



CITY OF CINCINNATI, OHIO

Single Audit Reports

Year Ended December 31, 2011



Dave Yost • Auditor of State

City Council
City of Cincinnati
801 Plum Street, Room 250
Cincinnati, Ohio 45202

We have reviewed the *Independent Auditors' Report* of the City of Cincinnati, Hamilton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

September 25, 2012

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TABLE OF CONTENTS

Schedule of Expenditures of Federal Awards 1 – 4

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards*..... 5 – 6

Report on Compliance with Requirements That Could Have a Direct and
Material Effect on Each Major Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133..... 7 – 8

Schedule of Findings and Questioned Costs 9 – 11

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis) (Thousands)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|---|------|--------|--------------------|----------------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| 1 U.S. Department of Agriculture | | | | | | | | |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Hamilton County WIC Program | 391 | 10.557 | 31-2-001-1-WA-0310 | NAM Health | \$ 89 | - | - | - |
| Hamilton County WIC Program | 391 | 10.557 | 31-2-001-1-WA-0411 | NAM Health | 1,925 | - | \$ (1,580) | - |
| Hamilton County WIC Program | 391 | 10.557 | 31-2-001-1-WA-0411 | NAM Health | 1,800 | - | (784) | - |
| Total for CFDA No. 10.557 | | | | | 3,814 | - | (2,364) | - |
| <i>* Passed through Ohio Department of Education</i> | | | | | | | | |
| CACFP- Child & Adult Care Food Program | 324 | 10.558 | | NAR Recreation | 94 | - | (93) | - |
| Total for CFDA No. 10.558 | | | | | 94 | - | (93) | - |
| TOTAL DEPARTMENT OF AGRICULTURE | | | | | 3,908 | | (2,457) | |
| 2 U.S. Department of Health and Human Services | | | | | | | | |
| <i>* Passed through Ohio Department of Community Dev.</i> | | | | | | | | |
| Child Care & Development Block Grant | 323 | 93.575 | | APR Recreation | 18 | - | (18) | - |
| (a.) Total for CFDA No. 93.575 | | | | | 18 | - | (18) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Social Services Block Grant | 323 | 93.667 | | APR Recreation | 18 | - | (18) | - |
| Total for CFDA No. 93.667 | | | | | 18 | - | (18) | - |
| <i>* Passed through Council on Aging of Southwestern Ohio</i> | | | | | | | | |
| Special Programs for the Aging Title III Part B | 324 | 93.044 | | NAR Recreation | 51 | - | (51) | - |
| (b.) Total for CFDA No. 93.044 | | | | | 51 | - | (51) | - |
| Special Programs for the Aging Title III Part C | 324 | 93.045 | | NAR Recreation | 216 | 13 | (216) | - |
| (b.) Total for CFDA No. 93.045 | | | | | 216 | 13 | (216) | - |
| <i>* Passed through YMCA of Greater Cincinnati</i> | | | | | | | | |
| TANF - Child Care Services | 323 | 93.558 | | APR Recreation | 35 | - | (35) | - |
| TANF - Cincy After School | 319 | 93.558 | | NAR Recreation | - | - | - | - |
| Total for CFDA No. 93.558 | | | | | 35 | - | (35) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Homeless Health Care Program | 448 | 93.151 | Contract #95-9748 | NAM Health | - | - | (2) | - |
| Homeless Health Care Program | 448 | 93.151 | Contract #15x0059 | NAM Health | 207 | - | (155) | - |
| Total for CFDA No. 93.151 | | | | | 207 | - | (157) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Regional Lead Poisoning Prevention | 380 | 93.197 | 31-2-001-1-BE-02 | NAM Health | - | 20 | (28) | (53) |
| Regional Lead Poisoning Prevention | 380 | 93.197 | 31-2-001-1-LE-0411 | NAM Health | 44 | - | (43) | 53 |
| Total for CFDA No. 93.197 | | | | | 44 | 20 | (71) | - |
| <i>* Passed through Neighborhood Health Care</i> | | | | | | | | |
| Cincinnati Health Network | 446 | 93.224 | Contract #05-9955 | NAM Health | 119 | - | - | - |
| Cincinnati Health Network | 446 | 93.224 | Contract #05-9955 | NAM Health | 253 | - | (281) | - |
| Total for CFDA No. 93.224 | | | | | 372 | - | (281) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Immunization Action Plan Special | 415 | 93.268 | 31-2-001-2-IM-0310 | NAM Health | 25 | - | (29) | - |
| Immunization Action Plan Special | 415 | 93.268 | 31-2-001-2-IM-0411 | NAM Health | 293 | - | (288) | - |
| Total for CFDA No. 93.268 | | | | | 318 | - | (317) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Federal AIDS Prevention | 378 | 93.940 | 31-2-001-2-HP-0310 | NAM Health | 1 | - | (94) | - |
| Federal AIDS Prevention | 378 | 93.940 | 31-2-001-2-HP-0411 | NAM Health | 517 | - | (321) | - |
| Total for CFDA No. 93.940 | | | | | 518 | - | (415) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| STD Control Program | 378 | 93.977 | 31-2-001-2-ST-0412 | NAM Health | 194 | - | (191) | - |
| Total for CFDA No. 93.977 | | | | | 194 | - | (191) | - |
| STD/HIV Prevention Training Centers | 379 | 93.978 | R30/PS000262-05 | NAM Health | \$ 216 | - | \$ (144) | - |
| Total for CFDA No. 93.978 | | | | | 216 | - | (144) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Heart Health in Hamilton County | 425 | 93.991 | 31-2-001-2-CH-0110 | NAM Health | 14 | - | (2) | - |
| Heart Health in Hamilton County | 425 | 93.991 | 31-2-001-4-CC-0211 | NAM Health | 136 | - | (130) | - |
| Total for CFDA No. 93.991 | | | | | 150 | - | (132) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Reproductive Health and Wellness | 350 | 93.217 | 31-2-001-2-RH-0112 | NAM Health | 190 | - | (70) | - |
| Total for CFDA No. 93.217 | | | | | 190 | - | (70) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| Public Health Emergency Preparedness | 350 | 93.069 | 31-2-001-2-PH-0211 | NAM Health | 396 | - | (279) | - |
| Public Health Emergency Preparedness | 350 | 93.069 | 31-2-001-2-PH-0211 | NAM Health | 224 | - | (49) | - |
| Total for CFDA No. 93.069 | | | | | 620 | - | (328) | - |
| <i>* Passed through Ohio Department of Health</i> | | | | | | | | |
| ARRA - Electronic Health Records | 502 | 93.721 | HRSA-10-154 | NAO Health | 120 | - | (77) | - |
| Total for CFDA No. 93.721 | | | | | 120 | - | (77) | - |
| TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | 3,287 | 33 | (2,521) | |
| 3 U.S. Department of Housing & Urban Development | | | | | | | | |
| Community Development Block Grant | 304 | 14.218 | B09-MC390003 | NAC Comm Dev | - | - | (0) | (0) |
| Community Development Block Grant | 304 | 14.218 | B10-MC390003 | NAC Comm Dev | 9,445 | 77 | (9,720) | (20) |
| Community Development Block Grant | 304 | 14.218 | B11-MC390003 | NAC Comm Dev | - | 1,353 | (1,276) | - |
| Neighborhood Stabilization Program 1 | 438 | 14.218 | B08-MN390003 | NAO Comm Dev | 2,760 | 291 | (3,460) | - |
| Community Development Block Grant | 304 | 14.218 | New CFDA Loans | NAC Comm Dev | - | - | (5) | - |
| (d.) Total for CFDA No. 14.218 | | | | | 12,205 | 1,721 | (14,461) | (20) |
| ARRA - Community Dev Block Grant Recovery | 502 | 14.253 | B-09-MY-39-0003 | NAO Comm Dev | 370 | - | (359) | - |
| (d.) Total for CFDA No. 14.253 | | | | | 370 | - | (359) | - |
| Emergency Shelter Grant | 445 | 14.231 | S-10-MC-39-0003 | NAO Comm Dev | 83 | - | (83) | - |
| Emergency Shelter Grant | 445 | 14.231 | S-11-MC-39-0003 | NAO Comm Dev | 468 | - | (468) | - |
| Total for CFDA No. 14.231 | | | | | 551 | - | (551) | - |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis) (Thousands)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|--|------|--------|------------------------|----------------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| HOME-Shelter Plus Care | 410 | 14.238 | OH16C50-0001 | NAO Comm Dev | 105 | | (105) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH16C70-0001 | NAO Comm Dev | 219 | | (219) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0002C5E000800 | NAO Comm Dev | 58 | | (58) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0003C5E000800 | NAO Comm Dev | 142 | | (142) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0006C5E000800 | NAO Comm Dev | 100 | | (100) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0331C5E001001 | NAO Comm Dev | 104 | | (104) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0009C5E001003 | NAO Comm Dev | 2,283 | | (2,283) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0015C5E001003 | NAO Comm Dev | 49 | | (49) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0009C5E000802 | NAO Comm Dev | 1,791 | | (1,791) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0015C5E000802 | NAO Comm Dev | 63 | | (63) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0302C5E000900 | NAO Comm Dev | 62 | | (62) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0307C5E000900 | NAO Comm Dev | 30 | | (30) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0308C5E000900 | NAO Comm Dev | 163 | | (163) | |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0362C5E001000 | NAO Comm Dev | 10 | | (10) | |
| Total for CFDA No. 14.238 | | | | | 5,179 | - | (5,179) | - |
| HOME | 411 | 14.239 | M-04-MC-39-0213 | NAC Comm Dev | \$ 154 | | \$ (154) | |
| HOME | 411 | 14.239 | M-05-MC-39-0213 | NAC Comm Dev | 75 | | (66) | \$ (9) |
| HOME | 411 | 14.239 | M-06-MC-39-0213 | NAC Comm Dev | 33 | | (33) | |
| HOME | 411 | 14.239 | M-07-MC-39-0213 | NAC Comm Dev | 2,397 | | (2,396) | (1) |
| HOME | 411 | 14.239 | M-08-MC-39-0213 | NAC Comm Dev | 2,733 | | (2,733) | |
| HOME | 411 | 14.239 | M-09-MC-39-0213 | NAC Comm Dev | 1 | | (1) | |
| HOME | 411 | 14.239 | M-10-MC-39-0213 | NAC Comm Dev | 403 | | (389) | (14) |
| HOME | 411 | 14.239 | M-11-MC-39-0213 | NAC Comm Dev | 78 | 163 | (241) | |
| HOME | 411 | 14.239 | M-97-MC-39-0213 | NAC Comm Dev | - | | | |
| HOME | 411 | 14.239 | Outstanding CFDA Loans | NAC Comm Dev | - | | (26,541) | |
| Total for CFDA No. 14.239 | | | | | 5,874 | 163 | (32,554) | (24) |
| Housing Opportunities For People With Aids | 465 | 14.241 | O-HH-10-F001 | NAO Comm Dev | 212 | | (212) | |
| Housing Opportunities For People With Aids | 465 | 14.241 | O-HH-11-F001 | NAO Comm Dev | 332 | | (332) | |
| Total for CFDA No. 14.241 | | | | | 544 | - | (544) | - |
| Empowerment Zone | 386 | 14.244 | EZ-99-04-0009 | NAO Comm Dev | - | 104 | - | - |
| Total for CFDA No. 14.244 | | | | | - | 104 | - | - |
| ARRA - Neighborhood Stabilization Program 2 | 502 | 14.256 | B-09-CN-OH-0033 | NAO Comm Dev | 5,769 | | (5,026) | |
| Total for CFDA No. 14.256 | | | | | 5,769 | - | (5,026) | - |
| ARRA - Homeless Prevention & Rapid Re-Hsg Prog | 502 | 14.257 | S-09-MY-39-0003 | NAO Comm Dev | 2,326 | | (2,326) | |
| Total for CFDA No. 14.257 | | | | | 2,326 | - | (2,326) | - |
| Unified Development Code Grant -10253 | 980 | 14.704 | CCPOH0019-10 | CP Econ Dev | 198 | | (198) | |
| Total for CFDA No. 14.704 | | | | | 198 | - | (198) | - |
| Lead Hazard Control Grant | 381 | 14.900 | OHLHB0360-07 | NAM HEALTH | 49 | | (190) | |
| Lead Hazard Control Grant | 381 | 14.900 | OHLHD0217-10 | NAM HEALTH | 424 | | (401) | |
| Cincinnati Lead Abatement Program | 387 | 14.900 | OHLHD0187-08 | NAO Comm Dev | 1,542 | | (1,798) | |
| Total for CFDA No. 14.900 | | | | | 2,015 | - | (2,389) | - |
| TOTAL DEPARTMENT OF HOUSING & URBAN DEVELOPMENT | | | | | 35,031 | 1,988 | (63,587) | (44) |
| 4 U.S. Department of the Interior | | | | | | | | |
| * Passed through Ohio Department of Natural Resources | | | | | | | | |
| ODNR-Hooked on Fishing | 324 | 15.605 | | NAR Recreation | - | | (1) | |
| (e.) Total for CFDA No. 15.605 | | | | | - | - | (1) | - |
| TOTAL DEPARTMENT OF THE INTERIOR | | | | | - | - | (1) | - |
| 5 U.S. Department of Justice | | | | | | | | |
| * Passed through Ohio Department of Youth Services | | | | | | | | |
| Juvenile Accountability | 368 | 16.540 | 2009-JB-011-A242 | NAS Police | 16 | | (23) | |
| Juvenile Accountability | 368 | 16.540 | 2009-JB-012-A242-A | NAS Police | 24 | | (23) | |
| Total for CFDA No. 16.540 | | | | | 40 | - | (46) | - |
| * Passed through Ohio Office of Criminal Justice Services | | | | | | | | |
| Domestic Violence Advocacy | 368 | 16.588 | 2008-WF-VA5-8583 | NAS Police | - | | - | |
| Domestic Violence Advocacy | 368 | 16.588 | 2009-WF-VA5-8583 | NAS Police | \$ 13 | | \$ (13) | |
| Domestic Violence Advocacy | 368 | 16.588 | 2010-WF-VA5-8583 | NAS Police | 37 | | (37) | |
| Total for CFDA No. 16.588 | | | | | 50 | - | (50) | - |
| * Passed through Ohio Office of Criminal Justice Services | | | | | | | | |
| Bulletproof Vests | 368 | 16.607 | 100415 | NAS Police | - | | (45) | |
| Total for CFDA No. 16.607 | | | | | - | - | (45) | - |
| Bulletproof Vests | 368 | 16.609 | 2009-PS-PSN-362 | NAS Police | 12 | | (12) | |
| Total for CFDA No. 16.609 | | | | | 12 | - | (12) | - |
| 2008 Earmark - RMS | 368 | 16.710 | 2008-CK-WX-0619 | NAS Police | - | | (7) | |
| 2009 COPS Technology | 368 | 16.710 | 2009-CK-WX-0152 | NAS Police | 671 | | (671) | |
| 2011 COPS Hiring | 368 | 16.710 | 2011-UL-WX-0024 | NAO Police | 526 | | (526) | |
| ARRA - 2009 COPS Hiring Recovery Project | 502 | 16.710 | 2009-RJ-WX-0069 | NAO Police | 4,525 | | (4,525) | |
| COPS Grant/Radios | 980 | 16.710 | 2009-CK-WX-0166 | CP RCC | 16 | | (16) | |
| Total for CFDA No. 16.710 | | | | | 5,738 | - | (5,745) | - |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis) (Thousands)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | NAS | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|--|--------|--------------|-----------------------------|-----|-----------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| Justice Assistance Grant | 368 | 16.738 | 2004-JG-A02-6652 | NAS | Police | - | - | (18) | |
| Justice Assistance Grant | 368 | 16.738 | 2004-JG-A02-6652 | NAS | Police | 17 | - | (29) | |
| Justice Assistance Grant | 368 | 16.738 | 2010-JG-A02-6810 | NAS | Police | 37 | - | (37) | |
| Justice Assistance Grant | 368 | 16.738 | 2009-JG-OPD-3746 | NAS | Police | 12 | - | (12) | |
| Justice Assistance Grant | 375 | 16.738 | 2007-DJ-BX-1160 | NAS | Police | - | - | (247) | |
| Justice Assistance Grant | 345 | 16.738 | 2008-DJ-BX-0307 | NAS | Police | - | 1 | (60) | |
| Justice Assistance Grant | 365 | 16.738 | 2009-DJ-BX-0669 | NAS | Police | - | 7 | (47) | |
| Justice Assistance Grant | 368 | 16.738 | 2010-DJ-BX-0003 | NAS | Police | 107 | - | (69) | |
| Justice Assistance Grant | 478 | 16.738 | 2010-DJ-BX-0260 | NAS | Police | - | 9 | - | |
| Justice Assistance Grant | 478 | 16.738 | 2011-DJ-BX-3278 | NAS | Police | 511 | - | (230) | |
| (i.) Total for CFDA No. 16.738 | | | | | | 684 | 17 | (749) | - |
| 2008 Earmark-Cameras | 368 | 16.753 | 2008-DD-BX-0175 | NAS | Police | 282 | - | (89) | |
| Total for CFDA No. 16.753 | | | | | | 282 | - | (89) | - |
| ARRA - SVAA/VOCA | 368 | 16.801 | 2011-VAGENE757 | NAS | Police | 43 | - | (42) | |
| ARRA - SVAA/VOCA | 368 | 16.801 | 2012-VAGENE757 | NAS | Police | 8 | - | (11) | |
| Total for CFDA No. 16.801 | | | | | | 51 | - | (53) | - |
| ARRA - 2009 JAG Recovery | 502 | 16.803 | 2009-RA-A02-2094 | NAO | Police | 55 | 18 | (86) | |
| ARRA - 2009 JAG Recovery | 502 | 16.803 | 2009-RA-E01-2229 | NAO | Police | 92 | - | (91) | |
| ARRA - 2009 JAG Recovery | 502 | 16.803 | 2009-RA-C01-2048 | NAO | Law | 25 | - | (25) | |
| (i.) Total for CFDA No. 16.803 | | | | | | 172 | 18 | (202) | - |
| ARRA - 2009 JAG Recovery Act | 501 | 16.804 | 2009-SB-B9-1187 | NAS | Police | - | 25 | (25) | |
| (i.) Total for CFDA No. 16.804 | | | | | | - | 25 | (25) | - |
| DOJ Equitable Sharing/Asset Forfeiture | 367 | 16.000 | | NAS | Police | 129 | 10 | (368) | |
| Total for CFDA No. 16.000 | | | | | | 129 | 10 | (368) | - |
| TOTAL DEPARTMENT OF JUSTICE | | | | | | 7,158 | 70 | (7,384) | - |
| The Banks | 980 | 11.300 | 06-01-04945 | CP | 980 | 1,824 | - | (1,824) | - |
| TOTAL DEPARTMENT OF COMMERCE | | | | | | 1,824 | - | (1,824) | - |
| * Passed through Ohio Department of Transportation | | | | | | | | | |
| Uptown Wayfinding System '06 -03210 | 980 | 20.205 | PID 84636 ODOT | CP | 980 | \$ 92 | \$ - | \$ (92) | |
| Gilbert Ave Greenway -02575 | 980 | 20.205 | PID 78010 ODOT | CP | 980 | - | - | (10) | |
| Columbia Pwy Access Management -03096 | 980 | 20.205 | PID 11895 ODOT | CP | 980 | - | - | 67 | (1,015) |
| M.L. King/1-71 Interchange '06 -03221 | 980 | 20.205 | PID 77628 ODOT | CP | 980 | 276 | - | (263) | |
| Hamilton Ave. Improv. Phase II '07 -03362 | 980 | 20.205 | PID 79089 ODOT | CP | 980 | 1,187 | - | (1,187) | |
| Ohio River Trail-Wilmer to Carrell -02915 | 980 | 20.205 | PID 75856 ODOT | CP | 980 | - | - | - | |
| Uptown Wayfinding System '09 -03623 | 980 | 20.205 | PID77628 ODOT | CP | 980 | - | - | - | |
| Colerain Avenue Virginia to Leeper Improv. -10307 | 980 | 20.205 | PID 81845 | CP | 980 | 312 | - | (378) | |
| Waldvogel Grants -11359 | 980 | 20.205 | PID 20082 | CP | 980 | 3,515 | - | (2,380) | |
| ARRA - Ohio River Trail-Wilmer to Carrell -09001 | 502 | 20.205 | PID 75856 ODOT | NAO | 502 | 436 | - | (436) | |
| ARRA - Computerized Traffic Control System -09002 | 502 | 20.205 | PID 86247 | NAO | 502 | 1,008 | - | (138) | |
| (f.) Sub-total for ODOT - CFDA No. 20.205 | | | | | | 6,826 | - | (4,817) | (1,015) |
| * Passed through Governor's Highway Safety Office | | | | | | | | | |
| Law Enforcement Overtime Program | 368 | 20.600 | GG-2010-31-00229-00 | NAS | Police | - | - | - | |
| Law Enforcement Overtime Program | 368 | 20.600 | GG-2011-31-00242-00 | NAS | Police | 89 | - | (74) | |
| Law Enforcement Overtime Program | 368 | 20.600 | HVEO-2010-31-00300-00 | NAS | Police | 97 | - | (109) | |
| Law Enforcement Overtime Program | 368 | 20.600 | HVEO-2010-31-00300-00 | NAS | Police | 2 | - | - | |
| (g.) Total for CFDA No. 20.600 | | | | | | 188 | - | (183) | - |
| * Pass through City of Blue Ash, Ohio | | | | | | | | | |
| * DUI | 368 | 20.600 | OVITF-2011-31-00377-00 | NAS | Police | 69 | - | (69) | |
| (g.) Total for CFDA No. 20.600 | | | | | | 69 | - | (69) | - |
| Local Match Funds - FAA Project '04 -02978 | 980 | 20.106 | 3-39-0018-200 | CP | DOT | 65 | - | (65) | |
| Total for CFDA No. 20.106 | | | | | | 65 | - | (65) | - |
| TOTAL DEPARTMENT OF TRANSPORTATION | | | | | | 7,148 | - | (5,134) | (1,015) |
| Green Cincinnati Plan | 436 | 66.041 | AF 83454001-0 | NAO | OEQ | 217 | - | (217) | |
| Total for CFDA No. 66.041 | | | | | | 217 | - | (217) | - |
| ARRA - Solar Photovoltaic - Parks | 502 | 66.039 | ARRA-SEP-10-12/DE-EE0000165 | NAO | Parks | 445 | - | (206) | |
| ARRA - Solar Photovoltaic - DECC | 502 | 66.039 | ARRA-SEP-10-14/DE-EE0000165 | NAO | Conv Ctr. | 403 | - | (403) | |
| ARRA - Solar Photovoltaic - Water Works | 502 | 66.039 | ARRA-SEP-10-10/DE-EE0000165 | NAO | GCWW | 776 | - | (776) | |
| Total for CFDA No. 66.039 | | | | | | 1,624 | - | (1,385) | - |
| USEPA BROWNFIELDS JOB TRAINING | 474 | 66.815 | JT-00R00407-0 | NAL | Comm Dev | 81 | - | (81) | |
| Total for CFDA No. 66.815 | | | | | | 81 | - | (81) | - |
| OWDA Loan Project | 756 | 66.468 | FS390255-0010 | CP | GCWW | 2,625 | - | (2,317) | |
| OWDA Loan Project | 756 | 66.468 | FS390255-0008 | CP | GCWW | 756 | - | (1,054) | |
| Total for CFDA No. 66.468 | | | | | | 3,381 | - | (3,371) | - |
| TOTAL ENVIRONMENTAL PROTECTION AGENCY | | | | | | 5,303 | - | (5,054) | - |
| 8 Department of Homeland Security | | | | | | | | | |
| * Passed through Hamilton County Emergency Mgt. Agency | | | | | | | | | |
| 05 State Homeland Security Program | 97.073 | 05SHSGP | | NAS | Fire | 122 | - | (122) | |
| 08Homeland Security Grant Program | 97.073 | 08SHSCP - HM | | NAS | Fire | 1 | - | (1) | |
| Total for CFDA No. 97.073 | | | | | | 123 | - | (123) | - |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis) (Thousands)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|---|---------|--------|------------------------|----------------|-------------------------------------|---------------------------------|--------------------|--------------------------------------|
| * <i>Passed through Ohio Dept. of Natural Resources</i> | | | | | | | | |
| Paddle Safe Cincinnati | 324 | 97.012 | 11-05 | NAR Recreation | 10 | | (6) | |
| Paddle Safe Cincinnati | 324 | 97.012 | 2008-34 | NAR Recreation | | | - | |
| Total for CFDA No . 97.012 | | | | | 10 | - | (6) | - |
| * <i>Passed through Ohio Dept. of Public Safety</i> | | | | | | | | |
| FEMA-Windstorm | 479 | 97.036 | FEMA 1805-DR-061-15000 | NAO Finance | \$ 248 | | \$ (249) | |
| FEMA 2011 Spring Rains | 461 | 97.036 | FEMA 4002-DR-061-15000 | NAO Finance | 447 | | (364) | |
| Total for CFDA No . 97.036 | | | | | 695 | - | (613) | - |
| FY08 AFG Grant | 472 | 97.044 | EMW-2008-F0-12072 | NAS Fire | - | | (5) | |
| Fire Prevention & Safety Grant - FY10 | 472 | 97.044 | EMW-2010-FP-02021 | NAS Fire | 13 | | (13) | |
| Assistance to Firefighters Grant - FY09 | 472 | 97.044 | EMW-2009-FO-10718 | NAS Fire | 584 | | (584) | |
| Assistance to Firefighters Grant - FY10 | 472 | 97.044 | EMW-2010-FO-09685 | NAS Fire | 274 | | (274) | |
| Total for CFDA No . 97.044 | | | | | 871 | - | (876) | - |
| 2007 Port Security- Cameras | 368 | 97.056 | 2007-GB-T7-0107 | NAS Police | 11 | | (17) | |
| FY07 Port Security Grant Program(PSGP) | 368/472 | 97.056 | 2007-GB-T7-K030 | NAS Fire | 116 | | (13) | |
| FY08Port Security Grant Program(PSGP) | 472 | 97.056 | 2008-GB-T7-K032 | NAS Fire | 42 | | (42) | |
| Total for CFDA No . 97.056 | | | | | 169 | - | (72) | - |
| * <i>Passed through Ohio Emergency Management Agency</i> | | | | | | | | |
| FY05 UASI | 476 | 97.008 | 05UASI | NAS Fire/Pol | 42 | | (42) | |
| Total for CFDA No . 97.008 | | | | | 42 | - | (42) | - |
| FY07 UASI | 476 | 97.067 | 0000006885 | NAS Fire/Pol | 13 | | (13) | |
| FY08 Urban Area Security Initiative | 476 | 97.067 | 2008-GE-T8-0025 | NAS Fire/Pol | 122 | | (122) | |
| Metropolitan Medical Response System FY07 | 393/454 | 97.067 | 0000007023 | NAS Fire | - | | (9) | |
| Metropolitan Medical Response System FY08 | 393/454 | 97.067 | 0000015779 | NAS Fire | 311 | | (301) | |
| Metropolitan Medical Response System FY09 | 454 | 97.067 | 0000022164 | NAS Fire | 31 | | (33) | |
| State Homeland Security Program | | 97.067 | 08 SHSP-LE | NAS Fire | | | | |
| (h.) Total for CFDA No . 97.067 | | | | | 477 | - | (478) | - |
| TOTAL DEPARTMENT OF HOMELAND SECURITY | | | | | 2,387 | - | (2,210) | - |
| 9 Dept of Energy | | | | | | | | |
| * <i>Pass thru Ohio</i> | | | | | | | | |
| ARRA - Alt. Fuels & Adv. Tech Vehicle Pilot 2010 | 502 | 81.041 | DE-EE0002566 | NAO IMG | 110 | | - | |
| ARRA - 2011 OATP | 502 | 81.041 | DE-EE0002566-S9111 | NAO IMG | 46 | | (133) | |
| Total for CFDA No . 81.041 | | | | | 156 | - | (133) | - |
| ARRA -Energy Efficiency & Conservation Block Grant | 502 | 81.128 | DE-EE0000704 | NAO EQ | 1,416 | | (1,416) | |
| Total for CFDA No . 81.128 | | | | | 1,416 | - | (1,416) | - |
| TOTAL DEPARTMENT OF ENERGY | | | | | 1,572 | - | (1,549) | - |
| TOTAL FEDERAL GRANTS & SUBSIDIES (Non-GAAP Basis) | | | | | \$ 67,618 | \$ 2,091 | \$ (91,721) | \$ (1,060) |
| Less Amount Recognized as Contributed Capital | | | | | (10,866) | | | |
| Accounts Receivables NSP2 | | | | | (812) | | | |
| Less Accrual of Federal Grant & Subsidies at 12/31/10 | | | | | (1,880) | | | |
| Plus Accrual of Federal Grant & Subsidies at 12/31/11 | | | | | 2,166 | | | |
| Amount Recognized as Federal Grants & Subsidies (GAAP Basis) | | | | | \$ 56,226 | | | |

* Indicates Federal monies passed through another agency to the City of Cincinnati.

* Total Community Development loans outstanding at December 31, 2011 totaled \$33,512,718.87 under CFDA 14.218, \$26,541,265.68 under CFDA 14.239, and 1,950,605.69 under CFDA 14.244.

CLUSTERS

- a. CCDF Cluster
- b. Aging Cluster
- c. Medicaid Cluster
- d. CDBG - Entitlement and (HUD-Administered) Small Cities Cluster
- e. Fish and Wildfire Cluster
- f. Highway Planning and Construction Cluster
- g. Highway Safety Cluster
- h. Homeland Security Cluster
- i. JAG Program Cluster

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of City Council
City of Cincinnati, Ohio:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Ohio (the "City") as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2012, wherein we noted the City adopted the provisions of Governmental Accounting Standards Board Statement Nos. 59, 61, 62 and 63. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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Compliance And Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated June 29, 2012.

This report is intended solely for the information and use of the Mayor and Members of City Council, the City's management, others within the entity, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 29, 2012

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Mayor and Members of City Council
City of Cincinnati, Ohio:

Compliance

We have audited the City of Cincinnati, Ohio's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2011. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-1.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, and contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-1. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 29, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

This report is intended solely for the information and use of the Mayor and Members of City Council, the City's management, others within the entity, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 29, 2012

CITY OF CINCINNATI, OHIO
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011

Section I – Summary of Auditors’ Results

Financial Statements

| | |
|--|-------------|
| Type of auditors’ report issued: | Unqualified |
| Internal control over financial reporting: | |
| • Material weakness(es) identified? | None noted |
| • Significant deficiency(ies) identified not considered to be material weaknesses? | None noted |
| Noncompliance material to the financial statements noted? | None noted |

Federal Awards

| | |
|--|------------|
| Internal control over major programs: | |
| • Material weakness(es) identified? | None noted |
| • Significant deficiency(ies) identified not considered to be material weaknesses? | Yes |

Type of auditors’ report issued on compliance for major programs: Unqualified

Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133? Yes

Identification of major programs:

- JAG Cluster:
 - CFDA 16.738 – Edward Byrne Memorial Justice Assistance Grant Program
 - CFDA 16.803 – ARRA-Edward Byrne Memorial Justice Assistance Grant State Program
 - CFDA 16.804 – ARRA-Edward Byrne Memorial Justice Assistance Grant Local Government Program
- CFDA 14.256 – ARRA-Neighborhood Stabilization Program
- CFDA 14.257 – ARRA-Homelessness Prevention and Rapid Re-Housing Program
- CFDA 14.239 – Home Investment Partnerships Program
- CFDA 16.710 – ARRA-Public Safety Partnership and Community Policing Grants
- CFDA 81.128 – ARRA-Energy Efficiency and Conservation Block Grant Program
- CFDA 66.468 – Capitalization Grants for Drinking Water State Revolving Funds
- CFDA 11.300 – Investments for Public Works and Economic Development Facilities

Dollar threshold to distinguish between Type A and Type B Programs: \$1,774,945

Auditee qualified as low-risk auditee? Yes

CITY OF CINCINNATI, OHIO
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011
(Continued)

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

Finding 2011-1 – ARRA-Energy Efficiency and Conservation Block Grant (EECBG) – CFDA 81.128
and Home Investment Partnership Program (HOME) – CFDA 14.239

Condition: We performed tests to determine if the City was properly charging salaries and wages to the Federal awards. For certain expenses charged to the grants, personnel timesheets did not fully support the allocation percentages used to charge an employee's salary. The employee's timesheets did not indicate the time spent working on the specific grant.

Criteria: OMB Circular A-87 requires salaries and wages charged to Federal awards to be based on payroll documented in accordance with the generally accepted practices of the City. Where employees work on multiple activities or cost objectives, a distribution of their salaries and wages should be supported by personnel activity reports unless a substitute system has been approved by the cognizant Federal agency.

Context: The City currently allocates salary based on budget allocations and the City does not reconcile these budgeted allocations to actual time and effort support.

In regards to EECBG, the City allocated the administrative activities performed by certain employees equally between just two ARRA-funded programs despite their activities benefiting the City's other ARRA-funded programs as well. Our projection of questioned costs was less than \$10,000.

As for HOME, the City allocated 10% of the salary and wages of certain administrative employees to the HOME program. The City utilizes a methodology to charge these costs based on the number of contracts, contract renewals, ID bills created, and vouchers processed for each program compared to the total of those items for the department. Based on this analysis, the City's actual percentage of those processed documents exceeded 10% and was, in fact, approximately 20%. Thus, while the City has utilized a systematic methodology for allocating its costs, it does not conform to OMB Circular A-87 requirements for personal activity reports or timesheets.

Cause: The City lacked procedures to ensure personal activity reports or timesheets were used to support the payroll allocations charged to the grant.

Effect: Lack of proper documentation could result in disallowed costs for the City's federal programs.

Recommendation: The City should implement policies to ensure salary allocations used are documented and accurately reflect the amount of time spent on grant activities.

Views of Responsible Officials: The City will implement policies and procedures to document and bill salaries to grant activities for the Home Investment Partnership Program (HOME) CFDA no. 14.239 and ARRA Energy Efficiency and Conservation Block Grant CFDA no. 81.128.

CITY OF CINCINNATI, OHIO
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011
(Continued)

Section IV – Summary of Prior Audit Findings and Questioned Costs

Finding 2010-1 – Audit Adjustments

During the course of our audit, we identified misstatements in the financial statements for the year under audit that were not initially identified by the City's internal control over financial reporting. Certain audit adjustments were necessary for the financial statements to be presented fairly, in all material respects, in accordance with generally accepted accounting principles. First, the City did not initially record a \$10 million loan receivable related to an economic development project in the Debt Service Fund. While the loan was reported on the City's entity-wide financial statements in governmental activities, it also should have been reported in the fund financial statements. Second, the City initially recorded a \$2 million contribution in the Capital Projects Fund but rather should have reported it in a nonmajor special revenue fund. Audit adjustments are an indicator in a deficiency in internal controls over financial reporting.

Status: Corrected

Finding 2010-2 – ARRA-Edward Byrne Memorial Justice Assistance Grant/Grants to States and Territories – CFDA 16.803

We performed tests to determine if the City was properly charging salaries and wages to the Federal award. For certain expenses charged to the grant, personnel timesheets did not fully support the allocation percentages used to charge an employee's salary. The employee's timesheets did not indicate the time spent working on the grant. OMB Circular A-87 requires salaries and wages charged to Federal awards to be based on payrolls documented in accordance with the generally accepted practices of the City. Where employees work on multiple activities or cost objectives, a distribution of their salaries and wages should be supported by personnel activity reports unless a substitute system has been approved by the cognizant Federal agency.

