										
Average daily sewage treated	14	16	17	16	17	18	17	18	17	18
Number of tap-ins	1,090	1,131	1,570	1,653	1,863	1,443	1,055	535	518	378
Number of customers	31,814	33,363	35,287	36,854	38,293	41,448	40,444	41,573	42,338	42,720

(Continued)

BUTLER COUNTY, OHIO
 OPERATING INDICATORS BY FUNCTION / PROGRAM
 LAST TEN YEARS (CONTINUED)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Water District										
Average daily water distributed	9	11	11	11	13	12	13	13	12	13
Average daily water billed	45,834	53,439	43,206	50,676	57,883	58,529	69,388	63,914	57,296	57,707
Number of tap-ins	1,119	975	1,127	1,058	1,273	970	632	357	287	256
Number of customers	30,403	31,765	33,088	34,365	35,089	36,259	36,244	36,967	37,294	37,576
Health										
Alcohol Drug and Addiction Services										
Average client count	660	777	1,449	1,671	2,033	1,352	2,168	1,204	1,270	1,290
Tx Episodes	2,110	2,718	2,755	2,304	2,033	2,238	2,235	1,804	1,651	1,699
Developmental Disabilities										
Number of children served:										
Early intervention program	-	281	437	530	669	750	870	1,026	1,099	1,100
Preschool	-	249	536	496	291	47	-	-	-	-
School age	-	322	426	532	582	617	400	446	440	483
Number of adults served:										
Served directly	-	-	-	-	743	462	439	432	238	223
Served indirectly	-	-	-	-	-	218	274	270	290	326
Number served in residential:										
Supported living services	-	-	-	-	7	7	10	4	1	-
Individual options waiver	-	-	-	-	231	233	247	268	295	311
Level one waiver	-	-	-	-	98	196	179	216	280	324
ICFMR	-	-	-	-	202	196	190	167	146	146
Member receiving support coordination services	-	-	848	871	874	1,028	1,030	1,004	1,005	1,096
Member receiving family support services	-	-	371	496	451	465	533	552	716	688
Mental Health										
Average client count – intensive	1,926	1,014	2,251	2,062	2,070	2,214	2,230	2,694	2,830	3,187
Average client count – non-intensive	1,673	637	844	692	736	896	1,328	2,394	2,227	2,498
Average client count – early intervention	1,606	3,568	1,789	1,717	1,794	2,161	2,471	2,502	2,600	2,929
Human Services										
Job and Family Services										
Average client count – food stamps	12,729	15,445	18,974	21,866	23,781	25,767	26,652	29,798	39,380	46,176
Average client count – Medicaid	51,449	67,067	74,803	79,896	85,461	89,851	42,851	45,015	50,013	54,858
Average client count – day care	1,189	1,352	1,322	1,321	1,534	1,607	1,779	1,926	2,112	2,313
Average client count – W/A	307	477	532	583	582	413	434	567	712	652
Average client count – job placement	122	204	253	248	218	-	-	-	276	132
Children's Services										
Average client count – foster care	457	469	463	380	370	388	355	359	324	346
Average client count – adoption	44	34	67	55	55	40	36	39	51	52

(Continued)

BUTLER COUNTY, OHIO
 OPERATING INDICATORS BY FUNCTION / PROGRAM
 LAST TEN YEARS (CONTINUED)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Child Support Enforcement Agency										
Average number of active support orders	17,574	17,853	17,779	17,906	18,875	20,950	17,974	17,710	19,199	19,168
Percentage collected	71.8%	71.4%	72.5%	72.7%	72.8%	71.3%	71.3%	69.9%	69.0%	68.0%
Veteran Services										
Number of veterans and/or dependents served	3,345	3,570	4,451	8,847	12,850	12,195	10,508	17,568	15,877	13,327
Amount of benefits paid to county veterans	293,704	407,535	647,830	640,634	606,175	631,546	616,469	824,332	869,962	711,824

Note: (-) means information not available.
 Source: Butler County Auditor

BUTLER COUNTY, OHIO
 CAPITAL ASSET STATISTICS BY FUNCTION / ACTIVITY
 LAST FIVE YEARS

	2006	2007	2008	2009	2010
General Government:					
<u>Legislative and Executive</u>					
Commissioners	9,480	9,480	9,480	9,480	9,480
Administrative office space (square feet)	16,072	16,072	16,072	16,072	16,072
Auditor	5,096	5,096	5,096	5,096	5,096
Treasurer	16,320	16,320	16,320	16,320	16,320
Administrative office space (square feet)	9,304	9,304	27,241	27,241	27,241
Prosecuting Attorney	1,668	1,599	1,668	1,668	1,668
Board of Elections	8,728	8,728	8,728	8,728	8,728
Administrative office space (square feet)	600	600	600	600	600
Voting machines					
Recorder					
Administrative office space (square feet)					
Buildings and Grounds					
Administrative office space (square feet)					
<u>Judicial</u>					
Common Pleas Court	7	7	7	7	7
Number of court rooms					
Probate Court	2	2	2	2	2
Number of court rooms					
Juvenile Court	7	7	7	7	7
Number of court rooms					
Clerk of Courts	11,016	11,016	11,016	11,016	11,016
Administrative office space (square feet)	24,128	24,128	24,128	24,128	24,128
Domestic Relations					
Administrative office space (square feet)					
<u>Public Works</u>					
Engineer	273	268	275	275	267
Centerline miles of roads	371	376	395	396	401
Number of bridges	1,019	1,072	1,062	1,061	1,024
Number of culverts	7,252	7,513	7,697	7,607	7,601
Number of traffic signs					
Building Department					
Administrative office space (square feet)	2,344	2,344	2,344	2,344	2,344

(Continued)

BUTLER COUNTY, OHIO
 CAPITAL ASSET STATISTICS BY FUNCTION / ACTIVITY
 FOR THE LAST FIVE YEARS (CONTINUED)

	2006	2007	2008	2009	2010
Human Services					
Job and Family Services					
Administrative office space (square feet)	32,640	32,640	32,640	32,640	32,640
Child Support Enforcement Agency					
Administrative office space (square feet)	16,320	16,320	16,320	16,320	16,320
Veteran Services					
Administrative office space (square feet)	3,136	3,136	3,136	3,136	3,136
Enterprise					
Sewer District					
Number of treatment facilities	6	6	6	6	6
Number of pumping stations	34	34	34	30	30
Miles of sewer lines	811	720	731	733	725
Water District					
Number of pumping stations	5	5	5	5	5
Miles of water lines	674	606	617	616	591
Administrative office space (square feet)	-	-	-	-	7,275
Public Safety					
Sheriff					
Administrative office space (square feet)	-	-	-	-	8,500
Coroner					
Administrative office space (square feet)	2,550	2,550	2,550	2,550	2,550

Note 1: Information prior to 2006 not available.
 Note 2: (-) means information not available.

Source: Butler County Auditor



Dave Yost • Auditor of State

BUTLER COUNTY FINANCIAL CONDITION

BUTLER COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 6, 2011