Status: No issues of non-compliance were noted in relation to the JAG Program.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the year ended December 31, 2011



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the year ended December 31, 2011

Director of Finance:

Reginald E. Zeno

Assistant Director of Finance:

Kathleen A. Creager, CPA

Finance Manager:

Christopher A. Bigham, CPA



INTRODUCTORY SECTION

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CITY OF CINCINNATI, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 2011

TABLE OF CONTENTS

| INTRODUCTORY SECTION | Page |
|---|------|
| Letter of Transmittal..... | 5 |
| Certificate of Achievement..... | 11 |
| Organization Chart | 13 |
| Principal City Officials | 15 |
| FINANCIAL SECTION | Page |
| Report of Independent Auditors | 17 |
| Management’s Discussion and Analysis | 19 |
| BASIC FINANCIAL STATEMENTS: | |
| Basic Financial Statements: | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 35 |
| Statement of Activities | 37 |
| Fund Financial Statements: | |
| Balance Sheet – Governmental Funds | 38 |
| Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds | 39 |
| Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds | 40 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Governmental Funds..... | 41 |
| Statement of Net Position – Proprietary Funds | 43 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds..... | 45 |
| Statement of Cash Flows – Proprietary Funds..... | 46 |
| Statement of Fiduciary Net Position – Fiduciary Funds..... | 48 |
| Statement of Changes in Fiduciary Net Position – Fiduciary Funds | 49 |
| Notes to Financial Statements | 51 |
| Required Supplementary Information | |
| Schedule of Funding Progress – Pension Plan..... | 113 |
| Schedule of Funding Progress – Healthcare Plan | 113 |
| Schedule of Employers’ Contributions – Pension Plan | 113 |
| Schedule of Employers’ Contributions – Healthcare Plan..... | 113 |
| Budgetary Comparison Schedule – General Fund..... | 114 |
| Note to the Required Supplementary Information | 115 |

TABLE OF CONTENTS
(Continued)

| FINANCIAL SECTION (Continued) | Page |
|--|------|
| Supplementary Information | |
| Major Governmental Fund: | |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) – and Actual General Fund | 121 |
| Statement of Revenue, Expenditures, and Changes in Fund Balance..... | 127 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) – and Actual Capital Projects Fund | 132 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) – and Actual Debt Service Fund | 135 |
| Nonmajor Governmental Funds..... | 137 |
| Combining Balance Sheet – Nonmajor Governmental Funds | 139 |
| Combining Statement of Revenue, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds | 142 |
| Schedules of Revenue, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual | |
| Tax Increment Financing Funds | 145 |
| Health Services Fund | 146 |
| Street Construction, Maintenance and Repair Fund | 147 |
| Parking Meter Fund | 148 |
| Cable T.V. Fund | 149 |
| Income Tax Infrastructure Fund | 150 |
| Income Tax Transit Fund | 153 |
| Motor Vehicle License Fund | 154 |
| Special Recreation Fund | 155 |
| Recreation Grants Fund..... | 157 |
| Parks Fund | 158 |
| Safety Fund | 159 |
| Health Grants Fund | 160 |
| Cincinnati Blue Ash Airport Fund | 161 |
| Community Development Fund | 162 |
| Department of Labor Grant Fund | 165 |
| Other Grants and Special Revenues Fund | 166 |
| Bettman Nature Center | 170 |
| Groesbeck Endowment Fund | 171 |
| Schmidlapp Park Music Fund | 172 |
| Joanna Peters Bequest | 173 |
| The W.M. Music Endowment Fund | 174 |
| Crosley Field Trust | 175 |
| Kroger Trust | 176 |
| Yeatman’s Cove Park Trust | 177 |
| Park Board Fund | 178 |
| Nonmajor Enterprise Funds | 179 |
| Combining Statement of Net Position | 181 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Position..... | 182 |
| Combining Statement of Cash Flows | 183 |

TABLE OF CONTENTS
(Continued)

| FINANCIAL SECTION (Continued) | Page |
|---|-------------|
| Internal Service Funds | 185 |
| Combining Statement of Net Position | 187 |
| Combining Statement of Revenues, Expenses and Changes in Fund Net Position..... | 189 |
| Combining Statement of Cash Flows | 190 |
| Fiduciary Funds – Agency Funds | 193 |
| Combining Statement of Fiduciary Assets and Liabilities – Agency Funds | 195 |
| Combining Statement of Changes in Assets and Liabilities - Agency Funds | 196 |
| Capital Assets Used in the Operation of Governmental Funds..... | 199 |
| Schedule by Source | 201 |
| Schedule by Function and Activity..... | 202 |
| Schedule of Changes by Function and Activity..... | 203 |
| Schedules: | |
| Outstanding Bonds and Notes | 207 |
| Schedule of Annual Debt Service | 208 |
| Schedule of Expenditures of Federal Awards | 209 |
| Infrastructure Income Tax | 215 |
| | |
| STATISTICAL SECTION | Page |
| Financial Trends | |
| Schedule of Net Assets(Position) by Category | 219 |
| Schedule of Changes in Net Assets(Position) | 220 |
| Fund Balances, Governmental Funds | 222 |
| Changes in Fund Balance, Governmental Funds | 223 |
| Program Revenue by Function/Program | 224 |
| Total Revenue by Source, Governmental Funds..... | 225 |
| Tax Revenue by Source, Governmental Funds..... | 225 |
| Revenue Capacity | |
| Income Tax Revenue Base and Collections | 226 |
| Income Tax Revenues (GAAP and Non-GAAP)..... | 227 |
| Assessed Value and Estimated True Value | 228 |
| Property Tax Rates - Direct and Overlapping Governments | 228 |
| Principal Property Taxpayers..... | 229 |
| Property Tax Levies and Collections | 230 |
| Water Works – Top Ten Retail Customers..... | 231 |
| Water Works – Historical and Projected Water System Pumpage..... | 232 |
| Water Works – Accounts Receivable | 232 |
| Debt Capacity | |
| Ratios of Outstanding Debt by Type | 233 |
| Ratios of Net General Bonded Debt | 234 |
| Direct and Overlapping Governmental Activities Debt..... | 234 |
| Legal Debt Margin Information..... | 235 |

TABLE OF CONTENTS
(Continued)

| STATISTICAL SECTION (Continued) | Page |
|---|-------------|
| Debt Capacity | |
| Revenue Bonds Debt Service Coverage | 236 |
| Water Works – Historical Financial Operations | 237 |
| Water Works – Projected Operating Results | 238 |
| Water Works – Senior Bonds and Senior Subordinated Debt Service Requirements..... | 239 |
| Demographic and Economic Information | |
| Population Statistics | 240 |
| Ten Largest Employers | 241 |
| Construction and Property Value | 242 |
| Salaries of Principal Officials | 243 |
| Surety Bond Coverage | 243 |
| Annual Employment Average by Industry | 244 |
| Operating Information | |
| Full-Time Equivalent Employees by Function/Program | 245 |
| Operating Indicators by Function/Program..... | 246 |
| Capital Asset and Infrastructure Statistics by Function/Program | 247 |



June 29, 2012

The Honorable Mayor, Members of City Council,
and the Citizens of the City of Cincinnati, Ohio

We are pleased to submit the City of Cincinnati's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2011. State law requires that the City of Cincinnati annually publish a complete set of financial statements for the results of its fiscal operations, presented in conformity with generally accepted accounting principles (GAAP). This report is prepared by the Department of Finance, which is responsible for the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A) that is located on page 19. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The Administration believes that the City's internal control structure provides reasonable assurance that assets are safeguarded, transactions are recorded and reported appropriately, and policies are followed. The concept of reasonable assurance recognizes that the cost of a control procedure should not exceed the expected benefit.

An important element of the City's control structure is the ongoing program to promote control consciousness throughout the organization. The Administration's commitment to this program is emphasized through written policies and procedures, and a well-qualified financial staff.

The firm of Clark, Schaefer, Hackett and Co. was selected, by the Auditor of the State of Ohio, in November 2009 to perform the City's audit for the five years 2009 to 2013. Clark, Schaefer, Hackett and Co. has audited the accompanying financial statements. Their report is included herein.

A single audit is an organization-wide financial and compliance audit that is conducted in lieu of the traditional grant-by-grant multiple audits performed in the past. Federal law requires us to have this single audit of all City activities. We have remained in compliance with this requirement since its inception in 1985. Clark, Schaefer, Hackett and Co. conducted the single audit for the 2011 fiscal year.

Profile of the Government

Cincinnati was founded in 1788, chartered as a village in 1802, and incorporated as a City in 1819. It is located on the Ohio River in Southwestern Ohio near the junction of Ohio, Indiana and Kentucky. Voters approved major revisions to the City Charter in 1926 to provide for home rule and the council-manager form of government. The City's form of government was modified in 2001 based on a charter amendment approved by the voters in 1999 to implement a stronger Mayor form of government. The Mayor is chosen through a direct election and the nine-members of City Council are chosen in a separate at-large election.

The Mayor is elected to a four-year term and City Council members are elected to two-year terms. Term limits enacted in November 1993 limit members of City Council to four consecutive two-year terms and the Mayor to two consecutive four-year terms. The Mayor appoints the City Manager subject to prior approval of the City Council.

The City is the only governmental unit in the reporting entity; it has no component units. In determining what constitutes the City reporting entity, the criteria established by the Governmental Accounting Standards Board were used. The City is not financially accountable for any potential component units. Hamilton County and the Cincinnati City School District are separate governmental jurisdictions that overlap the City's boundaries. These entities are not included in the City's financial reports.

An annual operating budget is adopted each fiscal year for the General Fund and several Special Revenue Funds which operate on an annual budget. Budgetary data is presented for these funds as well as the Capital Projects Fund, Debt Service Fund, TIF Funds and other Special Revenue Funds which are mostly grants. For each budgeted expenditure classification, the level of appropriation control, which may not be exceeded, is: personal service, non-personal service, capital outlay, and debt service. Any revisions that alter the appropriation control classification of any division within a City department must be approved by the City Council. Encumbrances do not lapse at year-end and are included as expenditures in the current year budget (Non-GAAP Budgetary Basis).

The City provides the full range of municipal services including police and fire protection, parks, recreation, public services (highways, streets, and waste collection), health and human services, culture, public improvements, planning and zoning, general administrative, water and sewer services.

Information Useful in Assessing the Government's Economic Condition

Local Economy

The City's diverse economic base has been and continues to be a source of financial stability for the City. Among its prominent manufacturing groups are transportation equipment, which includes aircraft engines and auto parts; food and kindred products; metalworking and general industrial machinery; chemicals; fabricated metal products; insurance and financial services, printing and publishing.

According to the Greater Cincinnati Chamber of Commerce in its Economic Outlook 2012, the economy recovered at a very slow and uneven rate in 2011 and is expected to improve more in 2012. Regional unemployment is still lower than the national rate and migration has slowed resulting in negative population gains. Slow growth is expected for 2012. Local Governments are expected to continue with budget difficulties due to anticipated cuts from State and Federal sources.

During the past five years, the unemployment rate in the Cincinnati MSA rose significantly from an initial low of 5.0% (2007) to a high of 9.9% (2009). Job growth is expected to be slow and unemployment will remain high but will improve by the end of 2012. The housing industry, the federal deficit and new job skills required for employment will make the recovery process slow. Cincinnati's keys to successful recovery are in its ability to attract and maintain business and to reduce impact of loss of population and jobs to growing

suburban areas.

Per the U.S. 2010 Census the City of Cincinnati's population was 296,943 a decline from the estimated population in 2009 of 332,458.

Long Term Financial Planning

City Council established standards for a minimum working capital reserve account in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy called for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of no less than 5% or more than 8% of general operating revenues by December 31, 1986. The targeted year-end reserve level was achieved in January of each year 1985 through 2011. The target reserve of \$20.1 million (5.9% of 2012 estimated revenues) has already been achieved.

Actual Non-GAAP General Fund expenditures/encumbrances in 2011 were \$346.7 million which is a \$6.6 million decrease compared with 2010 expenditure/encumbrances of \$353.3 million. Actual Non-GAAP revenue in 2011 of \$349.2 million was more than 2010 actual revenues of \$339.2 million. The actual revenue exceeded the original 2011 revenue estimate of \$338.4 million by \$10.8 million.

Standard and Poor's rates the City's general obligation bonds "AA+", the second highest rating. The City's bond rating by Moody's is "Aa1", the second highest rating. The ratings reflect the City's strong financial management and healthy local economy.

Relevant Financial Policies

Cash temporarily idle during the year was invested in Certificates of Deposit, obligations of the U.S. Treasury, and Ohio Municipals. The City has an investment committee that meets regularly to review investment policies and procedures. Beginning in March 2003, separate portfolios were created for general investments and bond investments in order to track specific interest earned on bond proceeds.

The City's Investment Policy, which was approved by the Mayor and City Council, is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are either insured by federal depository insurance or collateralized. The investments held by the City at December 31, 2010 were either backed by the full faith and credit of the U.S. Government or were investments with a credit rating of A and above. The Investment Policy uses a laddered approach to schedule investment maturities whose weighted average maturity of the general investment portfolio is not to exceed two years. As of December 31, 2010, the weighted average maturity was 535.37 days. The Investment Policy also identifies a benchmark that is used to monitor the performance of the investment portfolio. During 2010, the benchmark ranged from .69% to 1.17% and the rate of return for general investments ranged from 2.00% to 2.27%. The rate of return on general investments was 1.4% in 2010 compared to 2.52% for all investments in 2009.

The City maintains a comprehensive all-risk property insurance program through a commercial carrier, covering approximately \$1.2 billion in property values. The program contains a \$100 thousand deductible, provides coverage in the amount of \$300 million per occurrence, and has a maximum limit of \$50 million for earthquake damage and \$50 million for flood damage.

The City of Cincinnati Retirement System's (CRS) net plan assets decreased from \$2.1 billion as of December 31, 2010 to \$1.97 billion as of December 31, 2011. The decrease of \$130 million was due to declining market conditions in 2011. (See Pension Trust Fund financial statements on pages 50 and 51 and footnote 21.)

The Cincinnati Retirement System's actuary reported the funding progress of the plan as of December 31, 2011 deteriorated. The funding ratio at year-end 2011 was 66.8%, down from 75% year-end 2010. The

decrease in the funding ratio was due primarily to a change in actuarial assumptions. In 2011, the anticipated rate of return on investments was changed from 8% to 7.5%. In 2009, the City Council changed retiree health care so that retirees are required to pay a portion of their health care costs. The member contribution rates will also increase by .5% per year until 2013 when the rate will reach 9%. Major changes were made to the Pension plan in 2011 which are incorporated in the 2010 actuarial report. Benefits were reduced for employees retiring after January 1, 2014. On November 30, 2012, City Council approved a “step up” approach that will increase the City’s contribution rate to 18% in 2012, 20% in 2013, 22% in 2013 and 24% thereafter. Details are in Footnote 21.

Major Initiatives

In 2011, the City continued to improve customer service throughout city government and promote revitalization of neighborhoods, downtown, and the riverfront area. Major initiatives, accomplishments and positive changes were made in the following areas and are of particular interest.

Horseshoe Casino Cincinnati (Rock Ohio Caesars Cincinnati, LLC). Developer Rock Ohio Caesars Cincinnati, LLC officially broke ground February 4, 2011 on the \$400 million, 354,000 square foot full-service casino in downtown Cincinnati, which will also include a 2,500-space parking garage. With an anticipated opening in the first part of 2013, the project is expected to create approximately 2,000 construction jobs and 1,700 casino operation jobs. The 24/7 entertainment complex is expected to draw an additional six million visits annually downtown, and generate approximately \$21 million annually in gaming tax revenues to the City. The project has the potential to generate in excess of \$3 million annually in net TIF revenue for the City, which is expected to be used for infrastructure improvements around the project site and in the surrounding downtown Cincinnati area.

The Banks. In November 2007, the City of Cincinnati and Hamilton County approved a series of agreements to develop the Banks on the city's central riverfront. This riverfront development will include a variety of residential options, entertainment venues including restaurants and bars, riverfront offices, hospitality spaces, and an expansive green 40-acre riverfront park. This first of its kind project in Cincinnati will benefit the entire Greater Cincinnati region. In addition to creating a destination where people can live, work, and play, the Banks will be a catalyst for regional economic growth. It will drive more than \$600 million in private investment to our riverfront, provide a place to live for more than 3,000 residents and create hundreds of jobs during construction alone.

The public portion of Phase I includes infrastructure improvements, and a parking garage. The parking garage opened in May 2010 and the other public infrastructure improvements were completed in March 2011. The public portion of Phase II also includes infrastructure improvements, and a parking garage which opened in the fall of 2011. The total cost to the public parties for both Phases is expected to be \$129 million and is funded by a combination of Federal and State grants and City and County funding sources. The City issued \$15 million in general obligation bonds to fund its Phase I portion of the project. The City and Hamilton County have received \$23.2 million in federal stimulus funding that will go toward the funding of Phase II.

The private development portion of Phase I includes 300 apartments, 70,000 square feet of retail space, an office building and other commercial space. Currently the retail space is 80% leased with the first retail tenant (Holy Grail) opening its doors on March 17th, 2011. As of March 2011 the residential space was over 100% leased with a waiting list. The first residential tenants moved in on April 18th, 2011.

Moerlein Lager House at The Banks. Is a 15,000 square foot, two-story restaurant, brewery, and beer garden within the Cincinnati Riverfront Park with an estimated cost of \$4 million. It is expected to seat up to 500 indoors with room for up to 600 in an outdoor beer garden and could employ up to 200 people. They will brew 5,000 barrels of Christian Moerlein beer at the Lager House annually and offer brewery tours. The City approved a 40-year lease with a Moerlein subsidiary which calls for the \$4 million restaurant to be

constructed by and opened for business in March 2012. In addition, the City approved a Community Reinvestment Area Tax Exemption Agreement authorizing a real property tax exemption for a period of twelve years.

Great American Tower at Queen City Square. Construction on this new 41 story office building and parking garage commenced in June, 2008 and the first tenants moved in the first quarter of 2011. The building includes 800,000 square feet of office space, 25,000 square feet of street level retail space and a 1,700 space parking garage. It is the tallest building in the region and downtown Cincinnati's first "Green" building. American Financial Group, Inc will be the anchor tenant, occupying two-thirds of the building. The third largest law firm in the city has also leased a substantial portion of the building. The City pledged TIF revenues from the project to pay the debt service on bonds issued by The Port of Greater Cincinnati Development Authority.

Washington Park. The Washington Park project includes the renovation and expansion of the public park and the addition of a 500 space underground parking garage. It will transform a pivotal civic space in Over-the-Rhine, creating a green oasis for residents and visitors in the middle of an urban neighborhood. The garage and the park will be utilized by visitors to prestigious cultural institutions including Music Hall, Memorial Hall, and the newly renovated School for Creative and Performing Arts, as well as visitors to the OTR Gateway Quarter shopping district and neighborhood residents. The Park renovation and expansion is estimated at \$18 million and the garage construction is estimated at \$29.3 million.

Streetcar Project. The streetcar will leverage private investment, spur redevelopment, improve accessibility and modal connectivity, and forge a new, sustainable path for community growth. The first segment of the system is estimated to cost approximately \$110.4 million and includes a 3.6 mile route through the CBD and the historic and redeveloping Over-the-Rhine neighborhood. Future extensions will include a connector and circulator route through Uptown, the region's second largest employment center and home to the University of Cincinnati, Cincinnati Children's Hospital, and several other employers. The project will be funded through a combination of federal and City funding.

21c Hotel Redevelopment. 21c Museum Hotel is renovating and restoring the former Metropole apartment building to its original purpose as a hotel and a centerpiece of the Central Business District. Along with renovated guestrooms, current plans for the project include an expansion of public spaces on the first, second, and lower levels. The building will also feature completely new energy efficient HVAC, electrical, plumbing and life safety systems throughout the building. The Economic Development Division of the City of Cincinnati worked with Cincinnati Center City Development Corporation (3CDC) to package the redevelopment project and secured a commitment of City financing of up to \$6.3 million for the \$48 million project that is expected to open late 2012.

Tax Incentive Districts

Ohio cities may now create Tax Incentive Districts up to 300 acres in size. In the past, the City's TIF authority was limited to specific projects. This change provides Cincinnati with a new tool to stimulate development and investment in depressed portions of the community. Under the new legislation, eleven areas of Cincinnati were approved as Tax Incentive Districts by Cincinnati's City Council in December 2002 and an additional nine TIF districts were approved in December 2005.

Several major projects are currently underway using funds from the service payments in these TIF districts. In Corryville, there is a \$24 million mixed-use construction project, across from the University of Cincinnati, which includes an 80,000 square foot, 132 room Hampton Inn and Suites Hotel, a 219 car public parking garage, and three retail spaces. Approximately 400 jobs and \$24 million of new construction resulted from this project, which was completed in February 2011.

In 2011, the City entered into an agreement with U-Square LLC for new development in the Clifton area. This is an \$80 million mixed-use redevelopment of 4.2 acres of vacant land located between McMillan and Calhoun Streets . The USquare development will include approximately 161 market-rate apartments, approximately 40,000 sq. ft. of professional office space, and approximately 77,751 sq. ft. of retail space. The developer intends to reserve approximately 0.40 acres of the site for the future development of a hotel. The development will also include two City of Cincinnati owned parking garages as well as a public park-like plaza. The City's contribution to the development is approximately \$21 million in public improvements, which was financed with the issuance of TIF bonds. Construction activity has already begun. The public parking garages are expected to be completed in October of 2012, followed by retail and office leases starting in November of 2012, and apartment leases starting in May of 2013.

Awards and Acknowledgements

Certificate of Achievement and Budget Award

During 2011 the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cincinnati for its comprehensive annual financial report for the fiscal year ended December 31, 2010. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

This is the thirty-first consecutive year that the City has received this award. In 1979, for our 1978 annual financial report, we were the first governmental unit in Ohio to receive the Certificate. As of December 31, 2010, 123 municipal reporting entities in Ohio and only 1,852 units nationwide are holders of the Certificate.

We believe our current report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its' eligibility for another certificate.

We are equally proud of the GFOA's Award for Distinguished Budget Presentation earned by the City for its 2012/2013 biennial budget. This is the 25th consecutive year that the City has received this award. For the fiscal years beginning in 2009, only 16 entities in Ohio and only 781 nationwide received the award.

The preparation of this Comprehensive Annual Financial Report was accomplished by the efficient and dedicated services provided by the entire staff of the Department of Finance. Each member of the Department has our sincere appreciation for the contribution made in the preparation of this report. Appreciation is also expressed to those in other City departments for their cooperation and assistance in matters pertaining to the financial affairs of the City. We hereby acknowledge and thank all who contributed their time and effort.

Respectfully,



Reginald E. Zeno
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cincinnati
Ohio

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

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.



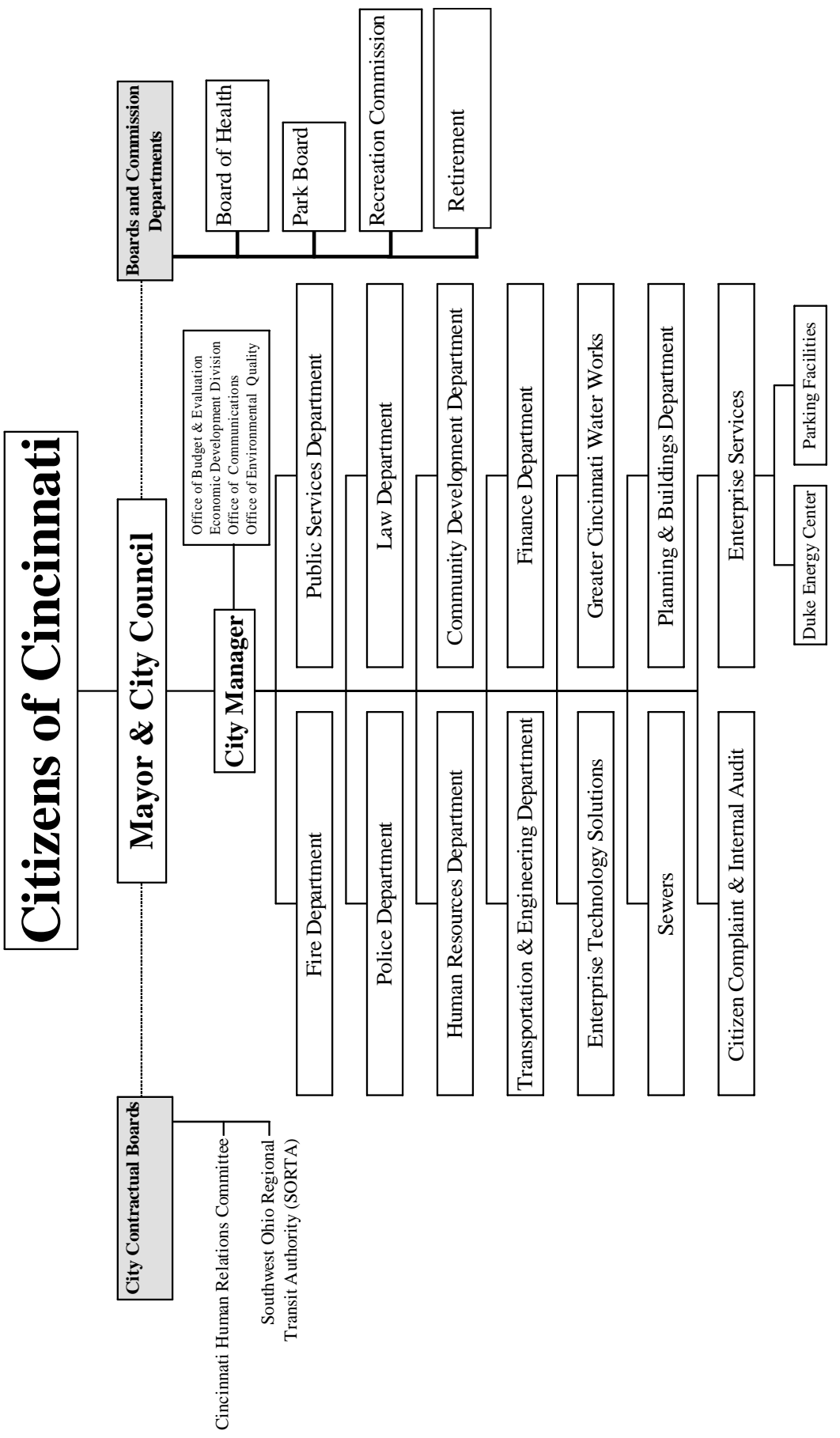
Linda C. Davison

President

Jeffrey R. Emer

Executive Director

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CITY OF CINCINNATI, OHIO

Principal City Officials

CITY COUNCIL

Mark Mallory, Mayor
Second term

Roxanne Qualls, Vice Mayor, Third term
Laure Quinlivan, Second Term
Chris Seelbach, First term
Yvette Simpson, First term
PJ Sittenfeld, First Term

Christopher Smitherman, First term
Cecil Thomas, Fourth term
Charles Winburn, Second term
Wendell Young, Second term

CITY MANAGER

Milton Dohoney, Jr.

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Cincinnati, Ohio:

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 the City of Cincinnati, Ohio (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City'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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cincinnati, Ohio as of December 31, 2011, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, during the year ended December 31, 2011, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 59, *Financial Instruments Omnibus*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2012 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 19 through 31 and 113 through 115 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 29, 2012

City of Cincinnati

Management's Discussion and Analysis

As management of the City of Cincinnati (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 - 10 of this report. The government-wide financial statements are presented on a GAAP basis; that is, they reflect accrual basis of accounting. The GAAP fund financial statements will differ from those presented on a budgetary basis.

Financial Highlights

- The assets of the City, including all Governmental and Business-type activities, exceeded its liabilities at the close of the most recent fiscal year by \$1.7 billion (net position). Of this amount, \$9.3 million is considered unrestricted. The unrestricted net position of the City's governmental activities have a balance of negative (\$89.0) million. The unrestricted net position of the City's business type activities are \$98.3 million and may be used to meet the on-going obligations of the City's water utility, parking, convention center, stormwater, aviation and golf business-type activities. The unrestricted portion of net position does not include assets with externally imposed restrictions or restrictions imposed by law.
- The City's total net position increased \$55.5 million in 2011. Net position of the governmental activities increased by \$60.6 million which represents a 7.6% change from the 2010 balance. Net position of business-type activities decreased \$5.1 million or 0.6% change from 2010. Governmental activities net investment in capital assets increased \$26.7 million. Governmental activities restricted net position increased \$42.7 million. Business-type activities net investment in capital assets decreased \$4.5 million. Business-type activities restricted net position decreased by \$13.6 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$443.4 million, in comparison to \$391.7 million in the prior year. On a combined basis approximately \$7.6 million is considered nonspendable, \$323.8 million is restricted for specific purposes, \$23.3 has been committed by council and \$25.0 has been assigned to specific purposes by management.
- GASB 54 was implemented in 2009 and the Working Capital Reserve Fund, the city's stabilization fund, was restated from Capital Projects to General Fund unassigned fund balance. At the end of the current fiscal year, the committed fund balance of the general fund was \$5.3 million, while total fund balance reached \$99.8 million, 30.2% of total general fund expenditures. \$4.1 million is considered nonspendable. There was a \$14.5 million increase in general fund balance for the year ended December 31, 2011.
- The City's total debt service for governmental activities increased by \$28.7 million 6.0% during the current fiscal year.
- The unrestricted net position of the City's governmental activities have a balance of negative (\$89.0) million due primarily to increases in noncurrent liabilities related to net pension obligation and net other post employment benefits obligations and the increase in restricted funding from federal and state sources.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 35 to 37 of this report.

The statement of net position presents information on all of the City's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave).

Both of the government-wide financial statements (statement of net position and statement of activities) distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, community development, parks and recreation, public safety, transportation and engineering, transit system, public services, and public health. The business-type activities of the City include the Water Works, Parking Facilities, Convention Center, General Aviation, Municipal Golf, and Stormwater Management Funds.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The basic governmental fund financial statements can be found on pages 38 to 42 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 29 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, the capital projects fund, and the debt service fund, all of which are considered to be major funds. Data from the other 26 funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* found elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. The City maintains two different types of proprietary funds - enterprise and internal service. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water works, parking facilities, convention center, municipal airport, municipal golf courses and stormwater management system. *Internal service funds* are an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds for its printing services and general stores operation, fleet services, property management function, self-insurance medical fund, workers' compensation fund and enterprise technology services. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. The basic proprietary fund financial statements

can be found on pages 43 to 47 of this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Works Fund which is considered to be a major fund of the City. The other enterprise funds are combined into a single, aggregated presentation in the proprietary fund financial statements. All internal service funds are also combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the other enterprise funds and internal service funds are provided in the form of *combining statements* found elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City uses fiduciary funds to account for pension trust, investment trust and agency funds. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 48 and 49 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51 to 110 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the funding progress of the City's Pension and Health Care Plans, Employer Contributions to the City's Pension and Health Care Plans and the budgetary comparison of the City's General Fund. Required supplementary information can be found on pages 113 to 115 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 119 to 197 of this report.

CITY OF CINCINNATI'S Net Position
(AMOUNTS IN THOUSANDS)

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|----------------------------|-------------------|-----------------------------|-------------------|---------------------|---------------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Current and other assets | \$ 705,583 | \$ 654,513 | \$ 240,161 | \$ 203,837 | \$ 945,744 | \$ 858,350 |
| Capital assets | 1,148,475 | 1,072,905 | 1,197,278 | 1,179,892 | 2,345,753 | 2,252,797 |
| Total Assets | 1,854,058 | 1,727,418 | 1,437,439 | 1,383,729 | 3,291,497 | 3,111,147 |
| Long-term liabilities outstanding | 743,554 | 678,934 | 521,936 | 465,700 | 1,265,490 | 1,144,634 |
| Other liabilities | 254,564 | 253,171 | 48,430 | 45,825 | 302,994 | 298,996 |
| Total liabilities | 998,118 | 932,105 | 570,366 | 511,525 | 1,568,484 | 1,443,630 |
| Net Position: | | | | | | |
| Net Investment in Capital Assets | 741,266 | 714,580 | 745,722 | 750,184 | 1,486,988 | 1,464,764 |
| Restricted | 203,698 | 160,955 | 23,010 | 36,587 | 226,708 | 197,542 |
| Unrestricted | (89,024) | (80,222) | 98,341 | 85,433 | 9,317 | 5,211 |
| Total net position | <u>\$ 855,940</u> | <u>\$ 795,313</u> | <u>\$ 867,073</u> | <u>\$ 872,204</u> | <u>\$ 1,723,013</u> | <u>\$ 1,667,517</u> |

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$1.7 billion at the close of the most recent fiscal year.

The largest portion of the City's net position \$1.5 billion (86.3%) reflects its investment in capital assets (e.g. land, construction in progress, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, because the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$226.7 million (13.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance \$9.3 million represents *unrestricted net position*. It is important to note that although the total unrestricted net position is \$9.3 million; the unrestricted net position of the City's business-type activities, \$98.3 million, may not be used to fund governmental activities which has a balance of negative (\$89.0)million.

At the end of the current fiscal year, the City is able to report positive balances in two categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The governmental unrestricted net position balance is negative (\$89.0)million. This is mostly the effect of the increase in Net Pension and Net OPEB obligation for the City and an increase in funding from state and federal sources.

Overall, net position of the City increased \$55.5 million in 2011. Net position for governmental activities increased \$60.6 million, while net position of business-type activities decreased \$5.1 million.

There was an increase of \$42.7 million in restricted net position reported in connection with the City's governmental activities and restricted net position reported in connection with the City's business-type activities decreased by \$13.6 million in 2011. The key factors in these changes were the increase in expenditures of funds restricted for capital projects and in unspent bond proceeds. The reason for the decrease in business type assets is a decrease in restricted activities for Water Works and an increase in capital spending.

The City's governmental activities amount net investment in capital assets increased \$26.7 million as debt increased and bond proceeds and capital grants were used to complete certain capital projects during 2011. The City's business-type activities amount invested in capital assets, net of related debt, decreased \$4.5 million.

CITY OF CINCINNATI
Changes in Net Position
(AMOUNTS IN THOUSANDS)

| | Governmental Activities | | Business-type Activities | | Total | |
|--|----------------------------|-------------------|-----------------------------|-------------------|---------------------|---------------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 116,819 | \$ 148,478 | \$ 153,058 | \$ 156,754 | \$ 269,877 | \$ 305,232 |
| Operating Grants and Contributions | 66,024 | 64,475 | | | 66,024 | 64,475 |
| Capital Grants and Contributions | 27,012 | 23,436 | 3,543 | 32,217 | 30,555 | 55,653 |
| General Revenues: | | | | | | |
| Property Taxes | 53,335 | 51,509 | | | 53,335 | 51,509 |
| Income Taxes | 325,089 | 297,636 | | | 325,089 | 297,636 |
| Admission Taxes | 4,450 | 4,174 | | | 4,450 | 4,174 |
| Shared Taxes | 62,012 | 64,714 | | | 62,012 | 64,714 |
| Occupancy Taxes | 2,270 | 2,007 | 1,394 | 1,234 | 3,664 | 3,241 |
| Unrestricted Investment Earnings | 9,407 | 10,861 | 4,515 | 4,969 | 13,922 | 15,830 |
| Miscellaneous | 31,844 | 27,380 | 1,486 | 2,041 | 33,330 | 29,421 |
| Total Revenues | 698,262 | 694,670 | 163,996 | 197,215 | 862,258 | 891,885 |
| Expenses: | | | | | | |
| General Government | 117,064 | 178,047 | | | 117,064 | 178,047 |
| Community Development | 45,274 | 54,316 | | | 45,274 | 54,316 |
| Parks and Recreation | 42,419 | 51,298 | | | 42,419 | 51,298 |
| Public Safety | 242,159 | 254,720 | | | 242,159 | 254,720 |
| Transportation and Engineering | 34,121 | 46,805 | | | 34,121 | 46,805 |
| Transit System | 41,746 | 40,398 | | | 41,746 | 40,398 |
| Public Services | 57,415 | 60,920 | | | 57,415 | 60,920 |
| Public Health | 47,862 | 58,940 | | | 47,862 | 58,940 |
| Interest on long-term debt | 23,004 | 22,865 | | | 23,004 | 22,865 |
| Water Works | | | 119,423 | 132,531 | 119,423 | 132,531 |
| Parking Facilities | | | 8,807 | 9,605 | 8,807 | 9,605 |
| Convention Center | | | 15,484 | 15,424 | 15,484 | 15,424 |
| General Aviation | | | 2,729 | 2,864 | 2,729 | 2,864 |
| Municipal Golf | | | 7,313 | 6,258 | 7,313 | 6,258 |
| Stormwater Management | | | 11,157 | 8,927 | 11,157 | 8,927 |
| Total Expenses | 651,064 | 768,309 | 164,913 | 175,609 | 815,977 | 943,918 |
| Change in net position before transfers and special item | 47,198 | (73,639) | (917) | 21,606 | 46,281 | (52,033) |
| Special Items | 14,000 | | (4,785) | | 9,215 | |
| Transfers | (571) | (76) | 571 | 76 | - | - |
| Change in net position | 60,627 | (73,715) | (5,131) | 21,682 | 55,496 | (52,033) |
| Net position – January 1 st | 795,313 | 869,028 | 872,204 | 850,522 | 1,667,517 | 1,719,550 |
| Net position – December 31st | \$ 855,940 | \$ 795,313 | \$ 867,073 | \$ 872,204 | \$ 1,723,013 | \$ 1,667,517 |

Governmental activities. Governmental activities increased the City’s net position in 2011 by \$60.6 million. Key elements of the change in net position include:

Revenues

The City realized an increase of governmental revenues of \$3.6 million for 2011. Highlights include:

- Charges for services decreased by \$31.7 million. This includes the following changes by program:

| Governmental Program | Change in Millions |
|--------------------------------|--------------------|
| General Government | (\$27.7) |
| Community Development | (\$5.1) |
| Parks and Recreation | (\$0.4) |
| Public Safety | \$4.5 |
| Transportation and Engineering | (\$0.6) |
| Public Services | (\$2.6) |
| Public Health | \$0.2 |

The General Government Charges for services decreased due to a change in Medical billings. Prescription billings for the Retirees are being paid directly through the Retirement fund instead of billed through the Medical fund. This resulted in a decrease in General Government Expense and an offsetting decrease in General Government charges for services in 2011. See the Financial Trends information in the Statistical section on Page 224.

- Operating grants and contributions increased by \$1.5 million. General Government increased \$1.2 million, Community Development decreased by \$2.1 million and Public Safety increased \$2.6 million.
- Capital grants and contributions increased by \$3.6 million due to increases in General Government of \$5.7 million and a decrease in Parks and Recreation of \$3.3 million.
- Income tax increased \$27.5 million due to the economic recovery.
- Investment earnings decreased by \$1.5 million due to a decrease in the general investment rate of return.
- Miscellaneous revenue increased \$4.5 million.

More information on governmental revenue trends is available in the Statistical Section, Financial Trends Information on Page 224.

Expenses

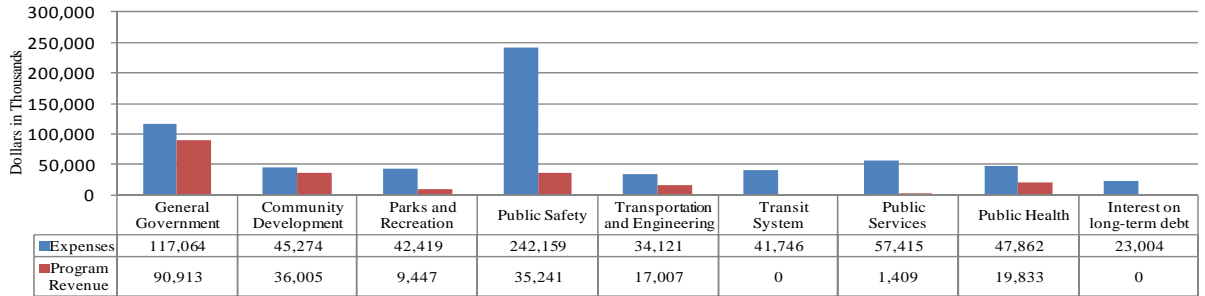
Expenses for governmental activities decreased by \$117.2 million in 2011. Highlights include:

- Expenditures for Repairs and Maintenance decreased by \$26.4 million.
- Pension expense reported in 2011 was less than the pension expense reported in 2010 by \$32.4 million.
- General Government Expense decreased by \$25 million due to a change in billing procedures for the retirement fund prescription drug benefits.

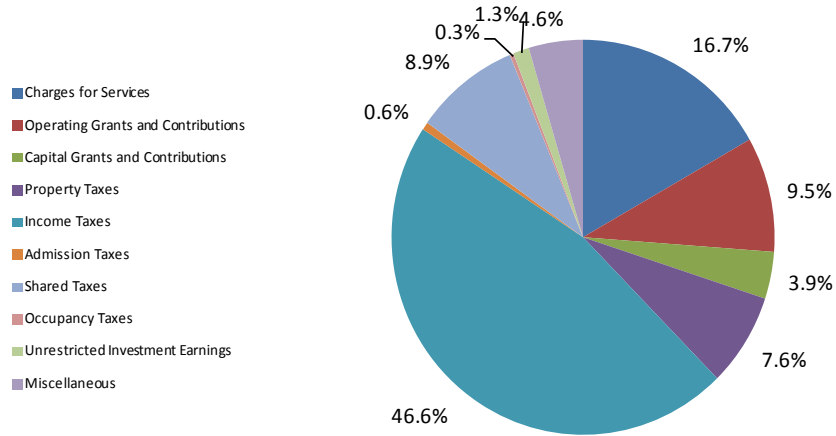
Business-type activities. Business-type activities decreased the City’s net position in 2011 by \$5.1 million. Key elements of the increase include:

- Charges for Services decreased \$3.7 million. Water Works revenue decreased \$4.0 million due to a decrease in water consumption, Convention Center revenue increased by \$0.7 million, and Parking Facilities revenue increased \$0.9 million due to increased parking rates.
- Capital Grants and Contributions revenues decreased by \$28.7 million due to a one time contribution of \$28.9 million for the Duck Creek Floodwall from the US Army Corps of Engineering in 2010.
- Water works expenses decreased by \$13.1 million due to a decrease in personal costs of \$11.7 million and a decrease in utilities costs of \$3.9 million.

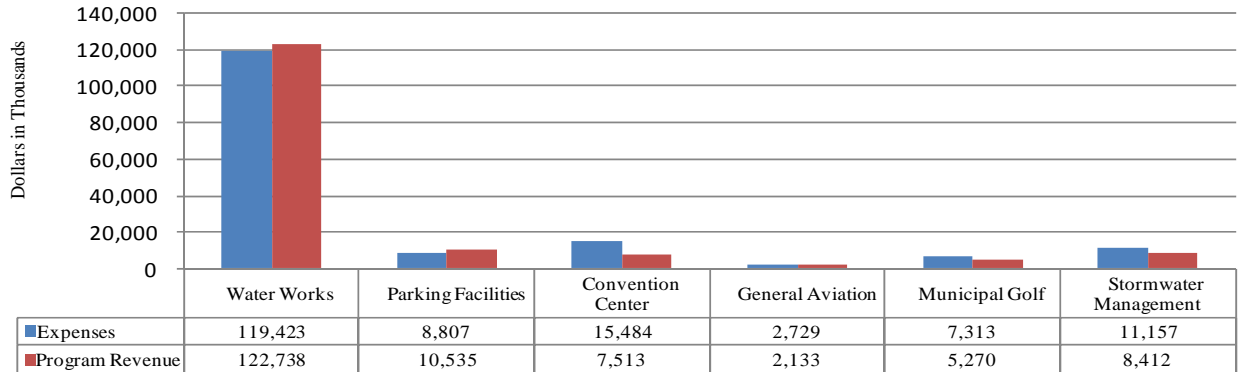
Governmental Activity Expenses and Program Revenue



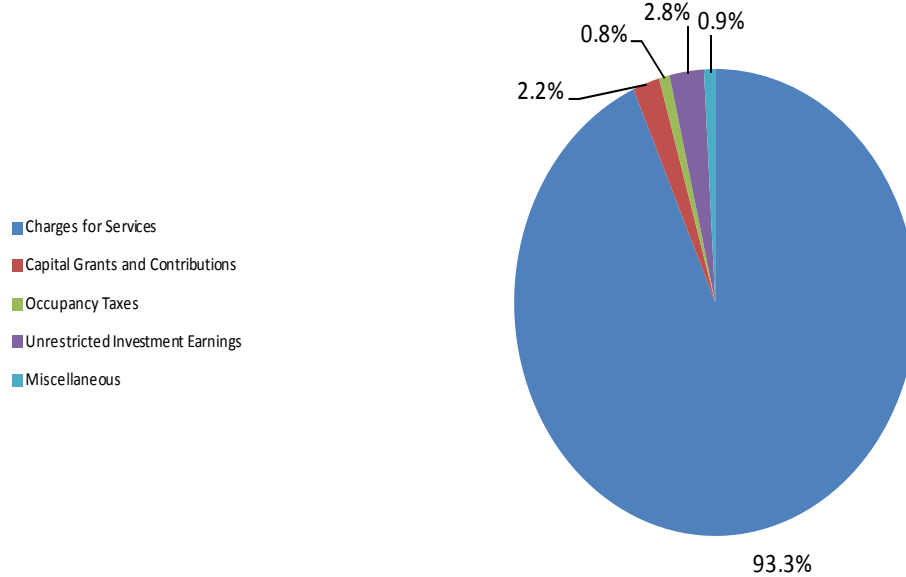
Revenues by Source - Governmental Activities



Business-Type Activity Expenses and Program Revenue



Revenues by Source - Business-type Activities



Financial analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds. The focus of the City's *governmental funds* (footnote 1) is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Nonspendable fund balances are amounts that can not be spent, such as inventory, advances or nonexpendable trust balances. Restricted fund balances are amounts that are restricted legally for a specific purpose, such as a grant or by debt decree. Committed fund balances are amounts committed by the governing body through council legislation, such as budgetary commitments. Assigned fund balances are internal commitments by the governments' management for a specific purpose.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$443.4 million, an increase of \$51.7 million in comparison with the prior year. Approximately 73.0% or \$323.8 million of this total amount constitutes *restricted fund balance*, which is available for spending for a specific purpose. The *committed fund balance*, \$5.3 million or 5.3%, has been committed by council legislation at the end of the year.

The general fund is the primary operating fund of the City. During 2009, the decision was made to include the working capital reserve fund with the general fund as a stabilization fund and is included in the unassigned fund balance. At year end, the balance in the working capital reserve fund was \$20.1 million. The total unassigned fund balance of the general fund (including the working capital reserve) was \$65.5 million, which is 18.9% of general fund revenues.

The fund balance of the City's general fund increased by \$14.5 million during the current fiscal year compared to the fund balance of 2010. Key factors of the increase are as follows:

- Total revenues increased by \$8.4 million and was offset by an expenditure decrease of \$21.2 million in 2011.
- Taxes increased by \$12.9 million. Property tax revenue increased \$1.5 million and city income tax increased \$11.2 million.
- Investment income decreased \$2.4 million.
- Intergovernmental revenue decreased \$2.6 million due to a decrease of \$1.5 million in local government fund revenues and a decrease of \$2.4 million in tangible personal property tax reimbursement offset by and increase in estate tax of \$1.6 million.
- Expenditures for employee benefits increased \$1.2 million due to a \$1.1 million increase in workers compensation insurance.
- Expenditures for Public Services decreased \$5.4 million due to decrease in salt usage due to mild winter and changes in the recycling program.
- Expenditures for Public Safety decreased \$0.9 million due to reducing positions in the fire department and shifting expenses to approved grants.
- Transfers for 2011 were a net (\$1.1)million transfer out. In 2010, the transfers were a net \$9.3 million transfer in.

The capital projects fund has a total fund balance of \$126.5 million which is a slight increase from 2010. Key factors of the increase are as follows:

- Uses of money and property decreased by \$0.3 million due to decreased investment income.
- Federal grants revenue increased by \$2.8 million due to the beginning of a major transportation and engineering projects in 2011.
- State grants revenue increased \$2.6 million due to increased funding for a major project.

- Capital expenditures decreased \$26.1 million including public safety projects, street improvement projects, community development improvement projects, urban renewal projects, technology improvements, and facility improvements.
- General obligation bonds and notes issued decreased \$5.6 million.

The total fund balance of the debt service funds was \$81.1 million of which \$81 million is restricted for the payment of debt service and \$38 thousand is restricted for capital projects. The net increase in fund balance was \$20.5 million. Also, there was an increase of \$7.5 million in general obligation bonds issued and \$3.4 million decrease in net transfers out. The City received a reimbursement of a tax incentive of \$14 million in 2011 which is included as a special item in the debt service fund.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the non-major enterprise funds are \$22.1 million. The total change in net position was an increase of \$9.3 million for the Water Works fund and a decrease of \$13.8 million for the other enterprise funds. Other factors concerning the finances of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Revenue estimates for 2011 were \$338.4 million which was \$3.9 million more than the 2010 estimate of \$334.5 million. The original appropriations were \$355.9 million, while the final appropriations were \$351.4 million. The general fund deficit was filled by transfers from other funds: \$2.4 million from the police compensatory time fund and \$154 thousand from other funds and the remaining from the available fund balance.

Appropriation reductions for 2011 are as follows:

- Enterprise Technology Services \$95,590.
- The City Manager's Office \$111,500.
- Department of Finance \$217,760.
- Department of Community Development \$60,260.
- Department of Planning and Buildings \$100,060.
- Department of Recreation \$240,050.
- Department of Parks \$56,310.
- Department of Police \$1,368,830.
- Department of Fire \$1,393,560.
- Department of Transportation and Engineering \$26,900.
- Department of Public Services \$339,640.
- Department of Public Health \$3,900.
- Benefits and Fees \$473,960.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2011 is \$2.3 billion (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, systems, improvements, machinery and equipment, park facilities, streets, and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 4.1% (7.0% increase for governmental activities and 1.5% increase for business-type activities).

| City of Cincinnati's Capital Assets | | | | | | | |
|--|------------------------------------|---------------------|-------------------------------------|---------------------|---------------------|---------------------|--|
| (net of depreciation) | | | | | | | |
| (AMOUNTS IN THOUSANDS) | | | | | | | |
| | Governmental Activities | | Business-type Activities | | Total | | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | |
| Land | \$ 173,865 | \$ 174,349 | \$ 43,181 | \$ 43,181 | \$ 217,046 | \$ 217,530 | |
| Buildings | 102,065 | 71,291 | 134,936 | 149,753 | 237,001 | 221,044 | |
| Improvements | 204,215 | 194,405 | 803,433 | 769,077 | 1,007,648 | 963,482 | |
| Machinery and Equipment | 51,497 | 48,807 | 96,616 | 98,338 | 148,113 | 147,145 | |
| Infrastructure | 477,952 | 455,827 | | | 477,952 | 455,827 | |
| Construction in Progress | 138,542 | 127,861 | 118,856 | 119,228 | 257,398 | 247,089 | |
| Property Acquired under Capital Leases | 339 | 365 | 256 | 315 | 595 | 680 | |
| Total | \$ 1,148,475 | \$ 1,072,905 | \$ 1,197,278 | \$ 1,179,892 | \$ 2,345,753 | \$ 2,252,797 | |

Total capital assets, net of accumulated depreciation, increased \$93.0 million. Major capital asset events during 2011 included the following:

- Governmental activities capital assets increased \$75.6 million in 2011 net of depreciation and included:
 - Construction in progress increased \$10.7 million.
 - Infrastructure improvement for bridges, retaining walls, traffic signal upgrades and street improvements and upgrades increased by \$22.1 million (net of depreciation).
 - Machinery and equipment increased \$2.7 million (net of depreciation).
 - Buildings increased \$30.8 million (net of depreciation).
 - Improvements increased \$9.8 million (net of depreciation).
- Business-type activities capital assets increased \$17.4 million net of depreciation and included:
 - Improvements increased \$34.4 million.
 - Construction in progress decreased \$0.4 million.
 - Machinery and equipment decreased \$1.7million (net of depreciation).
 - Buildings decreased by \$14.8 million (net of depreciation).

Additional information on the City's capital assets can be found in note 14 on pages 90 to 92 of this report.

Long-term debt. At the end of the current fiscal year, the City had \$973.0 million long-term bonds and notes outstanding. Of this amount, \$428.4 million comprises debt backed by the full faith and credit of the government. The remainder of the City’s debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of Cincinnati’s Outstanding Debt
General Obligation and Revenue Bonds
 (AMOUNTS IN THOUSANDS)

| | Governmental | | Business-type | | Total | |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Activities | | Activities | | | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| General Obligation Bonds | \$ 411,574 | \$ 401,597 | \$ 16,871 | \$ 20,068 | \$ 428,445 | \$ 421,665 |
| Revenue Bonds | 95,715 | 77,000 | 448,865 | 401,000 | 544,580 | 478,000 |
| Total | <u>\$ 507,289</u> | <u>\$ 478,597</u> | <u>\$ 465,736</u> | <u>\$ 421,068</u> | <u>\$ 973,025</u> | <u>\$ 899,665</u> |

During the current fiscal year, the City’s total debt increased by \$73.4 million (8.2%). Key events contributing to the change in long-term debt balances are as follows:

- In June 2011, the City issued \$34 million in various purpose general obligation tax exempt bonds (series 2011A), \$6 million various purpose general obligation tax exempt bonds with additional municipal income tax pledge(series 2011B), \$7 million in various purpose general obligation taxable recovery bonds (series 2011C), \$2 million in various purpose general obligation taxable bonds with additional municipal income tax pledge (series 2011D), and \$19 million in various purpose general obligation tax exempt refunding bonds (series 2011E).
- In August 2011, the City issued \$84.31 million water works revenue bonds (including \$19.885 in refunding bonds) for various water utility projects.
- In November 2011, the City issued \$21 million in revenue bonds supported by urban redevelopment service payment for the U-Square project.
- During 2011 \$15.625 million in revenue bonds were redeemed, of which \$13.34 million were for Water Works and \$2.285 million were for economic development projects.
- During 2011 \$47.3 million in general obligation bonds were redeemed, of which \$2 million were for Water Works.
- During 2011 \$44.4 million in short-term general obligation notes were issued and \$49.9 million were redeemed for governmental activities.

The City’s general obligation bond rating by Standard and Poor’s Corporation and Moody’s Investor Services, Inc. is “AA+” and “Aa1”, respectively.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. The City had a legal debt margin for total debt of \$403.1 million and a legal debt margin for unvoted debt of \$111.7 million.

Additional information about the City’s long-term debt can be found in note 9 on pages 78 to 86 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the Cincinnati MSA was 7.8% at December 2011, which is lower than a year ago by 1.2%. This rate compares favorably to the State's average unemployment rate of 8.1% and is lower than the national average rate of 8.5%.
- The occupancy rate of the central business district Class A office space was 75.7% at the end of 2011 which is less than the 2010 occupancy rate of 76%.
- The City is experiencing increasing costs for employee health care, retirement and contractually obligated labor costs.

All of these factors were considered in preparing the City's biennial budget for the fiscal year 2012.

General Fund revenues for 2011 were \$10.8 million more than the 2011 estimate and \$10.1 million more than 2010 actual revenues. The General Fund balance is estimated to be \$8.5 million, on a budgetary basis, at the end of 2012. This is a reduction of \$13.8 million from the 2011 actual year-end fund balance of \$22.3 million on a budgetary basis due to fund balance carryover being used in balancing the 2012 budget. For 2012, the reserve balance is estimated to be \$32.1 million (composed of \$21.2 working capital reserve, \$2.4 million emergency reserve and the estimated \$8.5 million in carryover fund balance), or 9.5% of 2011 General Fund revenues.

The 2012 General Fund estimated current revenues of \$338.1 million are less than 2012 expenses of \$364.7 million by \$26.6 million. A one-time repayment of a tax incentive of \$14 million along with other fund transfers has been used to balance the 2012 operating budget. The 2012 budget includes a 25% reduction in the Local Government Fund Revenue and a reduction to the tangible personal property tax reimbursement.

One of the City's major budget priorities for 2011 was economic development. The Economic Development Division was fully staffed to focus on bringing investments to the City that create jobs and increase the City's tax base. The Banks, Streetcar Project, Queen City Square and the Horseshoe Casino are just a few examples of new economic development happening in Cincinnati.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City Hall, Room 250, 801 Plum Street, Cincinnati, Ohio, 45202.

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BASIC
FINANCIAL STATEMENTS

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City of Cincinnati, Ohio
Statement of Net Position
December 31, 2011
(Amounts in Thousands)

| | Governmental Activities | Business-Type Activities | Total |
|--|------------------------------------|-------------------------------------|---------------------|
| ASSETS: | | | |
| <u>Current</u> | | | |
| Cash and Equivalents | \$ 39,371 | \$ 2,361 | \$ 41,732 |
| Equity in City Treasury | 115,435 | 26,489 | 141,924 |
| Advances and Petty Cash | 205 | | 205 |
| Investments, at Fair Value | 49,399 | | 49,399 |
| Receivables: | | | |
| Taxes | 107,235 | 203 | 107,438 |
| Accounts, Net | 54,075 | 20,731 | 74,806 |
| Special Assessments | 15,631 | | 15,631 |
| Accrued Interest | 1,920 | 491 | 2,411 |
| Due from Fiduciary Activities | 3,069 | | 3,069 |
| Due from Other Governments | 19,889 | 11,898 | 31,787 |
| Prepaid Items and Other Assets | 2,083 | 6,036 | 8,119 |
| Inventory | 5,339 | 5,427 | 10,766 |
| Restricted Assets: | | | |
| Cash and Cash Equivalents | | 17,988 | 17,988 |
| Equity in City Treasury | | 1,784 | 1,784 |
| Investments, at Fair Value | | 45,930 | 45,930 |
| Internal Balances | (10,871) | 10,871 | |
| Total Current Assets | 402,780 | 150,209 | 552,989 |
| <u>Noncurrent</u> | | | |
| Equity in City Treasury | 274,601 | 63,278 | 337,879 |
| Restricted Equity in City Treasury Cash | | 4,262 | 4,262 |
| Restricted Investments, at Fair Value | | 21,028 | 21,028 |
| Accounts Receivable, Net | 23,195 | | 23,195 |
| Deferred Charges | 5,007 | 1,384 | 6,391 |
| Land | 173,865 | 43,181 | 217,046 |
| Buildings, net of Accumulated Depreciation | 102,065 | 134,936 | 237,001 |
| Improvements, net of Accumulated Depreciation | 204,215 | 803,433 | 1,007,648 |
| Machinery and Equipment, net of Accumulated Depreciation | 51,497 | 96,616 | 148,113 |
| Construction in Progress | 138,542 | 118,856 | 257,398 |
| Property Acquired under Capital Leases, net of Accumulated Amortization | 339 | 256 | 595 |
| Infrastructure Assets, net of Accumulated Depreciation | 477,952 | | 477,952 |
| Total Noncurrent Assets | 1,451,278 | 1,287,230 | 2,738,508 |
| Total Assets | \$ 1,854,058 | \$ 1,437,439 | \$ 3,291,497 |

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Net Position
December 31, 2011
(Amounts in Thousands)

| (Continued) | Governmental | Business-Type | |
|--|---------------------|----------------------|--------------|
| LIABILITIES: | Activities | Activities | Total |
| <u>Current</u> | | | |
| Accounts Payable | \$ 19,480 | \$ 3,854 | \$ 23,334 |
| Withholdings and Other Deposits | 2,377 | | 2,377 |
| Due to Fiduciary Activities | 941 | 283 | 1,224 |
| Due to Other Governmental Agencies | | 1,066 | 1,066 |
| Accrued Payroll | 15,587 | 1,980 | 17,567 |
| Accrued Liabilities | 7,910 | 1,643 | 9,553 |
| Accrued Interest | 2,446 | 57 | 2,503 |
| Deposits Payable | 17,693 | 609 | 18,302 |
| Unearned Revenue | 84,442 | 6,351 | 90,793 |
| Obligations Under Capital Leases | 129 | 60 | 189 |
| Compensated Absences Payable | 39,390 | 4,497 | 43,887 |
| Unpaid Claims | 18,728 | 225 | 18,953 |
| Ohio Public Works Commission Loan | 211 | 218 | 429 |
| Ohio Water Development Authority Loan | | 325 | 325 |
| Matured Bonds and Interest Payable | 531 | | 531 |
| Notes Payable | 413 | | 413 |
| General Obligation Bonds | 41,233 | 3,197 | 44,430 |
| Revenue Bonds | 2,920 | 17,700 | 20,620 |
| Other | 105 | | 105 |
| Advances from Other Governments | 28 | | 28 |
| Payable from Restricted Assets: | | | |
| Construction Contracts | | 5,722 | 5,722 |
| Deposits Payable | | 643 | 643 |
| Total Current Liabilities | 254,564 | 48,430 | 302,994 |
| <u>Noncurrent</u> | | | |
| Non-Current Obligations Under Capital Leases | 224 | 60 | 284 |
| Notes Payable | 12,887 | | 12,887 |
| General Obligation Bonds | 378,745 | 13,674 | 392,419 |
| Revenue Bonds | 92,748 | 449,453 | 542,201 |
| Compensated Absences Payable | 61,325 | 3,940 | 65,265 |
| Other Liabilities | 1,153 | | 1,153 |
| Ohio Public Works Commission Loan | 2,425 | 3,200 | 5,625 |
| Ohio Water Development Authority Loan | | 6,578 | 6,578 |
| Unpaid Claims Payable | 30,489 | | 30,489 |
| Net Pension Obligation | 94,075 | 26,466 | 120,541 |
| Net Other Post Employment Benefit Obligation | 69,483 | 18,565 | 88,048 |
| Total NonCurrent Liabilities | 743,554 | 521,936 | 1,265,490 |
| Total Liabilities | 998,118 | 570,366 | 1,568,484 |
| <u>Net Position</u> | | | |
| Net Investment in Capital Assets | 741,266 | 745,722 | 1,486,988 |
| Restricted Net Position for: | | | |
| Tax Increment Financing | 36,955 | | 36,955 |
| Debt Service | 19,858 | 23,010 | 42,868 |
| Capital Projects | 86,983 | | 86,983 |
| Public Transit | 17,651 | | 17,651 |
| Public Safety | 4,576 | | 4,576 |
| Parks and Recreation | 7,960 | | 7,960 |
| Street Improvement | 5,770 | | 5,770 |
| Infrastructure | 5,655 | | 5,655 |
| Public Health | 752 | | 752 |
| Other Purposes | 7,952 | | 7,952 |
| Permanent Funds - Expendable | 7,386 | | 7,386 |
| Permanent Funds - Nonexpendable | 2,200 | | 2,200 |
| Unrestricted Net Position | (89,024) | 98,341 | 9,317 |
| Total Net Position | \$ 855,940 | \$ 867,073 | \$ 1,723,013 |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Activities
For the year ended December 31, 2011
(Amounts in Thousands)

| | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | |
|---|------------------|----------------------|------------------------------------|---|-------------------------|--------------------------|--------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Functions/Programs | | | | | | | |
| Governmental Activities: | | | | | | | |
| General Government | \$ 117,064 | \$ 78,682 | \$ 3,538 | \$ 8,693 | \$ (26,151) | \$ | \$ (26,151) |
| Community Development | 45,274 | 37 | 35,422 | 546 | (9,269) | | (9,269) |
| Parks and Recreation | 42,419 | 7,059 | 1,748 | 640 | (32,972) | | (32,972) |
| Public Safety | 242,159 | 19,331 | 15,507 | 403 | (206,918) | | (206,918) |
| Transportation and Engineering | 34,121 | 1,360 | 32 | 15,615 | (17,114) | | (17,114) |
| Transit System | 41,746 | | | | (41,746) | | (41,746) |
| Public Services | 57,415 | 36 | 349 | 1,024 | (56,006) | | (56,006) |
| Public Health | 47,862 | 10,314 | 9,428 | 91 | (28,029) | | (28,029) |
| Interest on long-term debt | 23,004 | | | | (23,004) | | (23,004) |
| Total governmental activities | 651,064 | 116,819 | 66,024 | 27,012 | (441,209) | | (441,209) |
| Business type activities: | | | | | | | |
| Water Works | 119,423 | 119,433 | | 3,305 | | \$ 3,315 | \$ 3,315 |
| Parking Facilities | 8,807 | 10,385 | | 150 | | 1,728 | 1,728 |
| Convention Center | 15,484 | 7,513 | | | | (7,971) | (7,971) |
| General Aviation | 2,729 | 2,044 | | 89 | | (596) | (596) |
| Municipal Golf | 7,313 | 5,270 | | | | (2,043) | (2,043) |
| Stormwater Management | 11,157 | 8,412 | | | | (2,745) | (2,745) |
| Total Business-type activities | 164,913 | 153,057 | | 3,544 | | (8,312) | (8,312) |
| Total | \$ 815,977 | \$ 269,876 | \$ 66,024 | \$ 30,556 | (441,209) | (8,312) | (449,521) |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property taxes | | | | | 53,335 | | 53,335 |
| Income taxes | | | | | 325,089 | | 325,089 |
| Admission taxes | | | | | 4,450 | | 4,450 |
| Shared taxes | | | | | 62,012 | | 62,012 |
| Occupancy taxes | | | | | 2,270 | 1,394 | 3,664 |
| Unrestricted investment earnings | | | | | 9,407 | 4,515 | 13,922 |
| Miscellaneous | | | | | 31,844 | 1,486 | 33,330 |
| Transfers between governmental and business-type activities | | | | | (571) | 571 | |
| Total general revenues and transfers | | | | | 487,836 | 7,966 | 495,802 |
| Special Item - Loss on Sale of Gateway Garage | | | | | 14,000 | (4,785) | (4,785) |
| Special Item - Repayment of Tax Incentive | | | | | 60,627 | (5,131) | 55,496 |
| Change in net position | | | | | 795,313 | 872,204 | 1,667,517 |
| Net position-beginning | | | | | \$ 855,940 | \$ 867,073 | \$ 1,723,013 |
| Net position-ending | | | | | | | |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Balance Sheet
Governmental Funds
December 31, 2011
(Amounts in Thousands)

| | <u>General</u> | <u>Capital Projects</u> | <u>Debt Service</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------|-----------------------------|-------------------------|---|---|
| ASSETS | | | | | |
| Cash and Equivalents | \$ 14 | \$ 37,469 | \$ | \$ 1,700 | \$ 39,183 |
| Equity in City Treasury Cash | 87,657 | 112,524 | 61,639 | 95,396 | 357,216 |
| Advances and Petty Cash | 205 | | | | 205 |
| Investments, at Fair Value | | 11,201 | 2,021 | 36,177 | 49,399 |
| Receivables: | | | | | |
| Taxes | 59,736 | 3,417 | 34,971 | 9,111 | 107,235 |
| Accounts, Net | 9,301 | 14,546 | 33,898 | 19,167 | 76,912 |
| Special Assessments | 312 | 383 | | 14,936 | 15,631 |
| Accrued Interest and Dividends | 1,279 | 198 | 275 | 73 | 1,825 |
| Due from Other Funds | 2,685 | 127 | 1,729 | 3,272 | 7,813 |
| Due from Fiduciary Funds | | | | 59 | 59 |
| Due from Other Governments | 13,048 | | | 6,658 | 19,706 |
| Inventory | 3,556 | 898 | | 445 | 4,899 |
| Advances to Other Funds | 302 | | | 1,049 | 1,351 |
| Total Assets | \$ 178,095 | \$ 180,763 | \$ 134,533 | \$ 188,043 | \$ 681,434 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | \$ 2,654 | \$ 8,062 | \$ 35 | \$ 3,632 | \$ 14,383 |
| Withholdings and Other Deposits | 3,172 | | | | 3,172 |
| Due to Other Funds | 1,275 | 10,717 | | 594 | 12,586 |
| Due to Fiduciary Funds | 598 | | 2 | 290 | 890 |
| Accrued Payroll | 13,094 | | 11 | 2,112 | 15,217 |
| Accrued Liabilities | 145 | 4 | | 541 | 690 |
| Deposits Payable | 4,767 | 7,574 | 1,712 | 2,638 | 16,691 |
| Deferred Revenue | 51,695 | 16,341 | 51,093 | 39,942 | 159,071 |
| Estimated Liability for Unpaid Claims | 368 | | 59 | 1,637 | 2,064 |
| Advances from Other Funds | 521 | 11,564 | | 653 | 12,738 |
| Matured Bonds and Interest Payable | | | 531 | | 531 |
| Total Liabilities | 78,289 | 54,262 | 53,443 | 52,039 | 238,033 |
| Fund Balances: | | | | | |
| Nonspendable | 4,063 | 898 | | 2,645 | 7,606 |
| Restricted | | 125,603 | 81,090 | 117,086 | 323,779 |
| Committed | 5,287 | | | 18,021 | 23,308 |
| Assigned | 24,975 | | | | 24,975 |
| Unassigned | 65,481 | | | (1,748) | 63,733 |
| Total Fund Balances | 99,806 | 126,501 | 81,090 | 136,004 | 443,401 |
| Total Liabilities and Fund Balances | \$ 178,095 | \$ 180,763 | \$ 134,533 | \$ 188,043 | \$ 681,434 |

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Reconciliation of the Balance Sheet to the
Statement of Net Position
Governmental Funds
December 31, 2011
(Amounts in Thousands)

Total fund balances - governmental funds \$ 443,401

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

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. 1,148,475

Certain receivables will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 74,668

Some amounts reported for governmental-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities. 1,379

Six internal service funds are used by the City's management. The assets and liabilities of the internal service funds are included with governmental activities. The net property of \$25,260 as it relates to the internal service funds is included in the capital asset amount above. 3,926

Bond issue costs, discounts and deferred loss on refunding are expended in the fund level financial statements but are capitalized and amortized over the life of the bonds in the government-wide financial statements. This is the unamortized portion of those issue costs, discounts and loss on refunding. 6,758

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

| | |
|--|-----------|
| G.O. Bonds and notes payable | (411,574) |
| Revenue bonds payable | (95,715) |
| Long Term Notes Payable | (13,300) |
| Deferred bond premium | (10,108) |
| Compensated absences | (99,447) |
| Net Pension Obligation | (86,812) |
| Net Other Post Employment Benefit Obligation | (65,304) |
| Ohio Public Works Commission Loans | (2,636) |
| Unpaid claims payable | (27,231) |
| Accrued interest on bonds | (2,446) |
| Accrued Liabilities | (6,483) |
| Other liability | (1,258) |
| Capital leases payable | (353) |
| | (411,574) |

Total net position - - governmental activities (page 36) \$ 855,940

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | General | Capital Projects | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|------------------|---------------------|------------------|--------------------------------|--------------------------------|
| REVENUES | | | | | |
| Taxes | \$ 262,709 | \$ 22,675 | \$ 29,387 | \$ 62,737 | \$ 377,508 |
| Licenses and Permits | 7,294 | | | 4,019 | 11,313 |
| Use of Money and Property | 11,356 | 1,197 | 22,746 | 2,748 | 38,047 |
| Special Assessments | | 68 | | 4,925 | 4,993 |
| Intergovernmental Revenue | 42,791 | 1,346 | 7,672 | 19,697 | 71,506 |
| Federal Grants | | 7,057 | | 55,451 | 62,508 |
| State Grants and Subsidies | | 14,085 | | 3,759 | 17,844 |
| Charges for Current Services | 19,825 | 177 | | 15,005 | 35,007 |
| Miscellaneous | 2,142 | 2,833 | 10,850 | 19,574 | 35,399 |
| Total Revenues | <u>346,117</u> | <u>49,438</u> | <u>70,655</u> | <u>187,915</u> | <u>654,125</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | 31,471 | 625 | 1,394 | 31,492 | 64,982 |
| Community Development | 4,406 | | 3 | 3,977 | 8,386 |
| Parks and Recreation | 16,383 | 107 | | 9,558 | 26,048 |
| Public Safety | 165,771 | | | 11,661 | 177,432 |
| Transportation and Engineering | 1,146 | | | 5,095 | 6,241 |
| Transit System | | | | 41,746 | 41,746 |
| Public Services | 15,457 | | | 13,430 | 28,887 |
| Public Health | 13,654 | | | 16,549 | 30,203 |
| Employee Benefits | 82,308 | | | 12,624 | 94,932 |
| Capital Outlay | | 107,784 | | 37,082 | 144,866 |
| Debt Service: | | | | | |
| Principal Retirement | | 211 | 39,888 | 770 | 40,869 |
| Interest | | 55 | 19,528 | 3,087 | 22,670 |
| Bond Issuance Cost | | | 572 | 278 | 850 |
| Total Expenditures | <u>330,596</u> | <u>108,782</u> | <u>61,385</u> | <u>187,349</u> | <u>688,112</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 15,521 | (59,344) | 9,270 | 566 | (33,987) |
| OTHER FINANCING SOURCES(USES) | | | | | |
| General Obligation Bonds Issued | | 17,530 | 31,470 | | 49,000 |
| Revenue Bonds Issued | | | | 21,000 | 21,000 |
| Refunding Bonds Issued | | | 19,000 | | 19,000 |
| Payments to Refunded Bonds Escrow Agent | | | (20,683) | | (20,683) |
| Discounts on Bonds | | | | (180) | (180) |
| Premium on Bonds Issued | | | 3,536 | 333 | 3,869 |
| Transfers In | 2,639 | 55,433 | 13,925 | 2,293 | 74,290 |
| Transfers (Out) | (3,708) | (12,641) | (49,976) | (8,317) | (74,642) |
| Total Other Financing Sources(Uses) | (1,069) | 60,322 | (2,728) | 15,129 | 71,654 |
| SPECIAL ITEMS | | | | | |
| Repayment of Tax Incentive | | | 14,000 | | 14,000 |
| Net change in fund balances | 14,452 | 978 | 20,542 | 15,695 | 51,667 |
| Fund Balances at January 1 | <u>85,354</u> | <u>125,523</u> | <u>60,548</u> | <u>120,309</u> | <u>391,734</u> |
| Fund Balances at December 31 | <u>\$ 99,806</u> | <u>\$ 126,501</u> | <u>\$ 81,090</u> | <u>\$ 136,004</u> | <u>\$ 443,401</u> |

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | |
|---|------------------|
| Net change in fund balances - total governmental funds | \$ 51,667 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$124,973) exceeded depreciation (\$46,040) in the current period. | 78,933 |
| Governmental funds report cash received for assets disposed of as revenue. However, in the statement of activities, that cash offsets the difference between the book value (\$8,082) and accumulated depreciation of the disposed asset (\$4,719). | (3,363) |
| Statement of activities reports an increase in revenues due to current activity in deferred revenues which is not reported at fund level. | 7,368 |
| The long-term liability for compensated absences is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities. | 1,048 |
| The long-term liability for unpaid claims is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities. | (2,337) |
| The long-term liability for Net Pension Obligation is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities. | (17,876) |
| The long-term liability for Net Other Post Employment Benefit Obligation is not recorded in the fund level, but is reported in the statement of activities. This is the current year change in the liability, reported as an expense in the statement of activities. | (13,611) |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments. | (41,781) |

(Continued)

CITY OF CINCINNATI, OHIO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the year ended December 31, 2011
(Amounts in Thousands)

(Continued)

| | |
|--|-------------------------|
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. | \$ 279 |
| Bond premiums are included in revenue at the fund level, but capitalized and amortized over the life of the bonds in the government-wide financial statements. | (2,557) |
| Bond issuance costs are included in expenditures at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements | 1,086 |
| Bond discounts are included in expenditures at the fund level, but are deferred and amortized over the life of the bonds in the government-wide financial statements | 137 |
| Internal balances between the governmental activities and the business type activities are not reported at the fund level. | 567 |
| Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue(expense) of certain internal service funds is reported with governmental activities. | <u>1,067</u> |
| Change in net position of governmental activities (page 37) | <u><u>\$ 60,627</u></u> |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Net Position
Proprietary Funds
December 31, 2011
(Amounts in Thousands)

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|--|---------------------------------------|---------------------------------------|--|
| | Water Works | Other Enterprise Funds | Total Enterprise Funds | Activities Internal Service Funds |
| ASSETS | | | | |
| <u>Current:</u> | | | | |
| Cash and Equivalents | \$ 2,291 | \$ 70 | \$ 2,361 | \$ 188 |
| Equity in City Treasury Cash | 18,588 | 7,901 | 26,489 | 9,686 |
| Receivables: | | | | |
| Taxes | | 203 | 203 | |
| Accounts, Net | 18,226 | 2,505 | 20,731 | 358 |
| Accrued Interest | 375 | 116 | 491 | 95 |
| Due from Other Funds | 1,960 | 797 | 2,757 | 2,590 |
| Due from Fiduciary Funds | | | | 3,010 |
| Due from Other Governments | 11,079 | 819 | 11,898 | 183 |
| Prepaid Items | 5,989 | 47 | 6,036 | 1,268 |
| Inventory | 5,427 | | 5,427 | 440 |
| Advances to Other Funds | 50 | 9,916 | 9,966 | 1,648 |
| Restricted Assets: | | | | |
| Cash and Equivalents | 17,988 | | 17,988 | |
| Equity in City Treasury Cash | 1,784 | | 1,784 | |
| Investments, at Fair Value | 45,930 | | 45,930 | |
| Total Current Assets | 129,687 | 22,374 | 152,061 | 19,466 |
| <u>Noncurrent:</u> | | | | |
| Equity in City Treasury Cash | 44,400 | 18,878 | 63,278 | 23,134 |
| Restricted Equity in City Treasury Cash | 4,262 | | 4,262 | |
| Restricted Investments, at Fair Value | 21,028 | | 21,028 | |
| Deferred Charges | 1,384 | | 1,384 | |
| Land | 2,727 | 40,454 | 43,181 | 283 |
| Buildings, net of Accumulated Depreciation | 120,572 | 14,364 | 134,936 | |
| Improvements, net of Accumulated Depreciation | 620,304 | 183,129 | 803,433 | 7,865 |
| Machinery and Equipment, net of Accumulated Depreciation | 95,512 | 1,104 | 96,616 | 17,146 |
| Construction in Progress | 105,255 | 13,601 | 118,856 | |
| Property Acquired under Capital Leases, net of Accumulated Amortization | 120 | 136 | 256 | 245 |
| Other Assets | | | | 815 |
| Total Noncurrent Assets | 1,015,564 | 271,666 | 1,287,230 | 49,488 |
| Total Assets | \$ 1,145,251 | \$ 294,040 | \$ 1,439,291 | \$ 68,954 |

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF CINCINNATI, OHIO
Statement of Net Position
Proprietary Funds
December 31, 2011
(Amounts in Thousands)

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|--|---------------------------------------|---------------------------------------|---------------------------------------|
| | Water Works | Other Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| (Continued) | | | | |
| LIABILITIES | | | | |
| Current: | | | | |
| Accounts Payable | \$ 2,203 | \$ 1,651 | \$ 3,854 | \$ 5,170 |
| Due to Other Funds | 325 | 148 | 473 | 101 |
| Due to Fiduciary Funds | 257 | 26 | 283 | 51 |
| Due to Other Governments | 1,066 | | 1,066 | |
| Accrued Payroll | 1,790 | 190 | 1,980 | 370 |
| Accrued Liabilities | | 1,643 | 1,643 | 743 |
| Accrued Interest | 20 | 37 | 57 | |
| Obligations under Capital Lease | 60 | | 60 | 101 |
| Deposits Payable | | 4 | 4 | 134 |
| Unearned Revenue | | 6,956 | 6,956 | 39 |
| Compensated Absences payable | 4,056 | 441 | 4,497 | 578 |
| Unpaid Claims payable | 220 | 5 | 225 | 12,337 |
| Ohio Public Works Commission Loan | 218 | | 218 | |
| Ohio Water Development Authority Loan | 325 | | 325 | |
| General Obligation Bonds and Notes Payable | 2,000 | 1,197 | 3,197 | |
| Revenue Bonds Payable | 17,700 | | 17,700 | |
| Payable from Restricted Assets: | | | | |
| Construction Contracts | 5,722 | | 5,722 | |
| Deposits Payable | 643 | | 643 | |
| Total Current Liabilities | 36,605 | 12,298 | 48,903 | 19,624 |
| <u>Noncurrent:</u> | | | | |
| Compensated Absences Payable | 3,548 | 392 | 3,940 | 690 |
| Obligations Under Capital Lease | 60 | | 60 | 178 |
| Ohio Public Works Commission Loan | 3,200 | | 3,200 | |
| Ohio Water Development Authority Loan | 6,578 | | 6,578 | |
| Estimated liability for Unpaid Claims | | | | 7,585 |
| Advances from Other Funds | | | | 227 |
| Advances from Other Governments | | | | 22 |
| Revenue Bonds Payable | 449,453 | | 449,453 | |
| General Obligation Bonds and Notes Payable | 3,800 | 9,874 | 13,674 | |
| Net Pension Obligation | 23,315 | 3,151 | 26,466 | 7,263 |
| Net Other Post Employment Benefit Obligation | 16,411 | 2,154 | 18,565 | 4,179 |
| Total Noncurrent Liabilities | 506,365 | 15,571 | 521,936 | 20,144 |
| Total Liabilities | 542,970 | 27,869 | 570,839 | 39,768 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 501,685 | 244,037 | 745,722 | 25,260 |
| Restricted Net Position | | | | |
| Other | 23,010 | | 23,010 | 815 |
| Unrestricted Net Position | 77,586 | 22,134 | 99,720 | 3,111 |
| Total Net Position | \$ 602,281 | \$ 266,171 | 868,452 | \$ 29,186 |
| Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities. | | | (1,379) | |
| Net position of business type activities | | | <u>\$ 867,073</u> | |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|--|--|-------------------------------|-------------------------------|--------------------------------|
| | Water Works | Other Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| OPERATING REVENUES | | | | |
| Charges for Current Services | \$ 119,433 | \$ 33,624 | \$ 153,057 | \$ 115,174 |
| Miscellaneous | 1,249 | 244 | 1,493 | 2,066 |
| Total Operating Revenues | <u>120,682</u> | <u>33,868</u> | <u>154,550</u> | <u>117,240</u> |
| OPERATING EXPENSES | | | | |
| Personal Services | 47,129 | 6,031 | 53,160 | 9,959 |
| Contractual Services | 8,329 | 17,364 | 25,693 | 4,501 |
| Maintenance and Repairs | 4,536 | 2,728 | 7,264 | 596 |
| Materials and Supplies | 8,976 | 428 | 9,404 | 11,905 |
| Utilities | 7,530 | 914 | 8,444 | 428 |
| Insurance | 121 | 102 | 223 | 85,995 |
| Taxes | 3 | 2,785 | 2,788 | 4 |
| Depreciation and Amortization | 24,920 | 13,475 | 38,395 | 5,191 |
| Rent | 1,252 | 513 | 1,765 | 2,150 |
| Other expense | 328 | 682 | 1,010 | 16 |
| Total Operating Expenses | <u>103,124</u> | <u>45,022</u> | <u>148,146</u> | <u>120,745</u> |
| Operating Income(Loss) | 17,558 | (11,154) | 6,404 | (3,505) |
| NONOPERATING REVENUES(EXPENSES) | | | | |
| Interest revenue | 2,309 | 505 | 2,814 | 551 |
| Build America Bond Subsidy | 1,701 | | 1,701 | |
| Occupancy tax receipts | | 1,394 | 1,394 | |
| Interest expense | (14,909) | (468) | (15,377) | (17) |
| Gain/Loss on disposal of assets | (829) | (4,785) | (5,614) | 313 |
| Nonoperating Revenues(Expenses) | <u>(11,728)</u> | <u>(3,354)</u> | <u>(15,082)</u> | <u>847</u> |
| Income (Loss) before Contributions and Transfers | 5,830 | (14,508) | (8,678) | (2,658) |
| Transfers In | 131 | 1,529 | 1,660 | 1,970 |
| Transfers (Out) | | (1,089) | (1,089) | (2,189) |
| Capital contributions | 3,304 | 239 | 3,543 | 856 |
| Change in Net Position | 9,265 | (13,829) | (4,564) | (2,021) |
| Net Position at January 1 | 593,016 | 280,000 | | 31,207 |
| Net Position at December 31 | <u>\$ 602,281</u> | <u>\$ 266,171</u> | | <u>\$ 29,186</u> |

Some amounts reported for business-type activities in the statement of net position are different because the net revenue of certain internal service funds is reported with business type activities.

(567)

Change in net position of business type activities

\$ (5,131)

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|--|-------------------------------|-------------------------------|-------------------------------|
| | Water Works | Other Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| Cash Flows from Operating Activities: | | | | |
| Receipts from Customers | \$ 120,337 | \$ 31,494 | \$ 151,831 | \$ 13,767 |
| Receipts from Other Funds | | 2,216 | 2,216 | 77,294 |
| Receipts from Retirement System | | | | 26,662 |
| Payments to Suppliers | (33,393) | (19,431) | (52,824) | (105,620) |
| Payments to Other Funds | | (4,181) | (4,181) | (2,569) |
| Payments to Employees | (40,658) | (5,164) | (45,822) | (8,815) |
| Payments for Property Taxes | (4) | (1,101) | (1,105) | |
| Net Cash Provided (Used) by Operating Activities | <u>46,282</u> | <u>3,833</u> | <u>50,115</u> | <u>719</u> |
| Cash Flows from Noncapital Financing Activities: | | | | |
| Repayment of Advances Made To Other Funds | | (983) | (983) | 167 |
| Amount Due from Other Funds for City Notes | 1,028 | 82 | 1,110 | 365 |
| Advances To Other Funds | | 1,833 | 1,833 | |
| Occupancy Tax Receipts | | 1,362 | 1,362 | |
| Transfers to Other Funds | | (1,089) | (1,089) | (2,189) |
| Transfers from Other Funds | 131 | 1,529 | 1,660 | 1,165 |
| Net Cash Provided(Used) by Noncapital Financing | <u>1,159</u> | <u>2,734</u> | <u>3,893</u> | <u>(492)</u> |
| Cash Flows from Capital and Related Financing Activities: | | | | |
| Capital Contributed by Other Sources | 28 | 202 | 230 | |
| Capital Items Expensed | | 385 | 385 | (107) |
| Proceeds from the Sale of Capital Assets | 54 | 4,098 | 4,152 | |
| Proceeds from Ohio Public Works Bonds | 69 | | 69 | |
| Proceeds from Ohio Water Development Authority Loan | 2,558 | | 2,558 | |
| Proceeds from Sale of Bonds and Notes | 84,310 | | 84,310 | |
| Acquisition of Property, Plant and Equipment | (4,922) | (18) | (4,940) | (122) |
| Interest Paid on Bonds and Notes | (13,361) | (471) | (13,832) | (17) |
| Principal Paid on Bonds and Notes | (38,545) | (1,197) | (39,742) | |
| Principal Paid on Ohio Public Works Bonds | (219) | | (219) | |
| Principal Paid on Ohio Water Development Authority Loan | (359) | | (359) | |
| Payments on Long Term Capital Lease Obligations | (59) | (11) | (70) | (77) |
| Additions to Construction in Progress | (50,127) | (4,326) | (54,453) | (628) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(20,573)</u> | <u>(1,338)</u> | <u>(21,911)</u> | <u>(951)</u> |
| Cash Flow from Investing Activities: | | | | |
| Investments Purchased | (25,856) | | (25,856) | |
| Interest on Investments | 4,352 | 626 | 4,978 | 669 |
| Net Cash Provided (Used) by Investing Activities | <u>(21,504)</u> | <u>626</u> | <u>(20,878)</u> | <u>669</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 5,364 | 5,855 | 11,219 | (55) |
| Cash and Cash Equivalents at Beginning of Year | 83,949 | 20,994 | 104,943 | 33,063 |
| Cash and Cash Equivalents at End of Year | <u>\$ 89,313</u> | <u>\$ 26,849</u> | <u>\$ 116,162</u> | <u>\$ 33,008</u> |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Business-Type Activities - Enterprise Funds</u> | | | <u>Governmental</u> |
|---|--|-------------------------------|-------------------------------|-------------------------------|
| | <u>Water Works</u> | <u>Other Enterprise Funds</u> | <u>Total Enterprise Funds</u> | <u>Internal Service Funds</u> |
| <u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u> | | | | |
| Operating Income (Loss) | \$ 17,558 | \$ (11,154) | \$ 6,404 | \$ (3,505) |
| Depreciation and Amortization | 24,920 | 13,475 | 38,395 | 5,191 |
| Changes in Assets and Liabilities: | | | | |
| (Increase) Decrease in: | | | | |
| Receivables | 328 | 122 | 450 | (178) |
| Due from Other Funds | 96 | 5 | 101 | 377 |
| Due from Fiduciary Funds | | | | (16) |
| Due from Other Governments | (768) | (109) | (877) | 584 |
| Inventory | 510 | | 510 | 5 |
| Prepaid Items | (2,422) | 65 | (2,357) | 134 |
| Increase (Decrease) in: | | | | |
| Accounts Payable | (478) | 982 | 504 | (1,186) |
| Deposits Payable | 150 | | 150 | 71 |
| Due to Other Funds | (23) | 39 | 16 | 69 |
| Due to Fiduciary Funds | (87) | (10) | (97) | (14) |
| Accrued Payroll | (159) | (72) | (231) | (75) |
| Accrued Liabilities | | 15 | 15 | (32) |
| Advances from Other Governments | | | | 1 |
| Unearned Revenue | | (174) | (174) | (20) |
| Liability for Compensated Absences | 11 | (76) | (65) | (140) |
| Estimated Liability for Unpaid Claims | 26 | 2 | 28 | (1,921) |
| Net Pension Obligation | 3,779 | 412 | 4,191 | 784 |
| Net Other Post Employment Benefit Obligation | 2,841 | 311 | 3,152 | 590 |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 46,282</u> | <u>\$ 3,833</u> | <u>\$ 50,115</u> | <u>\$ 719</u> |
| <u>Schedule of Noncash Investing, Capital and Financing Activities:</u> | | | | |
| Change in Fair Value of Investments | \$ 211 | \$ 135 | \$ 346 | \$ 118 |
| Acquisition of Property, Plant and Equipment from Transfer to Other Funds | | 44 | 44 | (283) |
| Capital Contributions | 2,181 | 239 | 2,420 | 856 |
| Total Noncash Investing, Capital and Financing Activities | <u>\$ 2,392</u> | <u>\$ 418</u> | <u>\$ 2,810</u> | <u>\$ 691</u> |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2011
(Amounts in Thousands)

| | Pension Trust | Investment Trust Fund | Agency |
|--|--------------------------|--------------------------------------|---------------|
| ASSETS | | | |
| Cash and Equivalents | \$ 28,872 | | \$ 6 |
| Equity in City Treasury Cash | | \$ 118,167 | 3,042 |
| Investments, at fair value: | | | |
| U. S. Treasury Bills and Notes | | | 280,861 |
| Canadian Bonds | 1,730 | | |
| International Bonds | 23,780 | | |
| Convertible Bonds | 5 | | |
| US Government Bonds | 48,355 | | |
| Tax Exempt Government Municipal | 1,080 | | |
| Corporate Fixed Income | 30,907 | | |
| State and Local Obligations | 4,652 | | |
| US Agencies | 119,427 | | |
| Equities - Common Stock | 946,670 | | |
| Venture Capital | 171,049 | | |
| Real Estate | 161,838 | | |
| Private Placements | 19,114 | | |
| Other Assets (Alternatives) | 417,875 | | |
| | 1,946,482 | | 280,861 |
| Total Investments, at Fair Value | | | |
| Collateral on Loaned Securities | 26,441 | | |
| Receivables: | | | |
| Accounts, Net | 332 | | 34,230 |
| Accounts Receivable for Securities Sold | 61,424 | | |
| Accrued Interest and Dividends | 3,546 | | 2,950 |
| Due from Primary Government | 1,224 | | |
| Due from Other Governments | 1,224 | | |
| Loans Receivable | 6,689 | | |
| Machinery and Equipment | 795 | | |
| Accumulated Depreciation | (444) | | |
| Total Assets | 2,076,585 | 118,167 | \$ 321,089 |
| LIABILITIES | | | |
| Accounts Payable | 1,845 | | \$ 19,735 |
| Accounts Payable for Securities Purchased | 61,616 | | |
| Due to Primary Government | 3,069 | | |
| Due to Other Governmental Agencies | | | 245,251 |
| Obligations Under Securities Lending | 26,441 | | |
| Accrued Payroll | 50 | | 2,140 |
| Accrued Liabilities | 13,173 | | 47 |
| Deposits Payable | | | 3,164 |
| Estimated Liability for Compensated Absences | 105 | | 8,963 |
| Net Pension Obligation | | | 31,083 |
| Net Other Post Employment Benefit Obligation | | | 10,706 |
| Total Liabilities | 106,299 | | \$ 321,089 |
| NET POSITION | | | |
| Held in Trust for External Pool Participant | | 118,167 | |
| Held in Trust for Employees' Pension Benefits | 1,353,823 | | |
| Held in Trust for Employees' Postemployment Healthcare Benefits | 616,463 | | |
| Total Net Position | \$ 1,970,286 | \$ 118,167 | |

The accompanying notes to the financial statements are an integral part of this statement.

City of Cincinnati, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Pension Trust</u> | <u>Investment Trust Fund</u> |
|--|--------------------------|--------------------------------------|
| ADDITIONS | | |
| Contributions: | \$ | \$ |
| Plan members | 14,171 | |
| Employer | 31,160 | |
| Other | 2,142 | |
| Participant Deposits | | 408,401 |
| Total Contributions | <u>47,473</u> | <u>408,401</u> |
| | | |
| Transfers From Other Retirement Systems | 142 | |
| | | |
| Investment earnings: | | |
| Interest and Dividends | 43,001 | 1,945 |
| Proceeds from Litigation | 61 | |
| Net Appreciation in the Fair Value of Investments | <u>(14,848)</u> | <u>429</u> |
| Total Investment Earnings | 28,214 | 2,374 |
| Less Investment Management Expenses | <u>9,049</u> | |
| Net Income (Loss) From Investing Activities | <u>19,165</u> | <u>2,374</u> |
| | | |
| From Security Lending Activities: | | |
| Securities Lending Income | <u>74</u> | |
| Securities Lending Expense: | | |
| Borrower Rebates | 405 | |
| Management Fees | <u>(120)</u> | |
| Total Securities Lending Expenses | <u>285</u> | |
| Net Income from Securities Lending Activities | <u>359</u> | |
| | | |
| Total Additions (Losses) | <u>67,139</u> | <u>410,775</u> |
| | | |
| DEDUCTIONS | | |
| Benefit Payments: | | |
| Pension and Annuities | 143,346 | |
| Distributions to Participants | | 386,014 |
| Hospital and Medical Care | 42,750 | |
| Medicare | 3,884 | |
| Dental Benefits | 1,755 | |
| Vision Benefits | 143 | |
| Death Benefits, Active and Retired | 927 | |
| Transfers - Retirement to other systems | <u>2,186</u> | |
| Total Benefits Payments | <u>194,991</u> | <u>386,014</u> |
| | | |
| Refunds of Contributions | <u>2,552</u> | |
| | | |
| Administrative expenses: | | |
| Personal Services | 756 | |
| Contractual Services | 833 | |
| Materials and Supplies | 65 | |
| Depreciation | <u>131</u> | |
| Total Administrative Expenses | <u>1,785</u> | |
| Total Deductions | <u>199,328</u> | <u>386,014</u> |
| | | |
| Change in Net Position | (132,189) | 24,761 |
| Net Position at January 1 | <u>2,102,475</u> | <u>93,406</u> |
| Net Position at December 31 | <u>\$ 1,970,286</u> | <u>\$ 118,167</u> |

The accompanying notes to the financial statements are an integral part of this statement.

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Footnote Table of Contents

| | |
|--|-----------|
| 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES | 53 |
| 2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS | 60 |
| 3. MIXED INVESTMENT POOL | 70 |
| 4. COMMITMENTS | 71 |
| 5. INTERFUND ASSETS/LIABILITIES | 73 |
| 6. INTERFUND TRANSFERS | 74 |
| 7. NET POSITION / FUND BALANCE | 75 |
| 8. LEASES | 76 |
| 9. LONG-TERM DEBT | 78 |
| 10. DEBT LIMITATION | 87 |
| 11. TAXES | 87 |
| 12. SHORT-TERM DEBT – BOND ANTICIPATION NOTES | 89 |
| 13. RESTRICTED ASSETS | 89 |
| 14. CAPITAL ASSETS | 90 |
| 15. RECEIVABLES | 93 |
| 16. CONTINGENT LIABILITIES | 94 |
| 17. RISK MANAGEMENT | 95 |
| 18. SPECIAL ITEMS | 96 |
| 19. SUBSEQUENT EVENTS | 97 |
| 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS | 98 |
| 21. PENSION AND RETIREMENT | 98 |

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CITY OF CINCINNATI, OHIO
NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cincinnati is a political subdivision of the State of Ohio. It is governed with the powers of home rule by a directly elected mayor with a four-year term and a council of nine members who are elected at large for two-year terms. In 2001, Cincinnati converted from a city manager-council form of government, through which it had operated since 1926, to a stronger mayor-council form of government.

A. Reporting Entity

The City as a reporting entity consists of only one governmental unit. Cincinnati has no component units - defined by GASB 61 as entities for which the government is considered to be financially accountable and where it would be misleading to exclude.

The following organizations are included in the combined financial statements of the City because, under Ohio law, they have limited corporate powers and are therefore not legally separate organizations:

Cincinnati Park Board
Cincinnati Recreation Commission
City Planning Commission
Cincinnati Board of Health
Civil Service Commission

Cincinnati owns a railway line, the Cincinnati Southern Railway that was completed in 1881 and extends from Cincinnati, Ohio to Chattanooga, Tennessee, a distance of 335 miles. Improvements have been made at various intervals; the most recent, a major line revision to eliminate tunnel clearance restrictions, grades, and curves, was completed in 1964. Improvements other than buildings in Governmental Activities include \$83,224,000 attributable to the City's cost to construct and improve this railway system. The railway is leased to the Cincinnati, New Orleans and Texas Pacific Railway Company until December 31, 2026, with an option to extend the lease for an additional 25 years. The lessee is part of the Norfolk Southern Railway System and is its second largest operating unit. Total rental income from the railway lease was \$19,710,000 in 2011 and \$19,551,000 in 2010.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Interfund receivables and payables between governmental and business type activities have been eliminated in the government-wide statement of net position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business type activities total column. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's business type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund financial statements consist of a series of statements focusing on information about the City's major governmental and proprietary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the City of Cincinnati for 2011 are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants which are considered to be "generally accepted accounting principles" for state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement.

The City reports the following major governmental funds:

General Fund is the accounting entity in which all governmental activity, except that which is required to be accounted for in other funds, is accounted for. Its revenues consist primarily of taxes, intergovernmental shared revenues, charges for services, and investment income.

General Fund expenditures represent costs of general government, community development, public safety, public services, public health, parks and recreation, transportation and engineering, and other.

Capital Projects Fund is used primarily to account for resources restricted to construct or acquire governmental fund capital assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax (see Note 11). It is the City's policy to use the proceeds derived from the sale of bonds only for the capital improvement purpose detailed in the bond-authorizing ordinance and in accordance with state statutes. Any premium and accrued interest received from the sale of bonds is deposited into the Debt Service Fund.

Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on general obligation debt and capital lease payments of the governmental funds.

The City reports the following major proprietary fund:

Water Works Fund accounts for all activities of the City's Water Works Department. The City collects, purifies, and sells water to Greater Cincinnati Area residents. Revenues consist primarily of user charges.

The City reports the following fund types:

Internal Service Funds account for reproduction, printing and stores; automotive repairs and maintenance; land sales and leasing; employee medical costs; workers' compensation; and enterprise technology services to other departments or agencies of the City, or to other governments. Internal service funds are used to account for the financing of goods or services provided by one department or agency to another department or agencies of the government, generally on a cost reimbursement basis.

Pension Trust Fund – This fund is used to account for the revenues and expenses of the City's Retirement System, which is a multiple-employer defined benefit pension plan. This fund accounts for both the pension benefits and the post-employment healthcare benefits.

Investment Trust Fund – This fund is used to account for the Metropolitan Sewer District Fund portion of the City's pool of cash and investments.

Agency Funds – These funds are used to account for assets held by the City in a fiduciary capacity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The assets held by the City include towing and storing charges for impounded vehicles, entertainment facilities deposits, transportation and engineering specific purpose monies, Metropolitan Sewer District monies and the Convention Facility Authority monies.

Measurement Focus

Except for budgetary purposes, the basis of accounting used by the City conforms to generally accepted accounting principles (GAAP) in the United States of America as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus. The government-wide and proprietary funds financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenues, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which

they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Inventories of materials and supplies may be considered expenditures either when purchased or when used; and prepaid expense items may be considered expenditures either when paid for or when consumed. Proceeds of general long-term debt are reported as other financing sources.

Income taxes, delinquent property taxes, liquor permits, fines, local government fund, gasoline tax, and motor vehicle license fees for the current and prior periods are determined to be susceptible to accrual and are recognized as revenue in the current accounting period. All other major revenues of governmental funds are determined not to meet the criteria of either being measurable or available.

The proprietary fund type statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting for revenues, which are recognized when they are earned, and for expenses, which are recognized when they are incurred. Unbilled service receivables are recognized by proprietary funds when the services are provided.

The fiduciary fund types recognize revenue and expenditures/expenses on a basis consistent with the fund's accounting measurement objective. The pension trust fund and the mixed investment pool statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting. The pension trust fund accounts for both the pension benefits and the employees' post-employment benefits. Agency funds do not have a measurement focus. Their financial statements are prepared utilizing the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 have been incorporated to the extent of GASB 62 issued in December 2010. GASB 62 applies to both the government-wide and proprietary fund financial statements. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Other Accounting Policies

- A. *Investments* - The investments of the City (excluding the City of Cincinnati's Retirement System, (see Note 2)) are comprised primarily of time deposits and other securities guaranteed by the United States Government or its agencies and are stated at fair value based on quoted market prices.
- B. *Inventories* - Inventories are valued at cost using either the moving weighted average or the first-in, first-out method. Inventories in the governmental funds and the proprietary funds are recorded using the consumption method whereby inventories are recorded as expenditures or expenses when they are used.
- C. *Insurance* - The City maintains a comprehensive all-risk property insurance program that provides insurance coverage for approximately \$1,883,724,000 in property values. In addition, certain enterprise funds carry insurance coverage for specific purposes as determined by management. An estimated liability for uninsured losses is reported as required by Governmental Accounting Standards Board Statement 10 - Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. State law authorizes the issuance of judgment bonds to settle claims. The City's available legal debt

margin of \$111,744,488 at December 31, 2011, is considered adequate for catastrophic loss coverage.

D. *Inter-Fund Transactions* - During the course of normal operations, the City has numerous transactions between funds including expenditures/expenses, advances and transfers of resources to provide services, construct assets and service debt. The governmental and proprietary fund type financial statements generally reflect such transactions as transfers or advances. The internal service funds record charges for services to City departments as operating revenue. All City funds record these payments to the internal service funds as operating expenditures/expenses. The proprietary funds record operating subsidies as other income whereas the fund paying the subsidy records it as either an expenditure/expense or transfer. Transfers are intended to reallocate money permanently from one fund to another. Advances represent the long-term portion of loans between funds. Inter-fund services provided and used are accounted for as revenues, expenditures, or expenses in the funds involved. The General Fund provides administrative services to enterprise funds. Based on an internal cost allocation plan certain costs initially borne by the General Fund are then billed as indirect charges to other funds of the City. The amounts charged for those services are treated as revenue to the General Fund and as operating expenses in the enterprise funds and as program expenses for individual functions and activities.

E. *Capital Assets* -Capital assets which include property, plant and equipment, and infrastructure (e. g. roads, streets, bridges and retaining walls) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The City defines capital assets as assets with an individual cost of \$5,000 or more (\$100,000 for governmental infrastructure assets) and an estimated useful life in excess of one year. Such assets are capitalized at historical cost, or estimated values that approximate historical cost if purchased or constructed. Pursuant to the implementation of GASB No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1980) are included as part of the governmental capital assets reported in the government-wide statement. Thus, the depreciated value of construction cost for streets, bridges and retaining walls is reported. Donated capital assets are recorded at estimated fair market value at the time of donation.

As of January 1, 2010, capital assets includes intangible assets as defined by GASB 51. An intangible asset is an asset that lacks physical substance and has a useful life of more than one year. Some examples are computer software, trademarks, water rights and land easements.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

| | |
|----------------------------|-------------|
| Water Mains | 100 years |
| Buildings and Improvements | 25-70 years |
| Infrastructure | 15-25 years |
| Machinery and Equipment | 5-40 years |
| Automotive Equipment | 3-20 years |

F. *Deferred Revenues* - The City reports deferred revenue on its governmental funds balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Certain intergovernmental receivables, uncollected assessments, miscellaneous receivables, property taxes and income taxes not meeting the availability

criteria have been deferred and will be realized in a subsequent period in the governmental funds.

- G. *Grants and Other Intergovernmental Revenues*** -The proprietary fund types recognize the federal reimbursement type capital grants as intergovernmental receivables and capital contributions as the related expenses are incurred. All other federal reimbursement type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City.
- H. *Operating Revenues and Expenses*** - The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.
- I. *Capitalization of Interest*** - Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with GASB 62 Guidance. This Guidance requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use.
- J. *Statement of Cash Flows*** - For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments held by trustees, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and temporary investments with the City Treasurer are also considered to be cash equivalents since they are available to the proprietary funds on demand. The temporary investments primarily consist of certificates of deposit, federal agencies or instrumentalities, Ohio Municipals and U. S. Treasury securities that have maturities of up to two years.
- K. *Debt Issuance Costs, Premiums and Discounts*** – Debt Issuance costs, premiums and discounts are capitalized and amortized over the term of the bond. Debt is reported net of unamortized premiums, discounts, and loss on defeasance.
- L. *Pronouncements Effective for the 2011 Financial Statements*** – With this financial report the City has changed its financial reporting to comply with Governmental Accounting Standards Board (GASB) Statement 59, *Financial Instruments Omnibus* issued in June 2010. This statement is effective for fiscal periods beginning after June 15, 2010. The object of the statement is to update existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

Governmental Accounting Standards Board (GASB) Statement Number 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements Number 14 and Number 34* was issued in November 2010. This statement modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria for inclusion as component units but that, nevertheless, should be included because the primary government's management determines that it would be misleading to exclude them, this Statement clarifies the manner in which that determination should be made and the types of relationships that generally should be considered in making the determination. This statement is

effective for fiscal periods beginning after June 15, 2012 and is included in the December 31, 2011 financial statements.

Government Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued in December 2010. The objective of this statement is to incorporate into GASB's authoritative literature certain accounting and financial reporting guidance that is included in Pre-November 30, 1989 FASBs and AICPA pronouncements. This statement supersedes GASB statement number 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Funds and Other Governmental Entities that use Proprietary Fund Accounting*. It is effective for financial statement periods beginning after December 31, 2011 and is included in this report.

Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* was issued in June 2011. This statement is effective for financial statements for periods beginning after December 15, 2011 and is included in this report. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

Governmental Accounting Standards Board (GASB) Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provision* - an amendment of GASB Statement No. 53 was issued in June 2011. This Statement is effective for financial statements for periods beginning after June 15, 2011 and is included in this report. This Statement clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider and provides provisions for reporting these transactions as deferred inflows and outflows on the financial statements.

- M.** *Pronouncements Issued But Not Yet Effective* – Governmental Accounting Standards Board (GASB) Statement Number 60, *Accounting and Financial Reporting for Service Concession Arrangements* was issued in November 2010. This statement is effective for fiscal periods beginning after December 15, 2011. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCA), which are a type of public-private or public-public partnership. As used in this Statement, an SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a “facility”) in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. The provisions of this Statement generally are required to be applied retroactively for all periods presented.
- N.** *Working Capital Reserve* - City Council established standards for a minimum working capital reserve account in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy called for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of no less than 5% or more than 8% of general operating revenues by December 31, 1986. The targeted year-end reserve level was achieved in January of each year 1985 through 2010. The working capital reserve for 2011 was \$20,119,000 and is included in the

Unassigned Fund Balance as a Working Capital Reserve in the General Fund. The City is a chartered government and the working capital reserve, as established, is allowed by the charter.

- O. *Restricted resources* - Bond funds and other similar restricted resources are assumed to be expended before non-restricted resources in paying for capital projects of both the governmental funds and the proprietary funds.
- P. *Liability for Compensated Absences* – City Employees are awarded sick, vacation and compensatory time as determined by union contractual agreements and personnel policies. Compensatory time and vacation time are paid out in full upon termination and are expensed in the year earned. Sick leave is paid out at various levels upon termination. The liability for sick leave is computed with the Termination Payment Method using a historical average of total years worked and total amount paid. The current portion of the liability is an average of the annual expenditures.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City of Cincinnati combines the cash balances in individual funds to form a pool of cash and investments. Each fund reports its respective equity in City Treasury cash as an element of its resources. In addition, several funds separately hold cash and equivalents and investments, which are appropriately identified, in the government-wide Statement of Net Position of the City. Earnings from the pooled cash and investments are allocated on a quarterly basis to eligible funds based on month-end equity balances. The data presented in the accompanying financial statements is for the City of Cincinnati as a whole.

Deposits

At year-end the carrying amount of the City's deposits, including certificates of deposit with various financial institutions was \$224,235,000 and the bank balance was \$245,878,000. The entire bank balance is held in the name of the City and is collateralized either by federal depository insurance or securities pledged as collateral and segregated by the Federal Reserve Bank in a pledge account. The collateral is held by the City's agent in the City's name; it cannot be released by the Federal Reserve Bank without the City's approval.

Statutes specify that the City Treasurer require institutions designated as a public depository to pledge and to deposit with the Treasurer's office, as security for the payment of all public monies to be deposited in the public depository during the period of designation, eligible securities of an aggregate market value equal to the excess of the amount of public monies that are at the time so deposited over and above such portion or amount of such money as is at such time insured by the Federal Deposit Insurance Corporation, or by any other agency or instrumentality of the federal government. As an alternative, the City Treasurer may require such institution to deposit with him surety company bonds which, when executed, shall be for an amount equal to such excess amount.

Excluded from these amounts are deposits held by the City's Retirement System for which the year-end book balance was \$28,872,000. The year-end bank balance was \$10,712,000 and the cash balance was \$9,754,000. The cash balance was held by the City Treasurer. The cash equivalents of \$19,118,000 were held in money managers' custodial accounts at the Bank of New York at year-end and are not subject to the same insurance and collateralization requirements as the City's deposits and are uncollateralized.

Investments

The fair value of investments for the City (including permanent funds) at December 31, 2011 was \$828,875,000. These investments include \$163,143,000 in Money Market Funds, \$284,449,000 in U. S. Treasury Securities, \$370,391,000 in U. S. Government Agencies, \$262,000 in Bond Mutual Funds,

\$9,511,000 in Ohio Municipals, and \$1,119,000 in Equity Securities. The City is legally authorized to invest in obligations of the U.S. Treasury, federal agencies or instrumentalities, obligations of the State of Ohio and its political subdivisions and repurchase agreements. All investments of the City of Cincinnati are insured or registered, or are securities held by the City or its agent in the City's name. The City Treasurer may enter into a repurchase agreement of United States Treasury obligations or other obligations for which the full faith and credit of the United States is pledged for the payment of principal and interest, or obligations or securities issued by any federal government agency. The City has not used reverse repurchase agreements or derivatives as investment instruments.

Excluded from the City's investments discussed above are assets held in trust by the City's Retirement System and the Park Board, which includes the Special Revenue Parks, Special Revenue Bettman Nature Center, and Permanent Park Board Funds. The fair value of investments for these funds at December 31, 2011 was \$1,957,374,000. These investments include \$52,206,000 in U.S. Government Bonds, \$119,427,000 in U.S. Government Agencies, \$32,447,000 in Corporate Fixed Income, \$171,049,000 in Venture Capital, \$952,119,000 in Equity Securities, \$4,652,000 in State and Local Obligations, \$415,926,000 in Other Investments, \$161,838,000 in Real Estate Investments, \$2,001,000 in Derivatives, \$19,114,000 in Private Placements, \$1,080,000 in Tax Exempt Government Municipals and \$25,515,000 in other bonds. In those cases where resources are maintained in trust, the authority for investment of the property rests with either the trust agreement or local ordinance. Investments of the City of Cincinnati Retirement System are, by ordinance, subject to certain terms and limitations. These limitations do not apply to investments in securities of the City and federal government or their agencies. Investments of the City of Cincinnati Retirement System and Park Board are uninsured. These securities are held by the counterparty or by its trust department or agent but not in the City's name. The investment in Venture Capital is not considered an investment in a security for purposes of credit risk classification since it is not evidenced by securities that exist in physical or book entry form.

Investment Policy and Risk

The investment policy and risk will be discussed in four categories: 1) the City investment policy, which includes the General Fund, Debt Service Fund, Capital Project Fund, Water Works Fund (an Enterprise Fund), and the Metropolitan Sewer District (an Agency Fund), 2) the Permanent Funds except for the Park Board Fund, 3) the Park Board, which includes the Special Revenue Parks, Special Revenue Bettman Nature Center and Permanent Park Board Funds and 4) the City of Cincinnati's Retirement System's Pension Trust Fund.

A. City Investment Policy

The City's foremost objective of the investment policy for the funds that are pooled and deposited in the General Bank Depository Account and other accounts authorized by the City Treasurer is safety of principal. The investment policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions with which the City will do business, and diversifying investments to minimize potential losses.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is reduced by structuring the portfolio to mature to meet cash requirements for ongoing operations in order to avoid the need to sell securities prior to maturity and by investing operating funds in shorter-term securities.

At December 31, 2011, the City had the following investments held by the City Treasurer which were exposed to interest rate risk (amounts in thousands):

| Investment Type | Investment Maturities | | | |
|----------------------------|-----------------------|-------------------|-------------------|-----------------|
| | Fair Value | Less Than 1 | 1 to 5 | More than 10 |
| U.S. Treasury Obligations | \$ 284,449 | \$ 127,098 | \$ 147,682 | \$ 9,669 |
| U.S. Agencies | 370,392 | 53,428 | 316,964 | |
| Tax Exempt U.S. Municipals | 9,511 | | 9,511 | |
| Total | \$ <u>664,352</u> | \$ <u>180,526</u> | \$ <u>474,157</u> | \$ <u>9,669</u> |

Currently, the investment policy limits the investments to: 1) obligations issued by the United States Treasury, 2) obligations issued by a federal government agency or instrumentality, 3) certificates of deposits, 4) no-load money market mutual funds which invest in 1), 2), or 3) above, 5) the Ohio subdivision's fund (STAR Ohio), 6) repurchase agreements, or 7) obligations of the State of Ohio or of a political subdivision of the state with at least a AA rating. These investments do not expose the City to foreign currency risk. Therefore, the City does not have a foreign currency risk policy.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit ratings indicate the degree of credit risk for an investment. At December 31, 2011 the City held the following investments (amounts in thousands):

| Investment Type | Total Fair Value | A-/A3 and Above | Not Rated | Full Faith & Credit |
|----------------------------|-------------------|-------------------|------------------|---------------------|
| U.S. Treasury Obligations | \$ 284,449 | \$ 136,403 | \$ 28,355 | \$ 119,691 |
| U.S. Agencies | 370,392 | 370,392 | | |
| Tax Exempt U.S. Municipals | 9,511 | | 9,511 | |
| Total | \$ <u>664,352</u> | \$ <u>506,795</u> | \$ <u>37,866</u> | \$ <u>119,691</u> |

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty to a transaction, the City would be unable to recover the value of an investment or collateral securities. The custodial credit risk policy is discussed in the Deposits section above. The City requires the certificates of deposit to be backed by collateral or surety bond with an aggregate market value of one hundred two percent of the City's deposits and investments including accrued interest. Repurchase agreements require collateral. The release of collateral requires the approval of the City Treasurer.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. At December 31, 2011 the City did not have more than five percent of total investments with a single issuer.

B. Permanent Funds

The Permanent Funds (excluding the Park Board Fund) do not have a written investment policy. Each fund has a separate trust agreement, which limits the activity of the fund. At December 31, 2011, total investments were \$1,381,000. The Permanent Funds do not have an investment policy for interest rate risk, credit risk, custodial credit risk, concentration of credit risk, or foreign currency risk. Their investments consist of equity securities with a fair value of \$1,119,000, and bond mutual funds with a fair value of \$262,000. Credit ratings and maturity information was not available for the investments in bond mutual funds.

C. Park Board

The Park Board Fund investments goals are to generate capital growth for long-term usage and provide operating income to the respective projects and operations. The fund has established asset allocation ranges. For equities that range is seventy to ninety percent. The bond range is ten to thirty percent, and the cash range is zero to three percent. Each bond investment must have a minimum credit rating of A by Standard

and Poor's and A by Moody's. Other than these limitations on investments, the Park Board Fund does not have an established policy for interest rate risk, credit risk, concentration of credit risk, custodial credit risk, or foreign currency risk.

At December 31, 2011 the Park Board had total investments with a fair value of \$10,892,000 which included equity securities with a fair value of \$5,183,000, and bond mutual funds with a fair value of \$895,000. The remaining \$4,814,000 in investments is identified in the chart below.

The following investments were exposed to interest rate risk (amounts in thousands):

| Investment Type | Investment Maturities (in years) | | | |
|---------------------------|----------------------------------|-------------|----------|--------------|
| | Fair Value | Less Than 1 | 1 to 5 | More than 10 |
| U.S. Treasury Obligations | \$ 3,852 | \$ 1,916 | \$ 1,936 | |
| Corporate Bonds | 697 | 432 | 265 | |
| Preferred Stock | 265 | | | \$ 265 |
| Total | \$ 4,814 | \$ 2,348 | \$ 2,201 | \$ 265 |

The following chart provides information utilized in determining credit rate risk (amounts in thousands):

| Investment Type | Total Fair Value | A-/A3 and Above | BBB-/Baa3 to BBB+/Baa1 | B-/B3 to BB+/Ba1 | Not Rated |
|---------------------------|------------------|-----------------|------------------------|------------------|-----------|
| U.S. Government Treasury | \$ 3,852 | \$ 3,852 | | | |
| Corporate Bonds | 697 | 669 | | | \$ 28 |
| Fixed Income Mutual Funds | 895 | 52 | | | 843 |
| Preferred Stock | 265 | 38 | \$ 197 | \$ 30 | |
| Total | \$ 5,709 | \$ 4,611 | \$ 197 | \$ 30 | \$ 871 |

D. City Retirement

The City of Cincinnati Retirement System's Pension Trust Fund primary investment return objectives are to preserve the safety of principal, earn the highest possible total return consistent with prudent levels of risk, and create a stream of investment returns to insure the systematic and adequate funding of actuarially determined benefits through contributions and professional management of the System assets. The System has established asset allocation goals with acceptable variances specific to the investment manager category.

The total fixed income target allocation is 17% with a variance of 4%. The fixed income investment managers are divided between core bond managers (target allocation of 14% with a variance of 2%) and high yield bond managers (target allocation of 3% with a variance of 2%). The remaining investment manager asset target allocations are as follows: domestic equity 29.5% with a range of 20% to 40%, non-U.S. equity 21% with a variance of 5%, real estate equity 7.5% with a variance of 3%, infrastructure 5% with a variance of 2%, long-short equity 15% with a variance of 5%, and private equity 5% with a variance of 5%.

Interest Rate Risk

The interest rate risk is addressed by guidelines that require the weighted duration of the investments to be within a range of the duration of a benchmark index. For the core bonds the average effective duration may not vary more than 25%. For the high yield bonds the average duration may not vary more than 30%. At December 31, 2011, the System had the following investments subject to interest rate risk (amounts in thousands):

| Investment Type | Investment Maturities (in years) | | | | |
|------------------------------|----------------------------------|-------------|-----------|-----------|--------------|
| | Fair Value | Less Than 1 | 1 to 5 | 6 to 10 | More than 10 |
| Cash Equivalents | \$ 19,130 | \$ 19,130 | | | |
| Convertible Bonds | 5 | 5 | | | |
| Fixed Investments | | | | | |
| Canadian | 1,730 | | \$ 210 | 1,520 | |
| Corporate Bonds | 30,907 | 3,943 | 11,873 | \$ 8,971 | \$ 6,120 |
| International Bonds | 23,780 | 4,844 | 8,997 | 4,424 | 5,515 |
| Other Government Obligations | 4,652 | | 1,597 | | 3,055 |
| Private Placements | 19,114 | 4,162 | 5,353 | 3,668 | 5,931 |
| Tax Exempt US Municipals | 1,080 | | | | 1,080 |
| US Agencies | 119,427 | 8,545 | 4,403 | 2,031 | 104,448 |
| US Governments | 48,355 | 2,585 | 10,671 | 11,857 | 23,242 |
| Preferred Stock | 1,438 | 1,438 | | | |
| Derivatives | | | | | |
| Forwards | 546 | 546 | | | |
| Swaps | 1,150 | | 910 | 140 | 100 |
| Options | (134) | (132) | | (2) | |
| Future Contracts | 439 | 341 | 32 | 67 | (1) |
| Total | \$ 271,619 | \$ 45,407 | \$ 44,046 | \$ 32,676 | \$ 149,490 |

Concentration of Credit Risk

The concentration of credit risk is minimized by the diversification policy, which requires the assets to be allocated across major asset classes and be diversified broadly within each asset class. The investment firm is required to notify the System when, in aggregate as a firm, the organization owns more than 10% of the outstanding shares in a single stock. Also, within the fixed investment asset class each of the investment managers may not allow a single issuer to comprise more than 5% of the portfolio's market value. For the domestic equity and the international equity, no single issuer shall comprise more than 10% of the portfolio's market value for each investment manager. To further limit the concentration of credit risk, the domestic equity investment managers are not permitted for the aggregate position within each equity manager's portfolio to exceed 1% of the fair market value of the outstanding stock in any company. The limit for international equity investment managers is 1.5%.

Credit Risk

In order to reduce credit risk, the System requires that 85% of the core bond managers invest in a high quality investment grade security. The remaining 15% may be invested in below investment grade securities, defined as investments with a middle rating below BBB- (S&P), Baa3 (Moody's), or BBB- (Fitch). The high yield bonds overall portfolio average quality rating should be not less than B based upon the rating of at least two of the three rating agencies (S&P, Moody's, and Fitch). The following chart provides the investments held by the System summarized by credit rating at December 31, 2011 (amounts in thousands):

| Investment Type | Total Fair Value | A-/A3 and Above | BBB-/Baa3 to BBB+/Baa1 | B-/B3 to BB+/Ba1 | C/C to CCC/Caa | Not Rated |
|------------------------------|------------------|-----------------|------------------------|------------------|----------------|-----------|
| Cash Equivalents | \$ 19,130 | | | | | \$ 19,130 |
| Convertible Bonds | 5 | | | | | 5 |
| Fixed Investments | | | | | | |
| Canadian Bonds | 1,730 | \$ 1,730 | | | | |
| Corporate Bonds | 30,907 | 11,568 | \$ 10,358 | \$ 7,658 | | 1,323 |
| International Bonds | 23,780 | 18,347 | 4,819 | 614 | | |
| Other Government Obligations | 4,652 | 4,652 | | | | |
| Private Placements | 19,114 | 15,473 | 201 | 3,440 | | |
| Tax Exempt US Municipals | 1,080 | 1,080 | | | | |
| US Agencies | 119,427 | 91,560 | 4,107 | 1,927 | \$ 2,695 | 19,138 |
| US Governments | 48,355 | 48,355 | | | | |
| Preferred Stock | 1,438 | | | | | 1,438 |
| Derivatives | | | | | | |
| Forwards | 546 | | | | | 546 |
| Swaps | 1,150 | | | | | 1,150 |
| Options | (134) | | | | | (134) |
| Future Contracts | 439 | | | | | 439 |
| Total | \$ 271,619 | \$ 192,765 | \$ 19,485 | \$ 13,639 | \$ 2,695 | \$ 43,035 |

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The System's target allocation for non-U.S. equities is 21% of the total investment assets with 15% in core equities and 6% in small cap/emerging market equities. The non-U.S. equity managers may hold up to 5% of its portfolio in a money market or cash. Currency hedging which includes forward currency contracts and cross currency hedging, are permitted for defensive purposes. The System's exposure to foreign currency risk at December 31, 2011 is as follows (amounts in thousands):

| Currency | Fair Value | Cash | Equity | Fixed Income | Swaps |
|------------------------|------------|-------------|------------|--------------|----------|
| Australian Dollar | \$ 5,148 | \$ (4,874) | \$ 10,022 | | |
| Brazilian Real | 274 | 83 | | | \$ 191 |
| British Pound Sterling | 33,395 | (1,692) | 33,791 | \$ 1,296 | |
| Canadian Dollar | 80 | (2,233) | | 2,213 | 100 |
| Chinese Yuan Renminbi | 1,051 | 1,051 | | | |
| Euro Currency | 55,012 | (11,558) | 58,673 | 6,825 | 1,072 |
| Hong Kong Dollar | 4,731 | | 4,731 | | |
| Japanese Yen | 34,306 | 78 | 34,228 | | |
| Mexican New Peso | 56 | 64 | | | (8) |
| New Taiwan Dollar | 1,830 | | 1,830 | | |
| S African Comm Rand | 3,291 | | 3,291 | | |
| Singapore Dollar | 3,615 | | 3,615 | | |
| Swedish Krona | 1,607 | 18 | 1,589 | | |
| Swiss Franc | 17,189 | 301 | 16,888 | | |
| Total | \$ 161,585 | \$ (18,762) | \$ 168,658 | \$ 10,334 | \$ 1,355 |

Custodial Credit Risk

As for custodial credit risk, the fund only requires collateral for their securities lending program as discussed in the Securities Lending section of this footnote.

Securities Lending

City statutes and board of trustee policies permit the City of Cincinnati Retirement System to use investments of the plan to enter into securities lending transactions – loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same security in the future. Securities are loaned in exchange for collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned in exchange for collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned in exchange for collateral valued at 105% of the market value of the securities plus any accrued interest. Collateral cannot be pledged or sold unless the borrower defaults. The borrower is required to pay to the Lender the equivalent of all interest and dividends that are paid by the issuer during the term of the loan. All security loans can be terminated on demand by either the lender or the borrower, although the average term of the System’s overall loans was 6 days for the year ended December 31, 2011. Cash collateral is invested in a short-term investment pool, which had an average weighted maturity of 3 day as of December 31, 2011. Cash collateral may also be invested separately in “term loans”, in which the maturity of the term loan is matched to either the maturity of the cash collateral invested or the interest rate reset of the cash collateral invested. These loans have rights of substitution and securities can be recalled on demand. As of December 31, 2011, there were no violations of legal or contractual provisions, no borrower or lending agent default and no losses known to the securities lending agent. There are no dividends or coupon payments owed on the securities lent.

The following represents the balances relating to the securities lending transactions at the financial statement date (amounts in thousands):

| Securities Lent | Fair Value of Underlying Securities | Cash Collateral Received/Securities Collateral Value |
|-----------------------------|-------------------------------------|--|
| Lent for Cash Collateral: | | |
| U.S. Government | \$ 1,458 | \$ 1,488 |
| U.S. Corporate Fixed Income | 1,895 | 1,944 |
| U.S. Equities | 18,212 | 18,691 |
| Non-U.S. Equities | 4,047 | 4,318 |
| Total | \$ 25,612 | \$ 26,441 |

The following maturity chart for securities lending collateral provides information pertinent to interest rate risk (amounts in thousands):

| Investment Maturities (in years) | | | |
|----------------------------------|-------------|--------------|----------|
| Asset class | Less Than 1 | More than 15 | Total |
| Asset Backed Security | \$ 0 | \$ 2,238 | \$ 2,238 |
| Corporate Floating Rate | 5,100 | 0 | 5,100 |
| Reverse Repurchase Agreements | 927 | 0 | 927 |
| Total | \$ 6,027 | \$ 2,238 | \$ 8,265 |

In order to determine credit rate risk for the securities lending collateral, the following chart is useful (amounts in thousands):

| Investment Type | Fair Value | B-/B3 to BB+/Ba1 | C/C to CCC/Caa | Not Rated |
|-------------------------------|------------|------------------|----------------|-----------|
| Asset Backed Security | \$ 2,238 | \$ 434 | \$ 1,804 | \$ |
| Corporate Floating Rate | 5,100 | | | 5,100 |
| Reverse Repurchase Agreements | 927 | | | 927 |
| Total | \$ 8,265 | \$ 434 | \$ 1,804 | \$ 6,027 |

Derivatives

Derivatives are generally defined as a financial instrument whose characteristics and value depend on, or derive from, the value and characteristics of an underlying asset which is typically a commodity, bond, equity or currency. A derivative for financial statement purposes contains three traits: settlement factor, leverage, and net settlement. The retirement system enters into certain derivative financial instruments, primarily to enhance the performance and/or reduce the volatility of the portfolio.

The retirement system's investment-grade bond managers, non-U.S. equity managers, and cash equitization manager are authorized to invest in derivatives. The derivatives permitted and utilized are: forwards, options, swaps, and futures. The derivatives held at year end were for investment purposes only. They are subject to Interest Rate, Credit and Foreign Currency risks and are included in the risk disclosure with the other CRS investments. The international equity manager is authorized to utilize currency hedging for defensive purposes, although the manager did not partake in hedging at year end.

As of December 31, 2011, CRS held investment derivatives consisting of forward contracts, swaps, futures, and options. Gains and losses are included in the net appreciation/(depreciation) in the fair value of investments total in the Statement of Changes in Fiduciary Net Position. The table below presents the classification of the investment derivatives at December 31, 2011 (amounts in thousands):

| Investment Derivatives | Changes in Fair Value | | Fair Value at 12/31/11 | |
|---------------------------|--------------------------------|-------------|------------------------|----------|
| | Classification | Gain/(Loss) | Classification | Amount |
| Forward Contracts | Net appreciation(depreciation) | \$ - | Other Assets | \$ 546 |
| Interest Rate Swaps | Net appreciation(depreciation) | 325 | Other Assets | 423 |
| Credit Default Swaps | Net appreciation(depreciation) | (584) | Other Assets | 727 |
| Options | Net appreciation(depreciation) | 14 | Other Assets | (134) |
| Future Contracts | Net appreciation(depreciation) | 439 | Other Assets | 439 |
| | Total | \$ 194 | Total | \$ 2,001 |

A forward contract (forward) is an obligation to buy (sell) an asset at a fixed price on a predetermined date. Forwards are over the counter instruments, which means they are not traded on an organized exchange. The price specified for the foreign currency, government securities, or other asset may be higher or lower than the actual market price at the time of delivery. At December 31, 2011 CRS held the following forward contracts (amounts in thousands):

| Broker | Notional Value | Base Gain/(Loss) | Base Exposure |
|-------------------------------------|----------------|------------------|---------------|
| Barclays Bank PLC | \$ 1,757 | \$ 9 | 5.36% |
| BNY Mellon NA | 7,261 | 227 | 22.15% |
| Citibank NA | 2,074 | 6 | 6.33% |
| Credit Suisse AG | 1,206 | 51 | 3.68% |
| Deutsche Bank AG/London | 3,263 | (14) | 9.96% |
| Goldman Sachs International | 1,270 | (1) | 3.88% |
| HSBC Securities Inc | 310 | (5) | 0.95% |
| JPMorgan Chase Bank NA | 1,078 | (14) | 3.29% |
| Morgan Stanley Capital Services LLC | 221 | (5) | 0.67% |
| Royal Bank of Canada | 3,251 | (2) | 9.92% |
| UBS AG/Stamford CT | 11,080 | 294 | 33.81% |
| | \$ 32,771 | \$ 546 | 100.00% |

A swap is a transaction which exchanges one currency, obligation or financial instrument for another. Swaps

are over-the-counter instruments. Usually a set of future cash flows are exchanged between two counterparties. Interest rate swaps involve the exchange of one stream of future interest payments for another based on a specified principal amount. Usually fixed and floating interest rates are exchanged. A credit default swap allows the transfer of third party credit risk from one party to the other. One party in a credit default swap is a lender whom faces credit risk from a third party. The counterparty to the swap agrees to insure this risk in exchange for regular periodic payments.

The swaps held at December 31, 2011 are presented in the next chart (amounts in thousands):

| Counterparty | Swap Description | CRS Pays | CRS Receives | Maturity Date | Notional Amount | 2011 Gain(Loss) | |
|----------------------------------|--------------------------------------|----------------------------------|--------------|---------------|----------------------------|-----------------|----------|
| <i>Credit Default Swaps:</i> | | | | | | | |
| Bank of America NA | JAPAN GOV'T JP SP BOA | Upon Default | 100 BPS | 3/20/16 | \$ 100 | \$ (3) | |
| Bank of America NA | JAPAN GOV'T JP SP BOA | Upon Default | 100 BPS | 3/20/16 | 200 | (5) | |
| Bank of America NA | SPAIN GOV'T SW SP BOA | Upon Default | 100 BPS | 3/20/16 | 800 | (30) | |
| Barclays Bank PLC | BRAZIL EM SP 09/20/11 BRC | Upon Default | 100 BPS | 12/20/16 | 400 | 10 | |
| Barclays Bank PLC | CDX EM13 SP 03/22/2010 BRC | Upon Default | 500 BPS | 6/20/15 | 900 | 64 | |
| Barclays Bank PLC | ITALY REPUBLIC SW SP BRC | Upon Default | 100 BPS | 3/20/16 | 600 | (62) | |
| BNP PARIBAS S.A. | CDX IG17 5Y BP BPS | -100 BPS | Upon Default | 12/20/16 | 1,000 | (5) | |
| Chicago Mercantile Exchange | CDX IG17 5Y CME | Upon Default | 100 BPS | 12/20/16 | 37,500 | (166) | |
| Citibank NA | FRANCE GOV'T SW SP CBK | Upon Default | 25 BPS | 9/20/16 | 300 | (4) | |
| Citibank NA | ITALY REPUBLIC SW SP CBK | Upon Default | 100 BPS | 3/20/16 | 300 | (2) | |
| Citibank NA | SPAIN GOV'T SW SP CBK | Upon Default | 100 BPS | 6/20/16 | 300 | 3 | |
| Citibank NA | UNITED KINGDOM GILT SW SP CBK | Upon Default | 100 BPS | 6/20/16 | 200 | (3) | |
| Credit Suisse International | FRANCE GOV'T SW SP FBF | Upon Default | 25 BPS | 3/20/16 | 1,000 | (40) | |
| Deutsche Bank AG | BERKSHIRE HATHAWAY INC SNR S* SP DUB | Upon Default | 100 BPS | 12/20/15 | 1,000 | (11) | |
| Deutsche Bank AG | CDX EM13 SP 03/22/2010 DUB | Upon Default | 500 BPS | 6/20/15 | 1,000 | 71 | |
| Deutsche Bank AG | CDX IG9 5Y 30-100% SP DUB | Upon Default | 70.75 BPS | 12/20/12 | 964 | 7 | |
| Deutsche Bank AG | GECC SNR S* SP DUB | Upon Default | 100 BPS | 12/20/15 | 1,000 | (37) | |
| Deutsche Bank AG | UNITED KINGDOM GILT SW SP DUB | Upon Default | 100 BPS | 3/20/16 | 200 | (3) | |
| Goldman Sachs International | FRANCE GOV'T SW SP GST | Upon Default | 25 BPS | 6/20/16 | 300 | (15) | |
| Goldman Sachs International | ITALY REPUBLIC SW SP GST | Upon Default | 100 BPS | 3/20/16 | 300 | (31) | |
| Goldman Sachs International | JAPAN GOV'T JP SP GST | Upon Default | 100 BPS | 6/20/16 | 100 | (2) | |
| Goldman Sachs International | UNITED KINGDOM GILT SW SP GST | Upon Default | 100 BPS | 6/20/15 | 100 | 0 | |
| JP Morgan Chase Bank, N.A. | BRAZIL EM SP 03/22/10 JPM | Upon Default | 100 BPS | 6/20/15 | 1,000 | (10) | |
| JP Morgan Chase Bank, N.A. | JAPAN GOV'T JP SP JPM | Upon Default | 100 BPS | 3/20/16 | 700 | (14) | |
| JP Morgan Chase Bank, N.A. | METLIFE INC SNR S* SP JPM | Upon Default | 100 BPS | 3/20/16 | 600 | (34) | |
| JP Morgan Chase Bank, N.A. | UNITED KINGDOM GILT SW SP JPM | Upon Default | 100 BPS | 3/20/15 | 100 | 1 | |
| JP Morgan Chase Bank, N.A. | UNITED KINGDOM GILT SW SP JPM | Upon Default | 100 BPS | 3/20/15 | 300 | 3 | |
| Morgan Stanley Capital Serv Inc. | DJ ITRAXX16SEN2 BP MYC | -100 BPS | Upon Default | 12/20/16 | 12,332 | (176) | |
| Royal Bank of Scotland PLC | ITALY REPUBLIC SW SP RYL | Upon Default | 100 BPS | 3/20/16 | 600 | (61) | |
| Societe Generale Paris | UNITED KINGDOM GILT SW SP SOG | Upon Default | 100 BPS | 3/20/15 | 200 | 2 | |
| UBS AG STAMFORD | AUSTRALIA GOV'T AU SP UAG | Upon Default | 100 BPS | 6/20/16 | 100 | 0 | |
| UBS AG STAMFORD | FRANCE GOV'T SW SP UAG | Upon Default | 25 BPS | 12/20/15 | 1,500 | (17) | |
| UBS AG STAMFORD | JAPAN GOV'T JP SP UAG | Upon Default | 100 BPS | 12/20/15 | 700 | (6) | |
| UBS AG STAMFORD | UNITED KINGDOM GILT SW SP UAG | Upon Default | 100 BPS | 6/20/16 | 200 | (3) | |
| UBS AG STAMFORD | UNITED KINGDOM GILT SW SP UAG | Upon Default | 100 BPS | 6/20/16 | 400 | (5) | |
| UBS AG STAMFORD | UNITED STATES GOVT SW SP UAG | Upon Default | 25 BPS | 9/20/16 | 649 | 0 | |
| | | | | | Credit Default Swaps Total | \$67,945 | \$ (584) |
| <i>Interest Rate Swaps:</i> | | | | | | | |
| BNP PARIBAS S.A. | IRS BRL ZCS R 11.88/CDI 02/19/10 BPS | Brazil Cetip Interbank Deposit | 11.88% | 1/2/13 | \$ 161 | \$ 5 | |
| Bank of America NA | IRS BRL ZCS R 11.90/CDI 03/03/10 BOA | Brazil Cetip Interbank Deposit | 11.90% | 1/2/13 | 590 | 18 | |
| Barclays Bank PLC | IRS BRL ZCS R 11.91/CDI 03/05/10 BRC | Brazil Cetip Interbank Deposit | 11.91% | 1/2/13 | 54 | 2 | |
| Barclays Bank PLC | IRS EUR R 6ME/2.5 03/21/12 BRC | 6M EUR-EURIBOR-ACT/360-Bloomberg | 2.50% | 3/21/22 | 260 | 1 | |
| Barclays Bank PLC | IRS MXN R TIIE/5.6 09/13/11 BRC | MXN-TIIE-Banxico-Bloomberg | 5.60% | 9/6/16 | 853 | (13) | |
| BNP PARIBAS S.A. | IRS BRL ZCS R 12.11/CDI 02/23/10 BPS | Brazil Cetip Interbank Deposit | 12.11% | 1/2/14 | 107 | 4 | |
| Chicago Mercantile Exchange | IRS EUR 6ME/2.5 03/21/12 CME | 6M EUR-EURIBOR-ACT/360-Bloomberg | 2.50% | 3/21/22 | 519 | 4 | |
| Chicago Mercantile Exchange | IRS EUR 6ME/2.75 03/21/12 CME | 6M EUR-EURIBOR-ACT/360-Bloomberg | 2.75% | 3/21/22 | 1,168 | 22 | |
| Chicago Mercantile Exchange | IRS EUR 6ME/3.0 03/21/12 CME | 6M EUR-EURIBOR-ACT/360-Bloomberg | 3.00% | 3/21/22 | 1,298 | 18 | |
| Chicago Mercantile Exchange | IRS EUR 6ME/3.5 09/21/11 CME | 6M EUR-EURIBOR-ACT/360-Bloomberg | 3.50% | 9/21/21 | 260 | 2 | |
| Credit Suisse International | IRS BRL ZCS R 12.48/CDI 05/12/10 FBF | Brazil Cetip Interbank Deposit | 12.48% | 1/2/13 | 429 | 16 | |
| Goldman Sachs Bank USA | IRS BRL ZCS R 11.89/CDI 02/09/10 GLM | Brazil Cetip Interbank Deposit | 11.89% | 1/2/13 | 1,179 | 50 | |
| Goldman Sachs Bank USA | IRS BRL ZCS R 11.93/CDI 02/18/10 GLM | Brazil Cetip Interbank Deposit | 11.93% | 1/2/13 | 322 | 10 | |
| HSBC BANK USA, N.A. | IRS BRL ZCS R 12.54/CDI 01/27/10 HUS | Brazil Cetip Interbank Deposit | 12.54% | 1/2/14 | 322 | 17 | |
| HSBC BANK USA, N.A. | IRS MXN R TIIE/5.6 09/13/11 HUS | MXN-TIIE-Banxico-Bloomberg | 5.60% | 9/6/16 | 57 | (1) | |
| JP Morgan Chase Bank, N.A. | IRS BRL ZCS R 12.20/CDI 02/11/10 JPM | Brazil Cetip Interbank Deposit | 12.20% | 1/2/14 | 161 | 7 | |
| Morgan Stanley Capital Serv Inc | IRS BRL ZCS R 12.51/CDI 01/27/10 MYC | Brazil Cetip Interbank Deposit | 12.51% | 1/2/14 | 429 | 22 | |
| Morgan Stanley Capital Serv Inc | IRS BRL ZCS R 12.59/CDI 05/11/10 MYC | Brazil Cetip Interbank Deposit | 12.59% | 1/2/13 | 322 | 13 | |
| Royal Bank of Canada | IRS BRL ZCS R 12.7%/CDI 05/06/10 RBC | Brazil Cetip Interbank Deposit | 12.70% | 1/2/14 | 322 | 17 | |
| Royal Bank of Scotland PLC | IRS CAD R 3M CBK/5.7 12/18/19 RYL | CAD-BA-CDOR 3M | 5.70% | 12/18/24 | 1,277 | 100 | |
| UBS AG STAMFORD | IRS BRL ZCS R 12.07/CDI 02/04/10 UAG | Brazil Cetip Interbank Deposit | 12.07% | 1/2/13 | 161 | 6 | |
| UBS AG STAMFORD | IRS BRL ZCS R 12.25/CDI 02/04/10 UAG | Brazil Cetip Interbank Deposit | 12.25% | 1/2/14 | 107 | 5 | |
| | | | | | Interest Rate Swaps Total | \$10,358 | \$ 325 |
| | | | | | Total Swaps | \$78,303 | \$ (259) |

Options convey the right, but not the obligation, to engage in a future investment transaction. A call is an options contract that gives the buyer the right, but not the obligation, to exercise the option and buy an asset at the strike price on or at any time up to the expiration date. A put is an options contract that gives the buyer the right, but not the obligation, to sell an asset at the strike price on or at any time up to the expiration date. At December 31, 2011 CRS held 5 options. Four of the options are swaptions which are options involving swaps. The following chart describes the options held at December 31, 2011 (amounts in thousands):

| Buyer | Seller | Premium Amount | Notional Value | Effective Date | Termination Date | Market Value |
|----------------|--------|----------------|-----------------|----------------|------------------|-----------------------|
| JPMorgan | CRS | \$ 7 | \$ 600 | 10/15/12 | 10/15/13 | \$ (7) |
| Goldman Sachs | CRS | 4 | 300 | 11/14/11 | 10/15/13 | (2) |
| Morgan Stanley | CRS | 159 | 18,600 | 11/16/12 | 11/16/14 | (122) |
| Morgan Stanley | CRS | 22 | - | 10/15/12 | 10/15/14 | 2 |
| Citibank | CRS | - | 1,300 | 9/29/10 | 09/29/20 | (5) |
| Total | | <u>\$ 192</u> | <u>\$20,800</u> | | | Total <u>\$ (134)</u> |

Futures are exchange-traded contracts that require an asset to be bought (sold) at a specified price on a specified future date. Unlike options, futures convey an obligation to buy (sell) an investment. The contracts contain standardize terms, trade on a formal exchange, are regulated by overseeing agencies, and are guaranteed by clearinghouses.

As of December 31, 2011, CRS had the following exposure via futures contracts (Notional Value in thousands):

| Futures Contract | Expiration | Long/Short | Quantity | Notional Value* | Fair Value |
|--------------------------------|----------------|------------|----------|-----------------|---------------|
| 90DAY EURODOLLAR FUTURE (CME) | March 2012 | Short | -1 | \$ (248) | \$ - |
| 90DAY EURODOLLAR FUTURE (CME) | June 2012 | Short | -1 | (248) | - |
| 90DAY EURODOLLAR FUTURE (CME) | September 2012 | Short | -1 | (248) | - |
| 90DAY EURODOLLAR FUTURE (CME) | December 2012 | Short | -1 | (248) | - |
| 90DAY EURODOLLAR FUTURE (CME) | March 2013 | Short | -1 | (248) | - |
| 90DAY EURODOLLAR FUTURE (CME) | June 2013 | Short | -1 | (248) | - |
| 90DAY EURODOLLAR FUTURE (CME) | September 2013 | Short | -1 | (248) | - |
| 90DAY EURODOLLAR FUTURE (CME) | March 2014 | Short | -1 | (248) | (1) |
| 90DAY EURODOLLAR FUTURE (CME) | June 2014 | Short | -1 | (247) | (1) |
| 90DAY EURODOLLAR FUTURE (CME) | September 2014 | Short | -1 | (247) | (1) |
| FUT 90DAY EURODOLLAR (CME) | December 2013 | Short | -1 | (248) | - |
| S&P 500 EMINI INDEX FUT (CME) | March 2012 | Long | 266 | 16,660 | 327 |
| MSCI EAFE INDEX (NYL) | March 2012 | Long | 16 | 1,127 | 14 |
| US TREAS BD FUTURE (CBT) | March 2012 | Long | 2 | 290 | 2 |
| US 10YR TREAS NTS FUTURE (CBT) | March 2012 | Long | 1 | 131 | 1 |
| US 5YR TREAS NTS FUTURE (CBT) | March 2012 | Long | 5 | 616 | 3 |
| US TREAS BD FUTURE (CBT) | March 2012 | Short | -21 | (3,041) | (46) |
| US 10YR TREAS NTS FUTURE (CBT) | March 2012 | Long | 35 | 4,589 | 66 |
| US 5YR TREAS NTS FUTURE (CBT) | March 2012 | Long | 52 | 6,409 | 39 |
| US 2YR TREAS NTS FUT (CBT) | March 2012 | Short | -34 | (7,499) | (6) |
| US ULTRA BOND (CBT) | March 2012 | Long | 10 | 1,602 | 42 |
| Total | | | | <u>\$18,158</u> | <u>\$ 439</u> |

* Notional value is the nominal or face amount that is used to calculate payments made on derivative instruments (futures, forwards, swaps, etc.). The notional amount represents the economic equivalent to an investment in the physical securities represented by the derivative contract.

3. MIXED INVESTMENT POOL

On April 10, 1968, the Board of County Commissioners of Hamilton County and the City of Cincinnati consolidated all County and City sanitary sewer facilities, under the direction and control of the Board of County Commissioners and the management and operation of the City. The cash balance in the fund established for this purpose, the Metropolitan Sewer District fund (MSD), is combined with the City’s pool of cash and investments. For the purposes of financial reporting, the MSD portion of the City’s pool of cash and investments is reported as an Investment Trust Fund. Assets in the pool are reported at fair value based on quoted market prices. The pool is not subject to regulatory oversight. Fair value amounts are determined at year-end. The City has not provided or obtained any legally binding guarantees to support the value of the Mixed Investment Pool. MSD is required by Chapter 301 of the Cincinnati Municipal Code to participate in the Mixed Investment Pool. The method used to determine participants’ shares sold and redeemed is a proration based upon the equity held in City Treasury cash. These amounts increase and decrease based upon the change in the equity balance. This same method is used to report the investments. Disclosures required by GASB Statement 3 are discussed in Note 2.

Summary by major investment classification: (Amounts in Thousands)

| Description | Cost | Fair Value | Interest Rates | Maturity Dates |
|---------------------------------|-------------------|-------------------|-------------------|---------------------|
| Money Market Fund | \$ 8,849 | \$ 8,849 | | |
| Certificates of Deposit | 154,231 | 154,239 | 0.45% to 3.60% | 1/15/12 to 7/29/15 |
| U. S. Treasury Notes | 134,059 | 136,403 | 0.625% to 10.625% | 6/15/12 to 11/30/16 |
| FHLB/FNMA/FHLB/FHLMC Securities | 295,541 | 296,635 | 0.375% to 5.25% | 4/16/12 to 12/29/16 |
| Ohio Municipal | 9,500 | 9,511 | 1.15% | 11/01/13 |
| Cash | 946 | 946 | | |
| Total | <u>\$ 603,126</u> | <u>\$ 606,584</u> | | |

The Mixed Investment Pool does not issue a separate report. The Mixed Investment Pool’s financial statements can be found below:

**Mixed Investment Pool
Statement of Net Position
As of December 31, 2011
(Amounts in Thousands)**

| | |
|--|-------------------|
| <u>Assets</u> | |
| Equity in City Treasury | <u>\$ 606,584</u> |
| <u>Net Position</u> | |
| Held in Trust for Internal Pool Participants | \$ 488,417 |
| Held in Trust for External Pool Participant | <u>118,167</u> |
| Total Net Position | <u>\$ 606,584</u> |

Mixed Investment Pool
Statement of Changes in Net Position
For the Year Ended December 31, 2011
(Amounts in Thousands)

| | <u>Internal Participants</u> | <u>External Participants</u> | <u>Total</u> |
|---|------------------------------|------------------------------|-------------------|
| Additions: | | | |
| Contributions: | | | |
| Participant Deposits | \$ 1,013,909 | \$ 408,401 | \$ 1,422,310 |
| Investment earnings: | | | |
| Interest and dividends | 10,343 | 1,945 | 12,288 |
| Net appreciation in the fair value of investments | 2,355 | 429 | 2,784 |
| Total investment earnings | <u>12,698</u> | <u>2,374</u> | <u>15,072</u> |
| Total additions | 1,026,607 | 410,775 | 1,437,382 |
| Deductions: | | | |
| Distributions to Participants | <u>1,010,825</u> | <u>386,014</u> | <u>1,396,839</u> |
| Change in Net Position | 15,782 | 24,761 | 40,543 |
| Net Position - beginning | <u>472,635</u> | <u>93,406</u> | <u>566,041</u> |
| Net Position - ending | <u>\$ 488,417</u> | <u>\$ 118,167</u> | <u>\$ 606,584</u> |

4. COMMITMENTS

Convention Facilities Authority (CFA) - The CFA is an up to 11-member body corporate and politic, organized and existing under Chapter 351 of the Ohio Revised Code, as amended. The CFA issued bonds netting proceeds of \$111,176,644 dated March 2, 2004 for the purpose of expanding and renovating the Convention Center in Cincinnati.

Pursuant to a Memorandum of Understanding between the City of Cincinnati (City) and Hamilton County (County), a cooperative agreement was reached between the City and the County and a Project Service Agreement between the City and the CFA. The City will: (i) own the Convention Center, (ii) be responsible for the operation and maintenance of the Convention Center and (iii) manage the design and construction of the expansion and renovation project. Construction began in May 2004 and was completed in June 2006.

In the financial plan for the Convention Center expansion and renovation the dedicated Transient Occupancy Tax (City) and Lodging Excise Tax (County) is expected to cover the outstanding debt service for senior (\$59.9 million) and subordinate (\$19.6 million) debt. Pursuant to the Memorandum of Understanding between the City, County and the CFA, the City has agreed to guarantee, subject to annual appropriation, the principal and interest on subordinate debt. The maximum annual debt service is \$6,359,600 and has been reserved to guarantee the subordinate debt service.

Subject to annual appropriation, the City shall pay \$1,000,000 (City Annual Contribution) to the Trustee of the CFA subject to the terms of the Cooperative Agreement. This contribution is pledged as an additional revenue source for the payment of the bonds. The City appropriated an amount sufficient to pay the City Annual Contribution for 2011.

Washington Park – On November 3, 2010, City Council approved Ordinance 398-2010 which authorized the City Manager to execute a Garage Lease and Operating Agreement with Cincinnati Center City Development Corporation (“3CDC”) to construct and operate an underground parking garage containing no less than 425 parking spaces beneath Washington Park for an initial term of 75 years with two 10-year renewal options. The ordinance also provided that the property will be leased to 3CDC for 60 years without benefit of an appraisal and without competitive bidding because Council believes that this will lead to the efficient operation and management of Washington Park, will help improve the Over-the-Rhine neighborhood, and will help to spur new business development. The ordinance also authorized the lease of the newly renovated park back from 3CDC for a period of 40 years.

On November 3, 2010, City Council approved Ordinance 383-2010 which authorized the City Manager to execute a professional services management agreement with Washington Park Restoration, LLC (“WPR”) (a wholly owned subsidiary of 3CDC for a period of 60 years for the purpose of operating the newly renovated and expanded Washington Park.

Port of Greater Cincinnati Development Authority (Port Authority) – On July 11, 2011 the City entered into an Economic Development Services Agreement with the Port Authority to undertake economic development activities on behalf and in coordination with the City. The City has agreed to fund the Port Authority General Operations in the amount of \$525,000 for fiscal year 2011 and up to \$1,000,000 for fiscal year 2012 – 2017. The City has also committed capital investment, subject to discretion, to be used in the implementation of the work plan. Appropriations of \$1 million in 2011 were made and an appropriation of \$1 million in 2012 if the Port named a new president. A new President of the Port Authority was named in December 2011. The City has, in addition, committed annual funding for Additional Services, subject to discretionary annual appropriation of at least \$6 million for fiscal years 2013 -2017. The City’s contribution to operation costs or capital investment may be offset by any net profits received by the Port Authority directly in connection with revenue derived from the additional services.

303 Broadway & Queen City Square – On September 24, 2008, City Council approved Ordinance 323-2008 which approved an Aggregation Agreement among the City, the Port of Greater Cincinnati Development Authority, the Western and Southern Life Insurance Company, Queen City Square Developers, LLC and 303 Broadway QCS, LLC. The Port Authority was authorized to issue up to \$64 million in “New Money Bonds” for the purpose of construction a 680 space parking garage situated on the 303 Broadway properties and a 1700 space parking garage situated on the Queen City Square property. Garages are to be interconnected. TIF revenues received on the 303 Broadway improvements and the Queen City Square improvements have been pledged to repay the debt that has been issued by the Port.

The Board of Education of the City School District of the City of Cincinnati (the Board) – on July 21, 1999 the “Board” and the City of Cincinnati entered into agreement whereby the City would compensate the Board for taxes that would have been received if not for certain property exemptions enacted by the City. The City has agreed to an annual payment of \$5 million, to be paid semi- annually, beginning fiscal year 2000 and continuing for 19 years thereafter.

Encumbrances - Encumbrances are commitments to unfilled purchase orders or unfilled contracts. Funds have been committed to a specific order, but the goods or services have not been billed or received.

The City has outstanding encumbrances at December 31, 2011 are as follows:

Summary of Encumbrances Outstanding (Amounts in Thousands)

| | General Fund | Capital Projects | Debt Service | Non Major Governmental | Total |
|------------------------------|-----------------|------------------|--------------|------------------------|-------------------|
| General Government | \$ 3,607 | | \$ 64 | \$ 1,341 | \$ 5,012 |
| Community Development | 259 | | | 535 | 794 |
| Parks & Recreation | 1,003 | | | 644 | 1,647 |
| Public Safety | 2,572 | | | 1,009 | 3,581 |
| Transportation & Engineering | 8 | | | 726 | 734 |
| Public Services | 533 | | | 1,150 | 1,683 |
| Public Health | 115 | | | 2,609 | 2,724 |
| Employee Benefits | 1,263 | | | 4 | 1,267 |
| Capital Outlay | 73 | \$ 55,955 | | 28,458 | 84,486 |
| Long Term Interest | | | | 166 | 166 |
| Total | \$ 9,433 | \$ 55,955 | \$ 64 | \$ 36,642 | \$ 102,094 |

5. INTERFUND ASSETS/LIABILITIES

The composition of interfund balances as of December 31, 2011, is as follows:

DUE FROM/TO OTHER FUNDS (Amounts in Thousands)

| | Due From | | | | | | | | Total |
|---------------------------|-----------------|-----------------------|-------------------|------------------------------|------------------------|-----------------------------|---------------------------|-----------------|------------------|
| | General Fund | Capital Projects Fund | Debt Service Fund | Non Major Governmental Funds | Internal Service Funds | Water Works Enterprise Fund | Nonmajor Enterprise Funds | Fiduciary Funds | |
| Due To | | | | | | | | | |
| General Fund | | \$ 12 | | \$ 147 | \$ 1,089 | \$ 5 | \$ 22 | \$ 598 | \$ 1,873 |
| Capital Projects Fund | \$ 2,523 | | \$ 1,729 | 2,848 | 919 | 1,946 | 752 | | 10,717 |
| Debt Service Fund | | | | | | | | 2 | 2 |
| Non Major Governmental | 142 | 1 | | 137 | 314 | | | 290 | 884 |
| Internal Service Fund | 1 | | | 9 | 90 | | 1 | 51 | 152 |
| Water Works Fund | 14 | 114 | | 27 | 149 | | 21 | 257 | 582 |
| Nonmajor Enterprise Funds | 5 | | | 104 | 29 | 9 | 1 | 26 | 174 |
| Fiduciary Funds | | | | 59 | 3,010 | | | | 3,069 |
| Total | \$ 2,685 | \$ 127 | \$ 1,729 | \$ 3,331 | \$ 5,600 | \$ 1,960 | \$ 797 | \$ 1,224 | \$ 17,453 |

Included in the balances above are the amounts related to a \$17 million in notes issued by the City in 2011. These amounts are as follows:

(Amounts in Thousands)

| | Due From | Due To |
|------------------------------|------------------|------------------|
| General Fund | \$ 2,468 | |
| Capital Projects Funds | | \$ 10,475 |
| Debt Service Funds | 1,729 | |
| Non Major Governmental Funds | 2,672 | |
| Internal Service Funds | 919 | |
| Water Works Funds | 1,936 | |
| Nonmajor Enterprise Funds | 751 | |
| Fiduciary Funds | | |
| Total | \$ 10,475 | \$ 10,475 |

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the

accounting system, and (3) payments between funds are made.

ADVANCES TO/FROM OTHER FUNDS (Amounts in Thousands)

| | Advance From Other Funds | | | | |
|-------------------------------|---------------------------------|------------------|---------------|---------------|------------------|
| | General | Capital | Nonmajor | Internal | Total |
| | Fund | Projects | Governmental | Service | |
| Advance To Other Funds | | | | | |
| General Fund | | | \$ 125 | \$ 177 | \$ 302 |
| Nonmajor Governmental Funds | \$ 521 | | 528 | | 1,049 |
| Water Works Fund | | | | 50 | 50 |
| Nonmajor Enterprise Funds | | \$ 9,916 | | | 9,916 |
| Internal Service Fund | | 1,648 | | | 1,648 |
| Total | \$ 521 | \$ 11,564 | \$ 653 | \$ 227 | \$ 12,965 |

The major portion of the amounts payable relate to loans made for the completion of capital projects construction in progress. The remaining portion of the amounts payable relate to working capital loans made to funds upon their creation, none of this balance is scheduled to be collected in the subsequent year.

6. INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2011, consisted of the following:

TRANSFERS IN/OUT (Amounts in Thousands)

| | Transfers Out | | | | | |
|---------------------------|----------------------|------------------|------------------|-----------------|-----------------|------------------|
| | General | Capital | Debt | Nonmajor | Internal | Nonmajor |
| | Fund | Projects | Service | Governmental | Service | Enterprise |
| Transfers In | | | | | | |
| General Fund | | \$ 86 | | \$ 2,386 | \$ 167 | \$ 2,639 |
| Capital Projects Fund | | | \$ 49,976 | 4,702 | 755 | 55,433 |
| Debt Service Fund | \$ 3,708 | 9,673 | | 506 | 38 | 13,925 |
| Water Works Fund | | 131 | | | | 131 |
| Nonmajor Governmental | | 212 | | 292 | 700 | \$ 1,089 |
| Internal Service Fund | | 1,539 | | 431 | | 1,970 |
| Nonmajor Enterprise Funds | | 1,000 | | | 529 | 1,529 |
| Total | \$ 3,708 | \$ 12,641 | \$ 49,976 | \$ 8,317 | \$ 2,189 | \$ 1,089 |
| | | | | | | \$ 77,920 |

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

7.

NET POSITION / FUND BALANCE**Fund Balance Classifications**

Fund balance is classified in five categories (1) Nonspendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned. Nonspendable fund balances include amounts that are not in spendable form or are legally required to remain intact. Restricted fund balances include amounts that have external restrictions by either grantors, debt covenants, laws or other governments. Committed fund balances include amounts that are committed to a specific purpose by council ordinance. Assigned fund balances include amounts that are constrained by management's intent to be used for a specific purpose. Unassigned fund balance includes amounts that have not been assigned to any purpose. Fund expenditures and encumbrances are from restricted fund balance to the extent of the restricted fund revenue and followed by committed then assigned and unassigned fund balance below are the fund balance classifications for the governmental funds at December 31, 2011 amounts in thousands:

| | General Fund | Capital Projects | Debt Service | Non Major Governmental | Total Governmental |
|--|------------------|---------------------|------------------|---------------------------|-----------------------|
| Fund Balances | | | | | |
| Nonspendable | | | | | |
| Inventory | \$ 3,556 | \$ 898 | | \$ 445 | \$ 4,899 |
| Advances and Petty Cash | 205 | | | | 205 |
| Advances to Other Funds | 302 | | | | 302 |
| In accordance with Trusts | | | | 2,200 | 2,200 |
| Restricted | | | | | |
| Debt Service | | | \$ 71,052 | | 71,052 |
| Capital Projects | | 111,057 | 38 | | 111,095 |
| Long Term Receivable | | 14,546 | 10,000 | | 24,546 |
| Tax Increment Financing | | | | 60,738 | 60,738 |
| Public Transit | | | | 15,046 | 15,046 |
| Public Safety | | | | 4,856 | 4,856 |
| Parks and Recreation | | | | 7,979 | 7,979 |
| Public Health | | | | 1,895 | 1,895 |
| Street Construction and Maintenance | | | | 4,680 | 4,680 |
| Infrastructure | | | | 7,073 | 7,073 |
| Expendable Trusts | | | | 7,285 | 7,285 |
| Other | | | | 7,534 | 7,534 |
| Committed | | | | | |
| One Time Expenditure Reserve | 2,415 | | | | 2,415 |
| Property Investment Reimbursement Agreements | 2,872 | | | | 2,872 |
| Public Health | | | | 886 | 886 |
| Parking | | | | 1,537 | 1,537 |
| Communications | | | | 1,868 | 1,868 |
| Parks and Recreation | | | | 6,539 | 6,539 |
| Public Safety | | | | 465 | 465 |
| Other | | | | 6,726 | 6,726 |
| Assigned | | | | | |
| Unrestricted Encumbrances | 7,878 | | | | 7,878 |
| 2012 Appropriations | 15,597 | | | | 15,597 |
| Internal Service Funds | 1,500 | | | | 1,500 |
| Unassigned | | | | | |
| Working Capital Reserve Fund | 20,119 | | | | 20,119 |
| Public Safety | | | | (162) | (162) |
| Public Health | | | | (261) | (261) |
| Community Development | | | | (722) | (722) |
| Other | 45,362 | | | (603) | 44,759 |
| Total Fund Balance | \$ 99,806 | \$ 126,501 | \$ 81,090 | \$ 136,004 | \$ 443,401 |

Working Capital Reserve Fund

City Council established standards for a minimum working capital reserve account in 1984 to assure a strong financial position and to protect Cincinnati's general obligation bond rating during periods of fiscal stress. The policy called for achievement of a minimum reserve level, for emergency needs of a catastrophic nature,

of no less than 5% or more than 8% of general operating revenues by December 31, 1986. The targeted year end reserve level was achieved in January of each year 1985 through 2010. For 2011, the target reserve of \$20.1 million (5.9% of 2012 estimated revenues) has already been achieved. Since conditions have not been specifically defined for its use, the \$20.1 million is included in the unassigned fund balance for the general fund.

Minimum Fund Balance Policy

The City has three components as part of the minimum fund balance reserve: the General Fund carryover balance, the emergency reserve, and the Working Capital Reserve Fund balance. In prior years the Working Capital Reserve Fund was reported in the Capital Projects Fund balance. Beginning in 2009, it is reported as part of the General Fund balance. The 2011 actual ending balance is \$44.8 million which consists of \$22.3 million fund balance carry over, \$2.4 million from the one time expenditure reserve, and \$20.1 million working capital reserve. The City’s minimum fund balance policy is to maintain an unappropriated surplus equivalent to a 10% of General Fund revenues. General Fund actual revenues for 2011 were \$349,248 million.

Included in the financial statements are an internal service fund and a non-major governmental fund with a net position deficit as of December 31, 2011. The net position deficit in the internal service funds of Purchasing Reproduction and Printing Services (\$51,000) and non-major governmental fund Community Development (\$722,000) are to be covered by future user charges and grant reimbursements.

8. LEASES

CITY AS LESSEE

Operating Leases

The City has entered into various leases for property, equipment and office space. These leases are considered for accounting purposes to be operating leases. The total cost for such leases were \$1,307,000 for the year ended December 31, 2011. Future minimum lease payments are as follows:

| (Amounts in Thousands) | | <u>Amounts</u> |
|-------------------------------|--|------------------------|
| <u>Year</u> | | |
| 2012 | | \$ 801 |
| 2013 | | 654 |
| 2014 | | 315 |
| 2015 | | 10 |
| Remaining Years | | <u>1</u> |
| Total Future Minimum Rents | | <u><u>\$ 1,781</u></u> |

Capital Leases

The City has capitalized leases for the following property and equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

(Amounts in Thousands)

| | Governmental <u>Activities</u> | Business-Type <u>Activities</u> |
|--------------------------------|-----------------------------------|------------------------------------|
| Leased Property/Equipment | \$ 643 | \$ 514 |
| Less: Accumulated Depreciation | <u>304</u> | <u>258</u> |
| Total | <u>\$ 339</u> | <u>\$ 256</u> |

The following is a schedule of future minimum capital leases and the present value of the net minimum lease payments at December 31, 2011:

(Amounts in Thousands)

| | Governmental <u>Activities</u> | Business-Type <u>Activities</u> |
|--|-----------------------------------|------------------------------------|
| <u>Year</u> | | |
| 2012 | \$ 132 | \$ 64 |
| 2013 | 128 | 35 |
| 2014 | 115 | 27 |
| 2015 | <u>2</u> | |
| Total Minimum lease payments | 377 | 126 |
| Less: Amounts representing interest | <u>24</u> | <u>6</u> |
| Present value of net minimum lease payments | <u>\$ 353</u> | <u>\$ 120</u> |

CITY AS LESSOR

The City has entered into various contractual agreements for the rental of properties to various commercial enterprises, which are reported as operating leases for accounting purposes.

Amounts related to the operating lease as of December 31, 2011 are included in the financial statements of the following:

| (Amounts in Thousands) | Governmental <u>Activities</u> | Business Type <u>Activities</u> |
|--------------------------|-----------------------------------|------------------------------------|
| Land | \$ 2,427 | \$ 255 |
| Buildings | 13,983 | 1,759 |
| Accumulated Depreciation | 42 | |
| Improvements | 83,224 | |
| Accumulated Depreciation | 82,381 | 1,492 |
| Depreciation Expense | 682 | 53 |

| (Amounts in Thousands) | Governmental | Business-Type |
|--------------------------------------|-------------------|-------------------|
| <u>Year</u> | <u>Activities</u> | <u>Activities</u> |
| 2012 | \$ 21,791 | \$ 1,179 |
| 2013 | 21,724 | 873 |
| 2014 | 21,604 | 834 |
| 2015 | 21,201 | 591 |
| 2016 | 21,061 | 5 |
| Remaining years | 192,051 | 11 |
| Total Future Minimum Rental Payments | <u>\$ 299,432</u> | <u>\$ 3,493</u> |
| Total Rentals for 2011: | \$ 21,201 | \$ 1,651 |

Future minimum rentals of the railway line, recorded in Debt Service Fund, are assumed to equal the payments calculated for the current year. These minimum rentals are included in the Governmental Activities column.

Enterprise Funds

The General Aviation rentals (included in business-type activities) do not include contingent rentals, which may be received on the basis of hours or usage in excess of stipulated minimums. Terms of the leases are normally on a five-year basis with renewal options not to exceed fourteen years.

The Parking Facilities has leased the Fountain Square North Parking Garage for a one-time payment of \$7.5 million for a period of 40 years beginning in 2005. The revenue has been deposited into the Parking Facilities fund to offset cash flow losses from the operation of this garage.

Governmental Capital Assets

The City-owned railway line, the Cincinnati Southern Railway, is leased to the Cincinnati, New Orleans, and Texas Pacific Railway Company until December 31, 2026, with a renewal option of twenty-five years. Pursuant to the Ohio Revised Code, the use of the rental income from the railway line is restricted to debt service.

On March 12, 2008 Ordinance 78-2008 was passed authorizing the issuance of bonds for the construction of a new administrative building for the Metropolitan Sewer District (MSD). The bonds were issued on July 22, 2009 for a term of 20 years. MSD will lease the building and the rentals will be equivalent to the annual debt service payment. The total rent payments in 2011 were \$1,113,212.50. The outstanding principal is \$13,900,000.

9. LONG-TERM DEBT

General Obligation Bonds and Notes

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

(Amounts in Thousands)

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Amount</u> |
|--------------------------|-----------------------|------------------|
| Governmental activities | .33% - 7.875% | \$411,574 |
| Business-type activities | 4.200% - 5.0% | <u>16,871</u> |
| | | <u>\$428,445</u> |

Annual debt service requirements to maturity for the general obligation bonds and notes are as follows:

(Amounts in Thousands)

| <u>Year Ending</u> | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | |
|--------------------|--------------------------------|-------------------|---------------------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| <u>December 31</u> | | | | |
| 2012 | \$ 41,233 | \$ 17,641 | \$ 3,197 | \$ 680 |
| 2013 | 35,933 | 16,148 | 3,297 | 568 |
| 2014 | 37,868 | 14,625 | 3,097 | 447 |
| 2015 | 35,693 | 13,122 | 1,297 | 331 |
| 2016 | 34,283 | 11,828 | 622 | 295 |
| 2017-2021 | 112,444 | 40,639 | 2,361 | 1,116 |
| 2022-2026 | 68,555 | 20,088 | 2,099 | 607 |
| 2027-2031 | 34,745 | 6,388 | 901 | 78 |
| 2032-2036 | 10,820 | 1,174 | | |
| | <u>\$ 411,574</u> | <u>\$ 141,653</u> | <u>\$ 16,871</u> | <u>\$ 4,122</u> |

Revenue Bonds and Notes

The City also issues bonds and notes where the City pledges income derived from the acquired or constructed assets to pay debt service. The net revenues of the Water Works are pledged to pay Water Works revenue bonds debt service. The original amount of revenue bonds and notes authorized in prior years was \$1,094,605,000 of which \$686,956,000 was issued.

Revenue bonds and notes outstanding at year-end are as follows:

(Amounts in Thousands)

| <u>Purpose</u> | <u>Interest Rates</u> | <u>Amount</u> |
|----------------------|-----------------------|------------------|
| Economic Development | Various | \$ 95,715 |
| Water Works | Various | <u>448,865</u> |
| | | <u>\$544,580</u> |

The annual debt service requirements to maturity for the revenue bonds and notes are as follows:

(Amounts in Thousands)

| Year Ending | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | |
|-------------|--------------------------------|------------------|---------------------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| December 31 | | | | |
| 2012 | \$ 2,920 | \$ 4,457 | \$ 17,700 | \$ 20,626 |
| 2013 | 3,075 | 4,362 | 18,265 | 21,638 |
| 2014 | 4,015 | 4,196 | 18,980 | 20,788 |
| 2015 | 4,485 | 3,998 | 22,980 | 19,890 |
| 2016 | 4,150 | 3,776 | 23,895 | 18,882 |
| 2017-2021 | 21,320 | 16,231 | 137,355 | 76,595 |
| 2022-2026 | 19,690 | 10,930 | 96,455 | 45,648 |
| 2027-2031 | 18,355 | 6,804 | 66,155 | 25,022 |
| 2032-2036 | 12,285 | 2,738 | 47,080 | 6,253 |
| 2037-2038 | 5,420 | 451 | | |
| | <u>\$ 95,715</u> | <u>\$ 57,943</u> | <u>\$ 448,865</u> | <u>\$ 255,342</u> |

Build America Bond Subsidy

In 2009, the Cincinnati Water Works issued Series 2009B taxable bonds as Build America Bonds under the provisions of the American Recovery and Reinvestment Act of 2009. Under this agreement, the Water Works is to receive 35% of the Bond interest as the Build America Bond Subsidy. The amount received in 2011 was \$1,701,000.

In 2010, the City issued taxable GO Build America Bonds in the amount of \$15,930,000 under the provisions of the American Recovery and Reinvestment Act. The City will receive a subsidy of the bond interest. Below is a schedule of the amounts to be received in future years:

Build America Bond Subsidy
(Amounts in thousands)

| Year | Governmental Amount | Business Type Amount |
|-----------|---------------------|----------------------|
| 2012 | \$ 288 | \$ 1,701 |
| 2013 | 288 | 1,701 |
| 2014 | 288 | 1,702 |
| 2015 | 288 | 1,701 |
| 2016 | 288 | 1,701 |
| 2017-2021 | 1,260 | 8,506 |
| 2022-2026 | 689 | 7,357 |
| 2027-2031 | 95 | 4,656 |
| 2032-2034 | | 1,048 |
| | <u>\$ 3,484</u> | <u>\$ 30,073</u> |

Long-Term State Loans

The Ohio Public Works Commission extends loans to the City. Notes in the amount of \$2,636,000 accounted for as Governmental type and \$3,418,000 as Business-type represent the amounts due on ten loans from the Ohio Public Works Commission (OPWC) for infrastructure improvements. These notes are non-interest bearing.

Annual debt service requirements to maturity for the Ohio Public Works Commission notes are as follows:

(Amounts in Thousands)

| Year Ending <u>December 31</u> | <u>Governmental Activities</u> | <u>Business-Type Activities</u> |
|-----------------------------------|--------------------------------|---------------------------------|
| | <u>Principal</u> | <u>Principal</u> |
| 2012 | \$ 211 | \$ 218 |
| 2013 | 211 | 219 |
| 2014 | 211 | 219 |
| 2015 | 211 | 219 |
| 2016 | 203 | 219 |
| 2017-2021 | 786 | 1,095 |
| 2022-2026 | 687 | 921 |
| 2027-2031 | 116 | 308 |
| Total | <u>\$ 2,636</u> | <u>\$ 3,418</u> |

The Ohio Water Development Authority extends loans to the City. Notes in the amount of \$6,903,000 accounted for as Business type represent the amounts due on two loans from the Ohio Water Development Authority (OWDA) for water works improvements. These notes bear interest at 3.25% per year. Only that portion of the loan commitment actually paid to the City is recognized as a liability by the City.

Annual debt service requirement to maturity for the Ohio Water Development Authority notes are as follows:

(Amounts in Thousands)

| Year Ending <u>December 31</u> | <u>Business-type Activities</u> | |
|-----------------------------------|---------------------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2012 | \$ 325 | \$ 192 |
| 2013 | 334 | 182 |
| 2014 | 344 | 173 |
| 2015 | 354 | 163 |
| 2016 | 364 | 152 |
| 2017-2021 | 1,986 | 598 |
| 2022-2026 | 2,291 | 293 |
| 2027-3031 | 905 | 19 |
| Total | <u>\$ 6,903</u> | <u>\$ 1,772</u> |

On December 17, 2008, City Council authorized the City Manager to enter into a \$6.2 million 15 year installment sales agreement to build a garage with Uptown Consortium. The City will maintain the title to the garage for the duration of the agreement and pay the installment payments with net service payments collected from the real property, net service payments collected from the real properties of the project and net revenue from the operation of the project.

On March 31, 2010, the City entered into an installment sales agreement with Vernon Manor Offices Leverage Lender, LLC for the construction of a 440-space parking garage for \$7.1 million. The City

will maintain the title to the garage for the duration of the agreement and pay the installment payments with net service payments collected from the real property, net service payments collected from the real properties of the project and net revenue from the operation of the project. The project was completed in 2011. The combined repayment schedule for the notes payable is below (includes Vernon Manor and Uptown).

| | Principal Payment | Interest Payment | Total P&I |
|-----------|----------------------|---------------------|------------------|
| 2012 | \$ 413 | \$ 608 | \$ 1,021 |
| 2013 | 571 | 590 | 1,161 |
| 2014 | 596 | 565 | 1,161 |
| 2015 | 621 | 540 | 1,161 |
| 2016 | 648 | 513 | 1,161 |
| 2017-2021 | 3,680 | 2,123 | 5,803 |
| 2022-2026 | 2,480 | 1,341 | 3,821 |
| 2027-2031 | 2,158 | 894 | 3,052 |
| 2032-2033 | 2,133 | 193 | 2,326 |
| Total | <u>\$ 13,300</u> | <u>\$ 7,367</u> | <u>\$ 20,667</u> |

The follow is the total outstanding bonds and notes at December 31, 2011 and the debt service requirement for 2012.

Bonds and Notes Outstanding at December 31, 2011

(AMOUNTS IN THOUSANDS)

| Description | Interest Rates | Issue Dates | Maturity Dates | Original Authorized | Amount Due 2012 | Amount Outstanding 12/31/2011 |
|---|-----------------|-------------|----------------|------------------------|-----------------------|-------------------------------------|
| Bonds: | | | | | | |
| General Property Tax Supported | 5.0% | 2001-2004 | 2014 | \$ 5,945 | \$ 595 | \$ 1,780 |
| | 7.875% | 1987 | 2017 | 30,000 | 1,000 | 6,000 |
| Various Rate Issues | 3-5.5375 | 2003-2011 | 2010-2031 | 238,546 | 20,008 | 147,409 |
| Refunding | 4.25% to 5.00% | 2007-2011 | 2018-2020 | 115,520 | 7,500 | 62,190 |
| Urban Redevelopment Various Rate Issues | 4.5% to 5.0% | 2004 | 2020 | 2,600 | 130 | 1,430 |
| Municipal Income Tax Refunding | 3.25-5.375 | 2005-2011 | 2015-2031 | 93,400 | 5,045 | 78,390 |
| | 4.25% to 5.00% | 2007 | 2020 | 2,480 | 280 | 2,480 |
| Recreational Facilities Refunding | 4.25% to 5.00% | 2007 | 2021 | 4,500 | 450 | 4,500 |
| Urban Renewal/Economic Dev. Refunding | 3.0% to 6.0% | 2004-2011 | 2024-2032 | 49,595 | 2,060 | 41,535 |
| | | 2011 | 2012 | | 740 | 740 |
| Judgement | 3.0% to 5.0% | 2005 | 2020 | 4,300 | 290 | 2,560 |
| Urban Development Taxable Various Rate Issues | 2.00% to 6.25% | 1998-2003 | 2016-2028 | 14,805 | 1,290 | 7,430 |
| Refunding | 4.25% to 5.00% | 2007 | 2021 | 2,500 | 260 | 2,500 |
| MSD Administration Bldg | 2.0% to 5.0% | 2009 | 2029 | 15,000 | 575 | 13,900 |
| Police & Fire Pension Refunding | 3.25% to 4.5% | 2005 | 2035 | 41,000 | 1,010 | 38,730 |
| Total General Long-Term Bond Obligations | | | | <u>620,191</u> | <u>41,233</u> | <u>411,574</u> |
| General Aviation | 2.0% to 5.5% | 2010 | 2011-2029 | 178 | 12 | 166 |
| Convention Center | 2.0% to 5.5% | 2010 | 2011-2029 | 675 | 45 | 630 |
| Parks & Recreation | 4.0% to 5.0% | 2006-2008 | 2018 - 2026 | 3,800 | 315 | 2,725 |
| Stormwater | 2.0-4.0% | 2010 | 2015 | 3,375 | 675 | 2,700 |
| Parking Facilities | 1.29-5.82% | 2010 | 2011-2028 | 5,000 | 150 | 4,850 |
| Water Works | 4.20% to 4.375% | 1999 | 2014 | 29,800 | 2,000 | 5,800 |
| Total Proprietary Fund Obligations | | | | <u>42,828</u> | <u>3,197</u> | <u>16,871</u> |
| Total General Obligation Bonds Payable | | | | <u>663,019</u> | <u>44,430</u> | <u>428,445</u> |
| Notes: | | | | | | |
| Economic Development | .1% to 1.51% | 2011 | 2016 | 7,950 | 4,250 | 7,000 |
| Urban Redevelopment | .1% to 18% | 2011 | 2012 | 25,000 | 10,000 | 10,000 |
| Total General Obligation Notes Payable | | | | <u>32,950</u> | <u>14,250</u> | <u>17,000</u> |
| Total General Obligation Bonds and Notes Payable | | | | <u>\$ 695,969</u> | <u>\$ 58,680</u> | <u>\$ 445,445</u> |
| Revenue Bonds | 3.49% to 8.00% | 1996-2011 | 2016-2038 | \$ 1,094,605 | \$ 20,620 | \$ 544,580 |
| Total Outstanding Debt | | | | <u>\$ 1,790,574</u> | <u>\$ 79,300</u> | <u>\$ 990,025</u> |

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2011, was as follows:

(Amounts in Thousands)

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|----------------------|-------------------|---------------------|-------------------|------------------------|
| Governmental Activities: | | | | | |
| Bonds Payable: | | | | | |
| General Obligation Bonds | \$ 401,597 | \$ 68,000 | \$ (58,023) | \$ 411,574 | \$ 41,233 |
| Unamortized premiums | 7,254 | 3,536 | (1,302) | 9,488 | |
| Deferred loss on refunding | (379) | (962) | 257 | (1,084) | |
| | <u>408,472</u> | <u>70,574</u> | <u>(59,068)</u> | <u>419,978</u> | <u>41,233</u> |
| Revenue Bonds | 77,000 | 21,000 | (2,285) | 95,715 | 2,920 |
| Unamortized premiums | 297 | 333 | (10) | 620 | |
| Unamortized discounts | (530) | (180) | 43 | (667) | |
| | <u>76,767</u> | <u>21,153</u> | <u>(2,252)</u> | <u>95,668</u> | <u>2,920</u> |
| Total Bonds Payable | 485,239 | 91,727 | (61,320) | 515,646 | 44,153 |
| Notes Payable | | 13,300 | | 13,300 | 413 |
| Compensated Absences | 101,903 | 38,177 | (39,365) | 100,715 | 39,390 |
| Claims and Judgments | 47,190 | 96,556 | (94,529) | 49,217 | 18,728 |
| Capital Leases | 460 | | (107) | 353 | 129 |
| Net Pension Obligation | 75,415 | 51,274 | (32,614) | 94,075 | |
| Net Other Post Employment Benefit Obligation | 55,282 | 21,017 | (6,816) | 69,483 | |
| State Loans | 2,847 | | (211) | 2,636 | 211 |
| Other | 1,543 | | (285) | 1,258 | 105 |
| Governmental Activities Long-term Liabilities | <u>\$ 769,879</u> | <u>\$ 312,051</u> | <u>\$ (235,247)</u> | <u>\$ 846,683</u> | <u>\$ 103,129</u> |
| Business-type Activities: | | | | | |
| Bonds Payable: | | | | | |
| General Obligation Bonds | \$ 20,068 | | \$ (3,197) | \$ 16,871 | \$ 3,197 |
| Revenue Bonds | 401,100 | 84,310 | (36,545) | 448,865 | 17,700 |
| Unamortized premiums | 19,197 | 8,295 | (3,594) | 23,898 | |
| Unamortized discounts | (2,122) | (480) | 419 | (2,183) | |
| Deferred loss on refunding | (3,593) | (175) | 341 | (3,427) | |
| | <u>414,582</u> | <u>91,950</u> | <u>(39,379)</u> | <u>467,153</u> | <u>17,700</u> |
| Total Bonds Payable | 434,650 | 91,950 | (42,576) | 484,024 | 20,897 |
| Compensated Absences | 8,502 | 3,560 | (3,625) | 8,437 | 4,497 |
| Claims and Judgments | 197 | 127 | (99) | 225 | 225 |
| Capital Leases | 190 | | (70) | 120 | 60 |
| Net Pension Obligation | 22,275 | 11,415 | (7,224) | 26,466 | |
| Net Other Post Employment Benefit Obligation | 15,413 | 4,662 | (1,510) | 18,565 | |
| State Loans | 8,271 | 2,589 | (539) | 10,321 | 543 |
| Other | | | | | |
| Business-Type Activities Long-term Liabilities | <u>\$ 489,498</u> | <u>\$ 114,303</u> | <u>\$ (55,643)</u> | <u>\$ 548,158</u> | <u>\$ 26,222</u> |

For the governmental activities, claims and judgments are generally liquidated by the general fund. Compensated absences for the governmental activities are generally liquidated by the employee's home fund, the fund from which the employee's regular wages are paid.

Internal Service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$1,268,000 of compensated absences, \$19,922,000 of unpaid claims, \$7,263,000 of net pension obligation, and \$4,179,000

of net other post employment benefit obligation for the internal service funds are included in the above amounts.

Defeased Bonds

On June 30, 2011, the City issued refunding bonds in the amount of \$19,000,000 with issuance costs and underwriters fees of \$156,000 with callable dates on or after December 1, 2011 to defease \$19,680,000 of current debt with callable dates on or after December 1, 2011 with various interest rates of 4.0% to 4.125%.

A deposit was made to an escrow account in the amount of \$20,683,323 and was invested in U. S. Treasury State and Local Government Securities at various yield rates with various maturity dates to be sufficient for any payment of the principal and interest due. The loss on defeasance was \$962,000 and will be amortized over the life of the new debt.

The net savings from the refunding transaction was \$953,111 and the net present value of the savings was \$850,394.

A summary of this transaction is below (Amounts in thousands):

Sources:

| | |
|--------------------------|------------------|
| Par Amount of Bonds | \$ 19,000 |
| Premium | 1,840 |
| Less: Underwriters' Fees | (157) |
| | <u>\$ 20,683</u> |

Uses:

| | |
|--------------------|------------------|
| Payments to Escrow | <u>\$ 20,683</u> |
|--------------------|------------------|

On August 11, 2011, the Cincinnati Water Works issued refunding revenue bonds in the amount of \$19,885,000 with issuance costs and underwriters fees of \$167,096 with callable dates on or after December 1, 2011 to defease \$24,705,000 of current debt with callable dates on or after December 1, 2011 with various interest rates of 4.4% to 5.0%.

A deposit was made to an escrow account in the amount of \$26,505,866 and was invested in U. S. Treasury State and Local Government Securities at various yield rates with various maturity dates to be sufficient for any payment of the principal and interest due. The loss on defeasance was \$179,000 and will be amortized over the life of the new debt.

The net savings from the refunding transaction was \$1,993,731 and the net present value of the savings was \$1,504,908.

A summary of this transaction is below (amounts in thousands)

Sources:

| | |
|--------------------------|------------------|
| Par Amount of Bonds | \$ 19,885 |
| Premium | 2,981 |
| Prior DSF release | 3,807 |
| Less: Underwriters' Fees | (167) |
| | <u>\$ 26,506</u> |

Uses:

| | |
|--------------------|------------------|
| Payments to Escrow | <u>\$ 26,506</u> |
|--------------------|------------------|

Below is a description of the City's defeased bonds and the outstanding balances at December 31, 2011 (Amounts in thousands). These bonds are no longer included in the financial statements.

| Description of Bonds | Date Originally Issued | Original Par Amount | Redemption Call Date | Date Defeased | Maturities Defeased | Interest Rate | Amount Defeased | Outstanding Amount 12/31/2011 |
|---------------------------------|------------------------|---------------------|----------------------|---------------|------------------------|---------------|-----------------|-------------------------------|
| Police and Fire Pension - G1213 | 3/1/2000 | \$ 42,000 | | 6/28/2005 | 2005-2006 2011-2035 | 4.9-6.0 | \$ 40,470 | \$ 38,730 |
| Various Purpose | | | | | | | | |
| GO - Series 2000 | 4/1/2000 | 69,885 | 12/1/2010 | 8/23/2007 | 2012-2020 | 5.0-3.75 | 52,005 | 51,400 |
| GO - Series 2001 | 4/1/2000 | 47,695 | 12/1/2010 | 8/23/2007 | 2012-2021 | 5.0 | | |
| GO - Series 2002 | 4/1/2000 | 27,000 | 12/1/2011 | 8/23/2007 | 2015-2017 | 5.0 | | |
| CWW - Series 2001 | 3/1/2001 | 92,685 | 6/1/2011 | 1/4/2007 | 2007-2023 | 4.75-5.5 | 127,415 | 126,845 |
| CWW - Series 2003 | 3/1/2003 | 112,360 | | | | | | |
| CWW Reveue Bonds | 3/1/2001 | 92,865 | 6/1/2011 | 8/4/2009 | 2011-2013 | 4.5-5.5 | 3,465 | 37,930 |
| | 3/5/2003 | 112,360 | 6/1/2011 | | 2012-2016 | 3.8-5.0 | 6,510 | |
| | 5/19/2005 | 80,585 | 6/1/2013 | | 2015-2019 | 5.0 | 28,725 | |
| Urban Development GO G1206 | 12/1/1998 | 7,200 | | 10/27/2009 | 2009-2019 | 6.25 | 4,800 | 4,740 |
| UT GO Bonds | | | | | | | | |
| 2000 | 4/5/2000 | 75,885 | 12/1/2010 | 7/29/2010 | | 5.0 | 3,760 | - |
| 2001 | 4/26/2001 | 47,695 | 12/1/2010 | 7/29/2010 | | 5.0 | 2,955 | - |
| 2002 | 5/16/2002 | 39,280 | 12/1/2011 | 7/29/2010 | | 4.25-4.375 | 3,710 | 3,590 |
| UT GO Various Purpose Bonds | | | | | | | | |
| 2002 | 5/16/2002 | 39,280 | 12/1/2011 | 6/30/2011 | | 4.125 | 2,595 | - |
| 2003 | 5/8/2003 | 52,705 | 12/1/2012 | 6/30/2011 | | 4.0 | 17,085 | 4,165 |
| CWW Revenue Bonds | | | | | | | | |
| 2001 | 3/8/2001 | 92,685 | 9/12/2011 | 8/11/2011 | | 4.4 | 1,500 | - |
| 2003 | 3/5/2003 | 112,360 | 9/12/2011 | 8/11/2011 | | 4.6-5.0 | 4,640 | - |
| 2005 | 5/19/2005 | 80,585 | 6/1/2013 | 8/11/2011 | | 5.0 | 18,565 | 9,965 |

10. DEBT LIMITATION

The City's "indirect" (ten mill) debt limit was removed by decision of the Ohio courts. In September 1977, the Supreme Court of Ohio dismissed an appeal from the decision of the Court of Appeals, First Appellate District, Hamilton County, Ohio, involving the City's debt limitations. In summary, the City instituted a test case against the Director of Finance for the purpose of obtaining a definitive construction of certain sections of the City Charter bearing on the right of the City to levy taxes in excess of the ten mill limitation of Section 5705.02 of the Ohio Revised Code. As a result of the Court decision, the City has the right to levy property taxes without limitation to support its lawfully issued bonds and notes, and the City's ability to incur debt will be limited only by the arithmetical (percentage) limitations set forth under Section 133.05 of the Ohio Revised Code.

Section 133.05 provides that the principal amount of both voted and unvoted debt of the City may not exceed 10-1/2% of the City's assessed valuation, and the principal amount of the City's unvoted debt may not exceed 5-1/2% of the City's assessed valuation. The Code also provides several exemptions of debt from the 5-1/2% and 10-1/2% limitations.

11. TAXES

City Income Tax

This locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned in the City. It also applies to net income of business organizations for business conducted in the City. The tax is the largest single source of General Fund revenue.

The City's income tax of 2.1% is subdivided into four components. The first component is 0.1%, which is to be spent only for the maintenance of the City's infrastructure. The second component is the 0.3%, which can be used only for public transit purposes, including both capital and current operating expense. The third component is 0.15%, which can be used only for permanent improvement purposes. The remaining 1.55% is first used to meet annual deficiencies, to the extent required, in the General Fund. The amount of the 1.55% income tax revenue over the fixed allocation to the General Fund at the end of 2007 through 2008 was recognized as revenue in the Income Tax Permanent Improvement Fund. The excess collections from 2007 and 2008 were transferred to the General Fund and used for operating needs.

Actual collections of \$233,752,000 for the 1.55% portion in 2011 were more than the original allocation but was used for operating needs in 2011. The following table identifies the excess 1.55% income tax collections for the years 2007 through 2011 and collections in excess of allocation:

(Amounts in Thousands)

| <u>Year</u> | <u>Actual Collections of 1.55%</u> | <u>Allocation to General Fund</u> | <u>Collections in Excess of Allocation</u> |
|-------------|--|---------------------------------------|--|
| 2007 | \$ 226,509 | \$ 225,008 | \$ 1,501 |
| 2008 | 236,745 | 231,758 | 4,987 |
| 2009 | 223,800 | 223,800 | |
| 2010 | 222,497 | 222,497 | |
| 2011 | 233,752 | 233,752 | |

Property Taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The assessed value upon which the 2011 levy was based was \$5,548,127,850 and \$279,408,310 for real property and public utility property respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2011

| | |
|--------------------------------|------------------|
| Lien date | January 1, 2011 |
| Levy date | October 31, 2011 |
| First installment payment due | January 31, 2012 |
| Second installment payment due | June 20, 2012 |

Assessed values are established by the County Auditor, or at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Real property experienced a statutory sexennial reappraisal in 2011 resulting in a 7.5% decrease in assessed values. The City recognizes the property taxes due to be paid in 2012 as deferred revenue since the first settlement date is more than sixty days after year-end and does not meet the availability criteria for accrual.

Tangible personal property of public utilities is assessed at various rates (25% to 88% of true value) depending upon the type of property. Effective for collection year 2002, the assessed valuation of electric utility production equipment was reduced from 100% and natural gas utility property from 88% of true value, both to 25% of true value. Makeup payments in varying and declining amounts are to be made through 2016 to taxing subdivisions such as the City by the State from State resources.

The State's 2005 biennial budget bill included a reduction in the 88% assessment rate for electric utility transmission and distribution equipment to 85%, and a reduction in the 25% assessment rate for all electric company taxable property to 24% commencing in tax year 2006. That legislation also provides for a phasing out of the taxation of all personal property used by telephone companies, telegraph companies, or interchange telecommunications companies by tax year 2011, with State reimbursement payments to be made in declining amounts through 2018. In the State's 2012 budget, public utility property tax reimbursements for normal operating expenses paid to the general fund were eliminated effective July 2011. The State reimbursements for debt service will continue through 2016 at a fixed amount.

House Bill 66 passed June 30, 2005, phased out the taxation of all tangible personal property used in business over four years beginning in 2006 and ending in 2009, when all such property becomes exempted from taxation. The phase out applies to most businesses and includes furniture and fixtures, machinery and equipment, and inventory. To compensate for foregone revenue as the tangible personal property tax is phased out, the State will make distributions to taxing subdivisions (such as the City) from revenue generated by a newly enacted commercial activity tax. Generally, these distributions are expected to fully compensate taxing subdivisions for such tax revenue losses through 2010, with gradual reductions in the reimbursement amount from 2011 through 2017. In the State's 2012 budget the tangible personal property tax reimbursements for normal operating expenses paid to the general fund were eliminated. The State's reimbursements for debt service will continue through 2017 at a fixed amount.

Tax Increment Financing Districts (TIF Districts)

The City, pursuant to the Ohio Revised Code and City ordinances, has established 20 TIF Districts. A TIF District represents a geographic area not greater than 300 acres, wherein 100% of the property value increase created after the commencement date of the TIF Districts are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as “statutory service payments”, as though the TIF District had not been established. These “statutory service payments” are then dedicated to the payments for various public improvements within or adjacent to the TIF District. Property values existing before the commencement of the TIF District continue to be subjected to property taxes.

In 2011, the City received “statutory service payments” totaling \$8.7 million from the TIF districts. This amount is net of the county auditor fees and the payments to the Cincinnati School Board. In accordance with the agreement with the Cincinnati School district as amended December 18, 2002, twenty-seven percent of the statutory service payments received from the TIF districts is paid to the Cincinnati School Board. This payment in lieu of taxes revenue is accounted for in the TIF Funds along with the debt service payments. Corresponding capital assets are accounted for in the City’s infrastructure accounts and property accounts

TIF Districts have longevity of 30 years. The property tax exemption then ceases; statutory service payments cease, and property taxes then apply to the increased property values.

12. SHORT-TERM DEBT – BOND ANTICIPATION NOTES

The City issues bond anticipation notes in advance of issuance of bonds, depositing the proceeds in its capital projects fund. These notes are necessary to provide adequate funds at the time needed to support contracts for the improvements prior to issuance of the related bonds.

| (Amounts in Thousands) | Beginning Balance | Issued | Redeemed | Ending Balance |
|--|----------------------|------------------|------------------|-------------------|
| Governmental Activities: | | | | |
| General Obligation Bond Anticipation Notes | \$22,500 | \$ 44,400 | \$ 49,900 | \$17,000 |
| | <u>\$22,500</u> | <u>\$ 44,400</u> | <u>\$ 49,900</u> | <u>\$17,000</u> |

The General Obligation Bond Anticipation Notes issued during the year and outstanding at year end include \$17,000,000 in City issued notes that were purchased by the City. In the financial statements these notes are shown as Due from Other Funds by the funds that purchased the notes and Due to Other Funds by the fund that received the note proceeds.

13. RESTRICTED ASSETS

The balance of the restricted asset accounts in the enterprise funds are as follows:

| (Amounts in Thousands) | |
|---|------------------|
| Revenue bond construction account – Water Works | \$ 40,584 |
| Revenue bond reserve account – Water Works | 45,930 |
| Customer deposits – Water Works | 1,151 |
| Construction account - other – Water Works | <u>3,327</u> |
| Total restricted assets | <u>\$ 90,992</u> |

14.

CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011 was as follows:

| (Amounts in Thousands) | <u>Beginning</u> <u>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending</u> <u>Balance</u> |
|--|------------------------------------|-------------------|--------------------|---------------------------------|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 174,349 | \$ 2,360 | \$ (2,844) | \$ 173,865 |
| Construction in Progress | 127,861 | 106,558 | (95,877) | 138,542 |
| Total capital assets, not being depreciated | <u>302,210</u> | <u>108,918</u> | <u>(98,721)</u> | <u>312,407</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 186,187 | 36,517 | (173) | 222,531 |
| Improvements other than buildings | 394,466 | 19,017 | 0 | 413,483 |
| Machinery and Equipment | 141,420 | 6,078 | | 147,498 |
| Property acquired under capital leases | 643 | - | - | 643 |
| Infrastructure | 782,689 | 45,171 | | 827,860 |
| Total capital assets, being depreciated | <u>1,505,405</u> | <u>106,783</u> | <u>(173)</u> | <u>1,612,015</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (114,896) | (5,729) | 159 | (120,466) |
| Improvements other than buildings | (200,061) | (9,207) | 0 | (209,268) |
| Machinery and Equipment | (92,613) | (3,388) | | (96,001) |
| Property acquired under capital leases | (278) | (26) | | (304) |
| Infrastructure | (326,862) | (23,046) | | (349,908) |
| Total accumulated depreciation | <u>(734,710)</u> | <u>(41,396)</u> | <u>159</u> | <u>(775,947)</u> |
| Total capital assets, being depreciated, net | <u>770,695</u> | <u>65,387</u> | <u>(14)</u> | <u>836,068</u> |
| Governmental-type Activities capital assets, net | <u>\$1,072,905</u> | <u>\$ 174,305</u> | <u>\$ (98,735)</u> | <u>\$ 1,148,475</u> |

Capital asset activity for the year ended December 31, 2011 was as follows:

| (Amounts in Thousands) | Beginning <u>Balance</u> | <u>Increases</u> | <u>Decreases</u> | Ending <u>Balance</u> |
|--|-----------------------------|------------------|--------------------|--------------------------|
| Business-type Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 43,181 | \$ - | | \$ 43,181 |
| Construction in Progress | 119,228 | 62,462 | (62,834) | 118,856 |
| Total capital assets, not being depreciated | <u>162,409</u> | <u>62,462</u> | <u>(62,834)</u> | <u>162,037</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 322,925 | 2,526 | (11,539) | 313,912 |
| Improvements other than buildings | 963,780 | 51,156 | (6,795) | 1,008,141 |
| Machinery and Equipment | 252,891 | 11,981 | (1,851) | 263,021 |
| Property acquired under capital leases | 514 | - | | 514 |
| Total capital assets, being depreciated | <u>1,540,110</u> | <u>65,663</u> | <u>(20,185)</u> | <u>1,585,588</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (173,172) | (8,457) | 2,653 | (178,976) |
| Improvements other than buildings | (194,703) | (15,940) | 5,935 | (204,708) |
| Machinery and Equipment | (154,553) | (13,939) | 2,087 | (166,405) |
| Property acquired under capital leases | (199) | (59) | | (258) |
| Total accumulated depreciation | <u>(522,627)</u> | <u>(38,395)</u> | <u>10,675</u> | <u>(550,347)</u> |
| Total capital assets, being depreciated, net | <u>1,017,483</u> | <u>27,268</u> | <u>(9,510)</u> | <u>1,035,241</u> |
| Business-type Activities capital assets, net | <u>\$1,179,892</u> | <u>\$ 89,730</u> | <u>\$ (72,344)</u> | <u>\$ 1,197,278</u> |

Depreciation expense was charged to functions/programs of the City as follows:

(Amounts in Thousands)

| | |
|--|------------------|
| Governmental activities: | |
| General Government | \$ 2,776 |
| Community Development | 2,453 |
| Parks and Recreation | 6,398 |
| Public Safety | 3,968 |
| Transportation and Engineering | 22,977 |
| Public Services | 4,080 |
| Public Health | 2,007 |
| Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets | <u>5,191</u> |
| Total depreciation expense - governmental activities: | <u>\$ 49,850</u> |

(Amounts in Thousands)

| | |
|--|------------------|
| Business-type activities: | |
| Water Works | \$ 24,920 |
| Parking Facilities | 2,148 |
| Convention Center | 7,026 |
| General Aviation | 695 |
| Municipal Golf | 635 |
| Stormwater Management | <u>2,971</u> |
| Total depreciation expense - business-type activities: | <u>\$ 38,395</u> |

Total additions to accumulated depreciation may not match depreciation expense because of asset transfers between governmental and business type activities where assets have been depreciated.

Governmental Activities Construction in Progress at December 31, 2011 is comprised of the following:

(Amounts in Thousands)

| | Project Authorizations | Expended to December 31 2011 | Committed | Required Future Financing |
|---------------------------------|---------------------------|------------------------------------|-------------------|---------------------------------|
| <u>Administering Department</u> | | | | |
| Transportation and Engineering | \$ 178,810 | \$ 34,997 | \$ 143,813 | \$ 100,335 |
| Community Development | 41,657 | 18,135 | 23,522 | 4,700 |
| Economic Development | 7,793 | 5,490 | 2,303 | 480 |
| Recreation | 20,265 | 13,521 | 6,744 | 660 |
| Safety | 8,045 | 6,284 | 1,761 | |
| Parks | 28,941 | 23,796 | 5,145 | 297 |
| Public Services | 29,629 | 16,656 | 12,973 | 8 |
| Other | <u>30,920</u> | <u>19,663</u> | <u>11,257</u> | |
| Total | <u>\$ 346,060</u> | <u>\$ 138,542</u> | <u>\$ 207,518</u> | <u>\$ 106,480</u> |

Required future financing represents Federal, State and City commitments in support of City projects.

Business Activities Construction in Progress at December 31, 2011 is comprised of the following:

(Amounts in Thousands)

| | Project Authorizations | Expended to December 31 2011 | Committed | Required Future Financing |
|------------------------|---------------------------|------------------------------------|------------------|---------------------------------|
| <u>Enterprise Fund</u> | | | | |
| Water Works | \$ 162,466 | \$ 105,255 | \$ 57,211 | \$ - |
| Parking Facilities | 5,977 | 2,947 | 3,030 | |
| Convention Center | 2,027 | 1,728 | 299 | 1,000 |
| General Aviation | 2,300 | 821 | 1,479 | |
| Municipal Golf | 4,809 | 4,771 | 38 | |
| Stormwater Management | <u>9,838</u> | <u>3,334</u> | <u>6,504</u> | |
| Total | <u>\$ 187,417</u> | <u>\$ 118,856</u> | <u>\$ 68,561</u> | <u>\$ 1,000</u> |

15.**RECEIVABLES**

Accounts Receivable are presented in the financial statements net of the allowance for uncollectible accounts. The uncollectible accounts related to the General Fund at December 31, 2011, are as follows: Taxes Receivable (\$3,470,000) and other accounts receivable (\$5,057,000). The uncollectible accounts related to the Debt Service Fund at December 31, 2011 are Taxes Receivable (\$4,297,000). The balance for the allowance for uncollectible accounts in the Capital Projects Fund at December 31, 2011 is (\$15,729,000).

The balance of the allowance accounts for Special Revenue Funds is (\$3,474,000) as of December 31, 2011.

The balances of the allowance accounts of the proprietary funds as of December 31, 2011 are as follows: Water Works (\$7,638,000), Enterprise Technology Services (\$20,000), General Aviation (\$15,000), Convention Center (\$4,000), and Stormwater Management (\$1,625,000).

Loans receivable of the special revenue funds are made from revolving type loan accounts financed by allocations from the City's Community Development Block Grant. These loans are secured by liens on the property. Federal regulations provide that the grantor maintains the ownership of the City's Community Development Block Grant funded revolving loan portfolio; accordingly, revolving loan fund transactions do not affect the operating statement. A small number of the special revenue loans, with a value of \$7,759,000, were made from Housing and Urban Development Section 108 funds and do not involve a revolving type loan account. The loans are repaid to the federal government. If the borrower fails to repay the loan, the City's Community Development Block Grant funds may be used to repay the federal government. The total amount receivable for the special revenue loans is offset by an allowance for uncollectible loans receivable. Special revenue loans receivable at December 31, 2011 total \$62,005,000.

Loans receivable of the capital project funds receive similar treatment to the special revenue funds' loans receivable, in that the total amount receivable is offset by an allowance for uncollectible loans receivable. The balance of the loans receivable at December 31, 2011 is \$16,273,000. This amount is related to Goodall Properties Ltd., forgivable housing loans and downtown development loans.

Sale of Blue Ash Airport

The City of Cincinnati sold 130 acres of the Blue Ash Airport property to the City of Blue Ash for \$37,500,000. A payment of \$1,000,000 was made at the closing on the property. The balance of \$36,500,000 is to be received as follows: an annual payment of \$1,000,000 per year for nine years starting on July 1, 2008; an annual payment of \$1,250,000 per year for the next ten years starting on July 1, 2017 ; and an annual payment of \$1,500,000 per year for the next ten years starting on July 1, 2027. The City of Cincinnati has agreed to be responsible for costs associated with completing remedial action work at the Blue Ash Airport up to \$1,500,000.

In accordance with GASB 62, the loan receivable has been discounted using a 5% imputed interest rate and will be accounted for as collected using the following present value schedule (Amounts in thousands).

| Year | Amount in thousands | | |
|-----------|---------------------|------------------|------------------|
| | Loan Repayment | Interest | Total Received |
| 2012 | \$ 784 | \$ 216 | \$ 1,000 |
| 2013 | 746 | 254 | 1,000 |
| 2014 | 711 | 289 | 1,000 |
| 2015 | 677 | 323 | 1,000 |
| 2016 | 645 | 355 | 1,000 |
| 2017-2021 | 3,488 | 2,762 | 6,250 |
| 2022-2026 | 2,733 | 3,517 | 6,250 |
| 2027-2031 | 2,570 | 4,930 | 7,500 |
| 2032-2036 | 2,013 | 5,487 | 7,500 |
| | <u>\$ 14,367</u> | <u>\$ 18,133</u> | <u>\$ 32,500</u> |

In 2009, the City of Cincinnati entered into a loan agreement with Graeter's for \$10 million. The loan is to be repaid over a 20 year period at 2% interest in year 1 and 2 and 4% interest in the remaining years. Below is the repayment schedule. Interest of \$200,000 was due and received by the City in 2011.

| Year | Amounts In Thousands | | |
|-----------|----------------------|-----------------|------------------|
| | Principal | Interest | Total |
| 2012 | \$ 389 | \$ 396 | \$ 785 |
| 2013 | 404 | 380 | 784 |
| 2014 | 421 | 364 | 785 |
| 2015 | 438 | 347 | 785 |
| 2016 | 455 | 329 | 784 |
| 2017-2021 | 2,567 | 1,356 | 3,923 |
| 2022-2026 | 3,128 | 795 | 3,923 |
| 2027-2029 | 2,198 | 156 | 2,354 |
| Total | <u>\$ 10,000</u> | <u>\$ 4,123</u> | <u>\$ 14,123</u> |

16. CONTINGENT LIABILITIES

Federal and State Grants

The City has received Federal and State grants of approximately \$67.6 million for specific purposes that are subject to review and audit by the grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Such disallowances have been immaterial in prior years.

Litigation

Various claims and lawsuits are pending against the City as of December 31, 2011. A liability of \$27.2 million was recorded for those claims and judgments as of December 31, 2011 and includes an estimate for

property taxes due from the Convention Center. Over the past decade, the City has averaged annual payments of \$2.6 million for claim and lawsuit settlements. Adequate funds have been provided to meet the claims paid from the General Fund, restricted funds and the sale of debt. The City Administration believes there is no foreseen problem in having adequate resources to settle presently known cases.

Pollution Remediation Liability

The City has entered into an agreement to clean up and remediate the former Queen City Barrel site. The estimated total cost of the site remediation is \$13,829,000 which will be offset by a Clean Ohio Council Grant of \$3,000,000 and other funding sources of \$4,089,532. The total project expenditures for 2011 were \$4,085,000. The remaining balance of \$2,655,000 is an accrued liability in 2011. The City also is responsible for the clean up of Kahns/Sara Lee and Calemgo West sites. The balance of the clean up is \$691,000 and is an accrued liability for the City as of December 31, 2011.

The City has several underground storage tanks for which it is responsible for the ongoing remediation and clean up costs. The remaining estimated liability at December 31, 2011 is approximately \$407,000.

17. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; property tax appeals and environmental damage. The City purchases commercial insurance to cover losses due to: theft of, damage to, or destruction of assets and purchases general liability insurance for specific operations and professional liability insurance for certain operations. All other risks of loss are self-insured by the City. There has been no reduction in insurance coverage in 2011. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

The City of Cincinnati provides a health insurance plan for its employees. The plan is self-insured and accounted for as an internal service fund. This internal service fund, titled "Self Insurance - Medical" has been in existence since 1980. Operating funds are charged a monthly rate per employee, by type of coverage.

In 1990, the City began to account for and finance its risk of loss due to workers' compensation claims and established an internal service fund titled "Self Insurance - Workers' Compensation". The city pays worker's comp claims on a per claim basis except a small portion that is paid through the State of Ohio Bureau of Workers' Compensation. All funds of the City participate in the program and make payments to the internal service fund based on the experience premium that would normally be charged by the Bureau of Workers' Compensation. Policy years 1989 through 2000 were financed through the retrospective rating program. Policy years 2001 and 2002 were financed through the fully insured program with the State Fund workers' compensation program. Beginning with policy year 2003, the City elected to be fully self-insured for workers' compensation. All of the City's workers' compensation liabilities are funded within the "Workers' Compensation – Self-Insurance" fund. Changes in the balances of claims liabilities and claims adjustment expenses during 2011 and 2010 are as follows:

(Amounts in Thousands)

| | General Fund | | Water Works Fund | | Parking Facilities Fund | | Debt Service Fund | | Tax Increment Financing | | Stormwater Management Fund | |
|------------------------|--------------|--------|------------------|--------|-------------------------|------|-------------------|------|-------------------------|------|----------------------------|------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Balance at January 1 | \$ 429 | \$ 429 | \$ 194 | \$ 193 | \$ 2 | | | | | | \$ 1 | \$ 1 |
| Current-Year Claims | | | | | | | | | | | | |
| Changes in Estimates | 1,068 | 833 | 111 | 263 | 16 | 10 | 59 | | 1,617 | | | |
| Claim Payments | (1,129) | (833) | (85) | (262) | (13) | (8) | | | | | (1) | |
| Balance at December 31 | \$ 368 | \$ 429 | \$ 220 | \$ 194 | \$ 5 | \$ 2 | \$ 59 | \$ - | \$ 1,617 | \$ - | \$ - | \$ 1 |

| | Income Tax Infrastructure Fund | | Self Insurance Medical Fund | | Workers' Compensation Fund | | Governmental Activities Obligations | | Totals | |
|------------------------|--------------------------------|-------|-----------------------------|-----------|----------------------------|-----------|-------------------------------------|-----------|-----------|-----------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Balance at January 1 | \$ 24 | \$ 11 | \$ 13,520 | \$ 15,507 | \$ 14,010 | \$ 13,527 | \$ 24,894 | \$ 9,555 | \$ 53,074 | \$ 39,223 |
| Current-Year Claims | | | | | | | | | | |
| Changes in Estimates | 12 | 47 | 83,056 | 92,988 | 1,471 | 5,283 | 3,586 | 16,195 | 90,996 | 115,619 |
| Claim Payments | (16) | (34) | (84,500) | (94,975) | (3,973) | (4,800) | (1,249) | (856) | (90,966) | (101,768) |
| Balance at December 31 | \$ 20 | \$ 24 | \$ 12,076 | \$ 13,520 | \$ 11,508 | \$ 14,010 | \$ 27,231 | \$ 24,894 | \$ 53,104 | \$ 53,074 |

The claims liabilities at December 31, 2011 for the Internal Service Funds above (Self-Insurance Medical and Workers Compensation) are included in the following liabilities in the balance sheet:

(Amounts in Thousands)

| | Self-Insurance Medical | Workers Compensation |
|---|-----------------------------------|---------------------------------|
| Accounts Payable | \$ 2,976 | \$ 359 |
| Accrued Liabilities | | 327 |
| Estimated Liability For Unpaid Claim | <u>9,100</u> | <u>10,822</u> |
| Total | <u>\$12,076</u> | <u>\$11,508</u> |

18. SPECIAL ITEMS

In 2004, the City of Cincinnati entered into an agreement to construct the Gateway Garage on Property owned by the Kroger Company and entered into a ground lease until 2035 where Krogers would make annual service payments for the operations of the garage. In 2011, a sale of the garage was negotiated with the Kroger Company and the lease was terminated. The Garage was sold for \$4,500,000 resulting in a loss of \$4,785,000.

In 2011, the City of Cincinnati amended an Agreement for the Creation and Retention of Jobs dated July 25, 2003 with the Convergys Corporation. The change in terms resulted in a repayment of grants and tax incentives to the City in the amount of \$14,000,000 which was received in 2012.

19.**SUBSEQUENT EVENTS**

On February 15, 2012, City Council authorized by ordinance 21-2012 and subsequently issued bond anticipation notes for park improvements in the amount of \$4,670,000.

On February 15, 2012, City Council authorized by ordinance 24-2012 and subsequently issued bond anticipation notes for recreation improvements in the amount of \$4,556,300.

On February 15, 2012, City Council authorized by ordinance 25-2012 and subsequently issued bond anticipation notes for street improvements in the amount of \$8,784,000.

On February 23, 2012, City Council authorized by ordinance 40-2012 and subsequently issued bond anticipation notes for public building improvements in the amount of \$2,045,000.

On February 23, 2012, City Council authorized by ordinance 41-2012 and subsequently issued bond anticipation notes for public building improvements in the amount of \$329,700.

On February 23, 2012, City Council authorized by ordinance 48-2012 and subsequently issued economic development urban renewal bonds and notes (The Banks Project) in the amount of \$684,000.

On April 4, 2012, City Council authorized by ordinance 100-2012 issuance of economic development bonds or anticipation notes for the purpose of providing funding for the Metropole Hotel. Subsequently, notes in the amount of \$2,500,000 were issued on April 13, 2012.

On April 4, 2012, City Council authorized by ordinance 101-2012 issuance of economic development bonds or anticipation notes for the purpose of providing funding for the Metropole Hotel in the amount of \$4,600,000. Subsequently, notes in the amount of \$3,800,000 were issued on April 13, 2012.

On May 2, 2012, City Council authorized by ordinance 140-2012 issuance of water works revenue bonds for the purpose of providing refunding Series 2010B Revenue bonds in the amount not to exceed \$60,000,000.

On May 2, 2012, City Council authorized by ordinance 147-2012 issuance of water works revenue bonds for the purpose of advance refunding Series 2003 and Series 2007 Convergys' Revenue bonds in the amount not to exceed \$25,000,000.

On May 16, 2012, City Council authorized by ordinance 165-2012 various bond or bond anticipation note issues of an amount not to exceed \$58,200,000 of unlimited tax various purpose general obligation bonds. On May 23, 2012, General Obligation bonds of \$56,155,000 and \$13,165,000 refunding bonds were sold. The bonds were dated June 7, 2012. Series 2012A Unlimited Tax Various Purpose General Obligation Bonds in the amount of \$46,155,000 were issued at interest rates from 4% to 5% at a premium of \$7,290,355. Series 2012B Unlimited Tax Various Purpose General Obligation Bonds with additional Municipal Income Tax pledge in the amount of \$10,000,000 were issued at interest rates from 2.0% to 4.0% at a premium of \$303,605. Series 2012C Unlimited Tax Various Purpose General Obligation Refund Bonds in the amount of \$13,165,000 were issued at interest rates from 2.0% to 5.0% at a premium of \$1,777,552.

On May 16, 2012, City Council authorized by ordinance 142-2012 issuance of Refunding Bonds not to exceed \$70,000,000 to refund City bonds Series 2004A, Series 2005A, Series 2005B, Series 2006A, Series 2006B, Series 2008A, Series 2008B, Series 2009A, and Series 2009B.

On May 16, 2012 the Ohio Senate passed HB 487 which amended the Ohio Revised Code to allow the City of Cincinnati to change its fiscal year beginning July 1, 2013.

20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City administers a death benefit for its employees, both active and retired, that are police officers or fire fighters. If the police officer or fire fighter is retired, the benefit provides for \$5,000 to be paid to the designated beneficiary of the deceased police officer or fire fighter upon receipt of proof of death. If the police officer or fire fighter is active, the benefit provides for \$35,000 to be paid to the designated beneficiary of the deceased police officer or fire fighter upon receipt of proof of death. Benefit provisions are negotiated individually between the Fire union and the City, and the Police union and the City.

Funding Policy

The benefit is funded on a pay-as-you-go basis. Each year the City budgets for a pre-determined amount based on prior years payments. The members of the Ohio Police and Fire Pension Fund do not make a contribution for this benefit. In 2011 the City budgeted \$300,000 and paid out \$280,000. The benefits unfunded liability for 2011 based on the future value of the liability as calculated by the City is \$1,244,000.

21. PENSION AND RETIREMENT

City employees are covered by one of three pension systems. They are the Ohio Police and Fire Pension Fund (OP&F) and the Ohio Public Employees Retirement System (OPERS), which are State pension systems, and the City of Cincinnati's Retirement System. The City Retirement System, OP&F and OPERS-Traditional Pension Plan are cost-sharing multiple-employer defined benefit pension plans. OPERS has two other pension plans: 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 contribution plan.

Ohio Police and Fire Pension Fund

Plan Description

Police and Fire Fighters of the City of Cincinnati are members of the Ohio Police and Fire Pension Fund. The City of Cincinnati contributes to the (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy

Plan members are required to contribute 10.0% of their annual covered salary, while the City of Cincinnati is required to contribute 19.5% and 24.0% respectively for police officers and fire fighters. The City of Cincinnati's contributions to OP&F for the years ending December 31, 2011, 2010, and 2009 were \$28,692,000, \$29,933,000 and \$29,953,000, respectively and equal 100% of the required contribution for each year.

The OP&F informed the City that the City's only unfunded prior service cost of the fund is the deficiency

existing at the time the fund was established in 1967 as determined by actuarial evaluation. On March 1, 2000 the City sold bonds for the refunding of the City's obligation for the employer's accrued liability. Pursuant to Section 742.30 of the Ohio Revised Code, the City and the OP&F (the Fund) have entered into an agreement, which permitted the City to make a one-time payment to the Fund for the purpose of extinguishing the City's obligation to the Fund for employer's accrued liability. The payment amount was \$41,454,864, which represents 68% of the first \$500,000 of the employer's accrued liability and 70% of the balance, plus accrued interest on the full amount of such accrued liability from March 1, 2000 to the date of payment.

Other Post Employment Benefit Information

Plan Description: The City of Cincinnati contributes to the OP&F sponsored healthcare program, a cost-sharing multiple-employer defined post employment healthcare plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents. OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The healthcare coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB 45.

The Ohio Revised code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits, are codified in Chapter 742 of the Ohio Revised code.

Funding Policy: OP&F maintains funds for health care in two separate accounts: One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 and the Section 401(h) account as employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401 (h).

The OP&F board of trustees also is authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Ohio Revised Code provides that healthcare cost paid from the funds of OP&F be included in the employer's contribution rate. The portion of the City's contributions for police that were used to pay postemployment benefits for the years ending December 31, 2011, 2010, and 2009, were \$5,266,514, \$5,487,293 and \$5,404,582, respectively. For firefighters the contributions used to pay postemployment benefits for the years ending December 31, 2011, 2010, and 2009, were \$3,785,376, \$3,960,148 and \$4,032,934 respectively which was equal to 100% of the required contribution for that year.

State PERS

Plan Description

Only City employees who were members in the Public Employees Retirement System of Ohio (OPERS) or another Ohio State Retirement System prior to their City employment, City personnel employed in the building crafts trade since 1961, elected officials and certain part-time employees are enrolled in OPERS.

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

The Traditional Pension Plan- cost-sharing multiple-employer defined benefit pension plan.

The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over 5 years at 20% a year). Under the Member Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

The Combined Plan - 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 the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the member, 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 both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in 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 calling (614) 222-5601 or (800) 222-7377.

Funding Policy

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and employer contribution rates were consistent across all three plans. Employees contribute 10.0% of their annual compensation. For 2011 the City's contribution rate was 14.00% of covered payroll. The portion of the employer contribution allocated to health care was 4.0% for the Traditional Plan and 6.05% for the Combined Plan. City of Cincinnati's contributions to OPERS for the years ending December 31, 2011, 2010, and 2009, were \$2,105,000, \$2,144,000, and \$2,337,000, respectively, equal to 100% of the required contributions for each year. The Ohio Revised Code currently limits the City's contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

Other Postemployment Benefit Information

Plan Description: OPERS provides postemployment health care coverage to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment healthcare coverage.

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

In order to qualify for postemployment healthcare coverage, age and service retirees under the Traditional

Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB statement 45. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Funding Policy: The Ohio Revised Code provides statutory authority requiring public employers to fund post employment healthcare through their contributions to OPERS. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The City's contribution rate for 2011 was 14% of covered payroll. The portion of the employer contribution allocated to health care was 4.0% for Traditional Plan and 6.5% for Combined Plan. The portion of the City's employer contributions that were used to fund postemployment benefits for the years ended December 31, 2011, 2010, and 2009 were \$601,472, \$779,412 and \$1,218,282 respectively which was equal to 100% of the required contribution for that year.

OPERS' Post Employment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment healthcare benefits. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the healthcare benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Health Care Preservation Plan adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2011, January 1, 2010, and January 1, 2009, which allowed additional funds to be allocated to the health care plan.

City of Cincinnati Retirement System

Plan Description

The City of Cincinnati Retirement System is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The System is considered part of the City of Cincinnati's financial reporting entity and is included in the City's financial report as a pension trust fund, see pages 48 and 49. No separate financial report is issued. Article XV of the Administrative Code of the City of Cincinnati provides the statutory authority vesting the general administration and responsibility for the proper operation of the System in the Board of Trustees of the City of Cincinnati Retirement System. There are four employers that contribute to the plan. They are the City of Cincinnati, University of Cincinnati, University Hospital and Hamilton County. Membership of the Retirement System of the City consisted of the following at December 31, 2011, the date of the latest actuarial valuation:

| | <u>Pension</u> | <u>Health care</u> |
|---|----------------|--------------------|
| Retirees and beneficiaries receiving benefits | 4,418 | 4,150 |
| Terminated plan members entitled to future benefits | 80 | 56 |
| Active plan members: | | |
| Eligible | 2,384 | 1,399 |
| Non-Eligible | <u>1,734</u> | <u>2,719</u> |
| Total | <u>8,616</u> | <u>8,324</u> |

507 of the Noneligible members are part-time employees who are included in the system to comply with the Omnibus Budget Reconciliation Act of 1990, which mandated the inclusion of certain classifications of employees either in state or municipal retirement systems or the Federal Insurance Contribution Act (Social Security). The City of Cincinnati's Retirement System covers the majority of non-uniformed City employees and a closed group of members from other employers which includes employees of the University of Cincinnati and University Hospital who joined before control of these institutions was transferred to the State of Ohio, and former City employees staying with various operations transferred to the control of Hamilton County.

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

Current Plan

The annual retirement allowance is equal to 2.5% of the average of the three highest years' compensation multiplied by the number of years of membership service. Employees hired before July 12, 1998 elected either the 2.5% or a 2.22% formula, which factors in overtime pay and lump sum payments for vacation, sick leave and compensatory balances. All new employees hired July 12, 1998 and thereafter are subject to the 2.5% formula.

Pensions are increased by 3% compounded annually, commencing one year after retirement. The System also provides death and disability benefits. These benefit provisions and all other requirements, are established by the Cincinnati Municipal Code.

Revised Plan Benefits

Active members who are not eligible to retire and retire before January 1, 2014 will be subject to the new plan benefits. To be eligible to retire, an active employee must have completed 30 years of creditable service and have reached age 60 or older or an employee must have 5 years of creditable service and have reached age 65 or older.

The annual retirement allowance through June 30, 2011 will be the same as current plan. For years of service beginning July 1, 2011 all active employees will receive 2.2% per year of creditable service through 30 years and the 2% for every year after 30 years of creditable service. Benefits will be calculated using the average of highest five years' compensation.

Pensions are increased based on the CPI-U with a maximum of 2% annually and will be based on simple interest, commencing one year after retirement. The System will not provide death benefits but will continue to provide disability benefits. The Medical benefits will change on January 1, 2011. Medicare reimbursements will be eliminated for all retirees and all retirees will be on the City's 80/20 plan. Premiums will be charged for all retirees retiring after January 1, 2007.

The service retirement allowance vests after five years of creditable service. Medical care benefits are provided after fifteen years of creditable service, or if hired before January 9, 1997 after reaching age sixty with at least five years of creditable service.

In 2007, an Early Retirement Window (ERW) was offered to City employees who would have 28 or more years of service by December 31, 2007. Employees who elected the window were granted two additional years of service. The additional actuarial accrued liability associated with the ERW of approximately

\$42,300,000 will be funded by separate contributions made by the city over a 15 year time period. The contributions for 2011 was \$3,671,970. The contribution will increase each year until 2015 when it will be \$6,177,556 through 2023.

Contributions

Each member contributes at a rate of 8.0% of his salary for 2011. This percent contributed by the employees is fixed by the fund's Board of Trustees on the basis of authority provided by Chapter 203 Section 73 of the Cincinnati Municipal Code. In 2009, the municipal code was amended to increase the employee contribution amount. Beginning in 2012, the active members will contribute at a rate 8.5% and 9% for 2013 and all future years.

The City makes annual employer contributions based on a percentage of the salaries of all members. For 2011 the contribution rate was 17% for all employers and the covered payroll was \$162,707,000. The rate based on the actuarial report was 31.62% for the Pension Fund 12.32% for the Health Benefits Fund. On November 30, 2011, City Council approved a "step up" approach that will increase the City's contribution rate to 18% in 2012, 20% in 2013, 22% in 2014 and 24% thereafter. The City's contributions to the City of Cincinnati Retirement System for the years ending December 31, 2011, 2010 and 2009 were \$31,160,000, \$30,029,000, and \$26,650,000 respectively. The contributions for all three years were less than the required contributions. Administrative costs are financed from the system assets.

As of December 31, 2011 for the pension plan the unfunded actuarial accrued liability was \$728,428,000 to be amortized over an open period of 30 years, the funded ratio was 66.8%, and the actuarial value of assets was \$1,466,077,000. The unfunded actuarial accrued liability as a percentage of covered payroll was \$165,029,000 or 441.4%. The Actuarial Accrued Liability is \$2,194,000. The required supplementary schedule, which immediately follows the notes, contains multi-year trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Although this is a multiple-employer cost allocation plan, it is being accounted for as a single employer plan. This is due to the fact that the number of active participants from employers other than the City of Cincinnati is insignificant in relation to the total number of active City of Cincinnati participants.

Annual Pension Cost and Net Pension Obligation. The City's annual pension cost and net pension obligation to CRS for the current year were as follows:

Annual Pension Costs and Net Pension Obligation

| (Amounts in Thousands) | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|-------------------|------------------|------------------|
| Annual required contribution | \$ 54,875 | \$ 80,882 | \$ 43,065 |
| Interest on net pension obligation | 7,815 | 3,890 | 2,663 |
| Adjustment to annual required contribution | (8,678) | (5,681) | (3,740) |
| Annual pension costs | 54,012 | 79,091 | 41,988 |
| Actual contribution | (31,160) | (30,029) | (26,650) |
| Increase(decrease) in net pension obligation | 22,852 | 49,062 | 15,338 |
| Net pension obligation beginning of year | 97,690 | 48,628 | 33,290 |
| Net pension obligation end of year | <u>\$ 120,542</u> | <u>\$ 97,690</u> | <u>\$ 48,628</u> |
| Annual pension costs | \$ 54,012 | \$ 79,091 | \$ 41,988 |
| Percentage of annual pension cost contribution | 57.69% | 37.97% | 63.47% |

Annual OPEB Costs and Net OPEB Obligation

| (Amounts in Thousands) | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|------------------|------------------|------------------|
| Annual required contribution | \$ 19,943 | \$ 44,689 | \$ 11,388 |
| Interest on net OPEB | 5,569 | 2,433 | 2,036 |
| Adjustment to annual required contribution | (6,184) | (3,553) | (2,859) |
| Annual OPEB | <u>19,328</u> | <u>43,569</u> | <u>10,565</u> |
| Actual contribution | <u>(2,142)</u> | <u>(4,369)</u> | <u>(5,597)</u> |
| Increase(decrease) in net OPEB | 17,186 | 39,200 | 4,968 |
| Net OPEB beginning of year | 69,614 | 30,414 | 25,446 |
| Net OPEB end of year | <u>\$ 86,800</u> | <u>\$ 69,614</u> | <u>\$ 30,414</u> |
| Annual pension costs | \$ 19,328 | \$ 43,569 | \$ 10,565 |
| Percentage of annual pension cost contribution | 11.08% | 10.03% | 52.98% |

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - The City of Cincinnati Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - The Retirement System investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Securities Lending - The Retirement System securities lending program disclosures are presented in accordance with Governmental Accounting Standards Board Statement 28, Accounting and Financial Reporting for Securities Lending Transactions and Statement 40, Deposit and Investment Risk Disclosures. The disclosures are located in Footnote 2 - Deposits with Financial Institutions and Investments and on the statement of plan net assets and statement of changes in plan net position.

Derivatives - The Retirement System derivative disclosures are presented in accordance with Governmental Accounting Standards Board 53, Accounting and Financial Reporting for Derivative Instruments, and Governmental Accounting Standards Board Statement 40, Deposit and Investment Risk Disclosures, and can be found in Footnote 2 - Deposits with Financial Institutions and Investments.

Other Postemployment Benefit Information

The System provides hospital and surgical insurance and dental and vision insurance to retired members who have earned fifteen years credited service at the time of termination or terminate after age sixty with five years credited service. Those who are receiving survivor benefits of eligible members are entitled to have their hospital and surgical insurance and dental and vision insurance premiums paid by the System. When benefits would be reduced by reason of the retired member's eligibility for hospital and medical benefits under federal social security laws, the System will pay whatever additional fees are required for the federal medical coverage.

The health care coverage provided by the System is considered an Other Postemployment Benefit (OPEB) as

described in GASB statement 45. It is advance-funded on an actuarially determined basis as a portion of the employer contribution requirement to the System. The Cincinnati Municipal Code provides authority for employer contributions. The City of Cincinnati Retirement System's healthcare coverage was established under, and is administrated in accordance with, Internal Revenue Code 401(h).

The actuarial assumptions used for the December 31, 2011 valuation included an assumption for hospital and surgical benefits recognizing adjusted premiums based on experience for recent years adjusted to current year by assumed annual increases in premium costs. The actuarial valuations for OPEB plans are estimates of the value of reported amounts and assumptions about the probability of events far into the future. Amounts determined are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The cost of OPEB is recognized as an expense as claims are paid. No employer contribution was used to fund postemployment benefits in December 31, 2011. For the healthcare plan, the unfunded actuarial accrued liability was \$(14,988,156) to be amortized over an open period of 30 years, the funded ratio was 102.3%, and the actuarial value of assets was \$668,392,457. The unfunded actuarial accrued liability as a percentage of covered payroll was \$ 165,029,000 or (9.1)%. The Actuarial Accrued Liability was \$653,404,000. Calculations are based on the OPEB benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of cost sharing between the employer and the plan members at that point. The actuarial calculations of the OPEB plan reflect a long term perspective. The required supplementary schedule, which immediately follows the notes, contains multi-year trend information about the actuarial value of plan assets and if it is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Below are the current financial statements for the Pension and OPEB trusts funds.

CITY OF CINCINNATI, OHIO
Statement of Plan Net Position
Pension Trust
December 31, 2011
(Amounts in Thousands)

| | Pension | Healthcare | Total |
|---|--------------|------------|--------------|
| ASSETS | | | |
| Cash and Equivalents | \$ 19,839 | \$ 9,033 | \$ 28,872 |
| Investments, at fair value: | | | |
| Canadian Bonds | 1,189 | 541 | 1,730 |
| International Bonds | 16,340 | 7,440 | 23,780 |
| Convertible Bonds | 3 | 2 | 5 |
| US Government Bonds | 33,226 | 15,129 | 48,355 |
| Tax Exempt Government Municipal | 742 | 338 | 1,080 |
| Corporate Fixed Income | 21,237 | 9,670 | 30,907 |
| State and Local Obligations | 3,196 | 1,456 | 4,652 |
| US Agencies | 82,061 | 37,366 | 119,427 |
| Equities - Common Stock | 650,476 | 296,194 | 946,670 |
| Venture Capital | 117,531 | 53,518 | 171,049 |
| Real Estate | 111,202 | 50,636 | 161,838 |
| Private Placements | 13,134 | 5,980 | 19,114 |
| Other Assets (Alternatives) | 287,129 | 130,746 | 417,875 |
| Total Investments, at fair value | 1,337,466 | 609,016 | 1,946,482 |
| Collateral on Loaned Securities | 18,168 | 8,273 | 26,441 |
| Receivables: | | | |
| Accounts Receivable - Other | 228 | 104 | 332 |
| Accounts Receivable for Securities Sold | 42,206 | 19,218 | 61,424 |
| Accrued Interest and Dividends | 2,437 | 1,109 | 3,546 |
| Due from Primary Government | 841 | 383 | 1,224 |
| Due from Other Governments | 841 | 383 | 1,224 |
| Loans Receivable | 4,596 | 2,093 | 6,689 |
| Machinery and Equipment | 546 | 249 | 795 |
| Accumulated Depreciation | (305) | (139) | (444) |
| Total Assets | 1,426,863 | 649,722 | 2,076,585 |
| LIABILITIES | | | |
| Accounts Payable | 1,268 | 577 | 1,845 |
| Accounts Payable for Securities Purchased | 42,338 | 19,278 | 61,616 |
| Due to Primary Government | 2,109 | 960 | 3,069 |
| Obligations under Securities Lending | 18,168 | 8,273 | 26,441 |
| Accrued Payroll | 34 | 16 | 50 |
| Accrued Liabilities | 9,051 | 4,122 | 13,173 |
| Estimated Liability for Compensated Absences | 72 | 33 | 105 |
| Total Liabilities | 73,040 | 33,259 | 106,299 |
| NET POSITION | | | |
| Held in Trust for Employees' Pension Benefits | 1,353,823 | | 1,353,823 |
| Held in Trust for Employees' Post employment Healthcare Benefits | | 616,463 | 616,463 |
| Combined Net Position | \$ 1,353,823 | \$ 616,463 | \$ 1,970,286 |

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Plan Net Position
Pension Trust
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Pension</u> | <u>Healthcare</u> | <u>Total</u> |
|--|---------------------|-------------------|---------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Member | \$ 14,171 | \$ | \$ 14,171 |
| Employer | 31,160 | | 31,160 |
| Other | | 2,142 | 2,142 |
| Total Contributions | <u>45,331</u> | <u>2,142</u> | <u>47,473</u> |
| Transfers from Other Retirement Systems | 142 | | 142 |
| Investment Income | | | |
| From Investing Activities: | | | |
| Interest & Dividends | 29,557 | 13,444 | 43,001 |
| Proceeds from Litigation | 42 | 19 | 61 |
| Net Appreciation in Fair Value of Investments | <u>(10,206)</u> | <u>(4,642)</u> | <u>(14,848)</u> |
| Total Investment Earnings | 19,393 | 8,821 | 28,214 |
| Less Investment Management Expenses | <u>6,220</u> | <u>2,829</u> | <u>9,049</u> |
| Net Income From Investing Activities | <u>13,173</u> | <u>5,992</u> | <u>19,165</u> |
| From Security Lending Activities: | | | |
| Securities Lending Income | <u>51</u> | <u>23</u> | <u>74</u> |
| Securities Lending Expense: | | | |
| Borrower Rebates | 279 | 126 | 405 |
| Management Fees | <u>(82)</u> | <u>(38)</u> | <u>(120)</u> |
| Total Securities Lending Expenses | <u>197</u> | <u>88</u> | <u>285</u> |
| Net Income from Securities Lending Activities | <u>248</u> | <u>111</u> | <u>359</u> |
| Total Additions | <u>58,894</u> | <u>8,245</u> | <u>67,139</u> |
| DEDUCTIONS | | | |
| Benefits Payments: | | | |
| Pension and Annuities | 143,346 | | 143,346 |
| Hospital and Medical Care | | 42,750 | 42,750 |
| Medicare | | 3,884 | 3,884 |
| Dental Benefits | | 1,755 | 1,755 |
| Vision Benefits | | 143 | 143 |
| Death Benefits, Active and Retired | 927 | | 927 |
| Loss Due to Death of Members with Loans | | | |
| Transfers - Retirement to Other Systems | <u>2,186</u> | | <u>2,186</u> |
| Total Benefits Payments | <u>146,459</u> | <u>48,532</u> | <u>194,991</u> |
| Refunds of Contributions | <u>2,552</u> | | <u>2,552</u> |
| Administrative Expenses: | | | |
| Personal Services | 515 | 241 | 756 |
| Contractual Services | 568 | 265 | 833 |
| Materials and Supplies | 44 | 21 | 65 |
| Depreciation | 89 | 42 | 131 |
| Total Administration Expenses | <u>1,216</u> | <u>569</u> | <u>1,785</u> |
| Total Deductions | <u>150,227</u> | <u>49,101</u> | <u>199,328</u> |
| Change in Net Position | (91,333) | (40,856) | (132,189) |
| Net Position held in Trust for Benefits | | | |
| Beginning of Year | 1,445,156 | 657,319 | 2,102,475 |
| End of Year | <u>\$ 1,353,823</u> | <u>\$ 616,463</u> | <u>\$ 1,970,286</u> |

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

| Valuation date | 12/31/11 | | | | | | | | | | | | |
|---------------------------|--|------------------|-----------------|---|------|---|------|----|------|----|------|----|------|
| Actuarial cost method | Individual entry age normal | | | | | | | | | | | | |
| Asset valuation method | The actuarial value of assets was reset to market value of assets as of December 31, 2003. For future years, asset gains and losses will be recognized at the rate of 20% per year. The investment gain/(loss) is taken as the excess of the actual return on assets over the expected return on assets. The investment gain/(loss) is then recognized at 20% per year until fully recognized. The actuarial value of assets is the market value minus the sum of the deferred investment gains/(losses) during the preceding five plan years. In addition, the actuarial value is restricted to be no less than 80% of the market value or no more than 120% of the market value. | | | | | | | | | | | | |
| Actuarial assumptions: | | | | | | | | | | | | | |
| Investment rate of return | 7.5% per year, net of expenses, compounded annually. | | | | | | | | | | | | |
| Mortality | | | | | | | | | | | | | |
| Non-disabled lives: | RP-Combined Morality Table set forward 2 years for males and 1 year forward for females using a Scale AA projection to 2020 | | | | | | | | | | | | |
| Disabled Retirees: | RP-2000 Disabled Morality Table (set back 5 years for females) | | | | | | | | | | | | |
| Withdraw assumption | It was assumed that 50% of vested members who terminate elect to withdraw their contributions while 50% leave their contributions in the plan in order to be eligible for a benefit at a retirement date. | | | | | | | | | | | | |
| Salary increases | Salary increases are assumed to vary by service. Based on a 2006 experience study by Mercer the following increases based on years of service are used: | | | | | | | | | | | | |
| | <table border="0"> <thead> <tr> <th>Years of service</th> <th>Annual Increase</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>7.5%</td> </tr> <tr> <td>5</td> <td>5.0%</td> </tr> <tr> <td>10</td> <td>4.5%</td> </tr> <tr> <td>20</td> <td>4.5%</td> </tr> <tr> <td>30</td> <td>4.0%</td> </tr> </tbody> </table> | Years of service | Annual Increase | 0 | 7.5% | 5 | 5.0% | 10 | 4.5% | 20 | 4.5% | 30 | 4.0% |
| Years of service | Annual Increase | | | | | | | | | | | | |
| 0 | 7.5% | | | | | | | | | | | | |
| 5 | 5.0% | | | | | | | | | | | | |
| 10 | 4.5% | | | | | | | | | | | | |
| 20 | 4.5% | | | | | | | | | | | | |
| 30 | 4.0% | | | | | | | | | | | | |

| | |
|-----------------------|---|
| Medical Benefits: | <p>The City offers medical benefits (including outpatient prescription drug coverage) to retirees before and during Medicare eligibility. As of September 1, 2007, all future retirees will be covered by the 80/20 PPO plan. The employee contribution for 2011 is \$250.80 per individual and \$694.80 per family plan. Retirees who retired prior to 2008 may participate in either Modified PPO plan or if eligible the Modified Carve-Out PPO. To be eligible for the Carve-Out PPO, a retiree must have a pension system benefit of less than \$30,000 or less per year. Employees who retired under a special incentive plan in 2007 and are covered by the 80/20 PPO plan.</p> <p>Beginning January 1, 2012, members who retired prior to September 1, 2007 and establish that their annual income is less than \$30,000 will be eligible for the Blue Assess Carve-Out PPO plan. All others will receive the Blue Access 80/20 plan.</p> |
| Retiree Contributions | <p>Group 1 participants covered by the Modified PPO or the Carve-out PPO plans do not contribute towards the cost of coverage. Group 1 participants covered by the 80/20 PPO contribute an amount equal to the active employee contribution. Group 2 future retirees will pay the higher of the active employee contribution or the portion of their cost determined by the point system.</p> |
| Other Health Benefits | <p><u>Medicare Part B:</u> The City reimburses the Medicare Part B premiums for retirees and dependents. Beginning January 1, 2012 all Medicare eligible retirees and dependents will be responsible for the payment of required Medicare Part B premiums.</p> |
| Dental Benefits | <p>Under the provisions of Ordinance 85-2011, beginning January 1, 2012, all members electing to participate in the dental plan will be required to pay the full cost of dental coverage. As such, it is assumed the System has no liability under GASB 43 and 45 for dental benefits.</p> |
| Vision Benefits | <p>Under the provisions of Ordinance 85-2011, beginning January 1, 2012, all members electing to participate in the vision plan will be required to pay the full cost of vision coverage. As such, it is assumed the System has no liability under GASB 43 and 45 for vision benefits.</p> |
| Option Electives | <p>70% of male participants and 30% of female participants will have a spouse who is covered under the medical, dental, and vision benefits portions of the plan. Of these participants with a covered spouse, 85% will elect a Joint & Survivor option.</p> |

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REQUIRED
SUPPLEMENTARY INFORMATION

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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

(AMOUNTS IN THOUSANDS)

PENSION PLAN

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) -Entry Age (b) | Unfunded Actuarial Accrued Liability (UAAL) (b-a) | % Funded Ratio (a/b) | Covered Payroll (c) | % UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------------|---|---|--|-------------------------------|---------------------------|--|
| 12/31/06 | \$ 1,720,978 | \$ 1,968,676 | \$ 247,698 | 87.42 | \$ 175,369 | 141.24 |
| 12/31/07 | 1,794,406 | 2,080,923 | 286,517 | 86.23 | 182,396 | 157.09 |
| 12/31/08 | 1,490,497 | 2,094,762 | 604,265 | 71.15 | 164,640 | 367.02 |
| 12/31/09 | 1,631,407 | 2,125,738 | 494,331 | 76.75 | 170,416 | 290.07 |
| 12/31/10 | 1,565,949 | 2,085,987 | 520,038 | 75.07 | 167,589 | 310.31 |
| 12/31/11 | 1,466,077 | 2,194,505 | 728,428 | 66.81 | 165,029 | 441.39 |

HEALTHCARE PLAN

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) -Entry Age (b) | Unfunded Actuarial Accrued Liability (UAAL) (b-a) | % Funded Ratio (a/b) | Covered Payroll (c) | % UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------------|---|---|--|-------------------------------|---------------------------|--|
| 12/31/06 | \$ 805,695 | \$ 966,726 | \$ 161,031 | 83.34 | \$ 175,369 | 91.82 |
| 12/31/07 | 835,486 | 921,985 | 86,499 | 90.62 | 182,396 | 47.42 |
| 12/31/08 | 688,870 | 998,491 | 309,621 | 68.99 | 164,640 | 188.06 |
| 12/31/09 | 746,029 | 877,399 | 131,370 | 85.03 | 170,416 | 77.09 |
| 12/31/10 | 726,412 | 657,045 | (69,367) | 110.56 | 167,589 | (41.39) |
| 12/31/11 | 668,392 | 653,404 | (14,988) | 102.29 | 165,029 | (9.08) |

SCHEDULE OF EMPLOYERS' CONTRIBUTIONS

(AMOUNTS IN THOUSANDS)

PENSION PLAN

| Year Ended December 31 | Annual Required Contribution | % Percentage Contributed |
|------------------------------|------------------------------------|--------------------------------|
| 2006 | \$ 23,227 | 107.40 |
| 2007 | 38,571 | 82.35 |
| 2008 | 38,767 | 61.83 |
| 2009 | 43,065 | 61.88 |
| 2010 | 80,882 | 37.13 |
| 2011 | 54,875 | 56.78 |

HEALTHCARE PLAN

| Year Ended December 31 | Annual Required Contribution | % Percentage Contributed |
|------------------------------|------------------------------------|--------------------------------|
| 2006 | \$ 18,242 | 20.25 |
| 2007 | 30,691 | 17.18 |
| 2008 | 22,767 | 18.78 |
| 2009 | 11,388 | 49.15 |
| 2010 | 44,689 | 9.78 |
| 2011 | 19,943 | 10.74 |

** Beginning in 2006 the calculation of the annual required contribution was revised to reflect the actual amounts required to fund healthcare. In prior years, healthcare amounts were calculated with funding limited per IRS restrictions.

City of Cincinnati, Ohio
Budgetary Comparison Schedule
Non GAAP
For the year ended December 31, 2011
(Amounts in thousands)

| | General Fund | | | |
|--|-------------------------|------------------|---------------------------|---|
| | Budgeted Amounts | | Actual Amounts | Variance with Budget - Positive (Negative) |
| | Original | Final | | |
| General Fund | | | | |
| Revenue | | | | |
| Taxes | \$ 248,308 | \$ 248,308 | \$ 261,776 | \$ 13,468 |
| Licenses and Permits | 7,290 | 7,290 | 7,253 | (37) |
| Use of Money and Property | 11,759 | 11,759 | 10,347 | (1,412) |
| Intergovernmental Revenue | 43,646 | 43,646 | 43,647 | 1 |
| Charges for Services | 22,876 | 22,876 | 22,958 | 82 |
| Miscellaneous | 4,554 | 4,554 | 3,267 | (1,287) |
| Total Revenues | <u>338,433</u> | <u>338,433</u> | <u>349,248</u> | <u>10,815</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 34,380 | 33,691 | 32,485 | 1,206 |
| Community Development | 4,640 | 4,549 | 4,429 | 120 |
| Parks and Recreation | 16,321 | 16,624 | 16,552 | 72 |
| Public Safety | 174,232 | 171,430 | 168,666 | 2,764 |
| Transportation and Engineering | 1,350 | 1,324 | 1,152 | 172 |
| Public Services | 16,772 | 16,081 | 16,030 | 51 |
| Public Health | 13,615 | 13,795 | 13,780 | 15 |
| Employee Benefits | 93,393 | 92,712 | 92,382 | 330 |
| Capital Outlay | 185 | 193 | 188 | 5 |
| Debt Service | 991 | 991 | 991 | - |
| Total Expenditures | <u>355,879</u> | <u>351,390</u> | <u>346,655</u> | <u>4,735</u> |
| Excess (deficiency) of revenues over expenditures | (17,446) | (12,957) | 2,593 | 15,550 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 4,761 | 4,847 | 4,847 | \$ - |
| Transfers (Out) | - | (2,375) | (2,375) | - |
| Total Other Financing Sources (Uses) | <u>4,761</u> | <u>2,472</u> | <u>2,472</u> | <u>-</u> |
| Excess of revenue over (under) Expenditures and Other Financing Sources | (12,685) | (10,485) | 5,065 | 15,550 |
| Cancellation of Prior Years Encumbrances | 1,779 | 1,779 | 1,976 | 197 |
| Fund balances - beginning | <u>23,819</u> | <u>23,819</u> | <u>23,819</u> | |
| Fund balances - ending | <u>\$ 12,913</u> | <u>\$ 15,113</u> | <u>\$ 30,860</u> | <u>\$ 15,747</u> |

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

| | |
|---|------------------|
| Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other uses per the Budgetary Comparison Schedule | \$ 5,065 |
| (Increases) decreases from revenues: | |
| Received in cash during year but already accrued as receivables (GAAP) at December 31, 2010 | (32,633) |
| Accrued as receivables at December 31, 2011 but not recognized in budget | 33,052 |
| (Increases) decreases from encumbrances: | |
| Expenditures of amounts encumbered during prior years | (7,499) |
| Recognized as expenditures in the budget | 10,753 |
| (Increases) decreases from expenditures: | |
| Accrued as liabilities at December 31, 2010 recognized as expenditures (GAAP) but not in budget | 10,595 |
| Accrued as liabilities at December 31, 2011 | (4,881) |
| Net Change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balance (Page 40) | \$ 14,452 |

See notes to required supplementary information.

City Of Cincinnati, Ohio
Note to the Required Supplementary Information
December 31, 2011

Note A- Budgetary Data

An annual operating budget is legally adopted each fiscal year for the General Fund, Debt Service Fund, Capital Projects Fund and following Special Revenue Funds: Health Services, Street Construction Maintenance and Repair, Parking Meter, Cable TV, Income Tax Infrastructure, Income Tax Transit, Motor Vehicle License and Special Recreation. The budgetary data reports included within this report are prepared on a cash basis of accounting, with the exception of certain accrued personal service and employee benefit costs. Encumbrances, which do not lapse at year-end, are included as expenditures in the current year budget (Non-GAAP). The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by July 20. By January 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By April 1, City Council must adopt annual appropriation ordinances. Only unencumbered appropriations lapse at year end.

There are several other special revenue appropriated funds whose revenues are mostly grants which are appropriated monthly as revenues are received. These funds include the special revenue fund: Recreation, Parks, Safety, Health, Cincinnati Blue Ash Airport, Community Development, Department of Labor Grants and Other. The budgets for these funds in the reports included herein are equivalent to the funds expenditures at year end. Outstanding encumbrances are re-appropriated in the next years' budget. The budgeted revenue is the amount of resources available for expenditures within the year.

Some reimbursement grants funds are encumbered before revenue is received resulting in negative fund balances. The Community Development Fund (\$5,338) reflects a negative fund balance at December 31, 2011.

The levels of appropriation control for each budgeted expenditure classification that may not be exceeded are: personal services, non-personal services, capital outlay, and debt service. Any revisions that alter the budgeted expenditure classification of any division within a City department must be approved by City Council. During the year, several supplementary appropriations were necessary.

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SUPPLEMENTARY INFORMATION

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MAJOR GOVERNMENTAL FUNDS

General Fund - is the general operating fund for the City. It is used to account for resources, traditionally associated with governments, which are not required to be accounted for in another fund.

Capital Projects Fund - is used primarily to account for resources restricted to construct or acquire governmental fund capital assets. Such resources are derived principally from proceeds of general obligation debt, federal and state grants and City income tax.

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on general obligation debt and capital lease payments of the governmental funds.

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CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| General Fund | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|--------------|-----------|--|
| Revenue | | | | |
| Taxes | | | | |
| Real Property | \$ 24,291 | \$ 24,291 | \$ 23,562 | \$ (729) |
| Personal Property | - | - | 12 | 12 |
| City Income Tax | 220,212 | 220,212 | 233,752 | 13,540 |
| Admissions | 3,805 | 3,805 | 4,450 | 645 |
| Total Taxes | 248,308 | 248,308 | 261,776 | 13,468 |
| Licenses and Permits | | | | |
| Street Use | 1,974 | 1,974 | 1,684 | (290) |
| Health | 2 | 2 | 3 | 1 |
| Police and Protective | 57 | 57 | 72 | 15 |
| Beer and Liquor | 505 | 505 | 492 | (13) |
| Business and Merchandising | 15 | 15 | 18 | 3 |
| Amusements | 55 | 55 | 91 | 36 |
| Professional and Occupational | 156 | 156 | 187 | 31 |
| Buildings, Structures and Equipment | 4,526 | 4,526 | 4,706 | 180 |
| Total Licenses and Permits | 7,290 | 7,290 | 7,253 | (37) |
| Use of Money and Property | | | | |
| Fines, Forfeits and Penalties | 5,890 | 5,890 | 4,445 | (1,445) |
| Income from Treasury Investments | 5,700 | 5,700 | 5,695 | (5) |
| Rents | 151 | 151 | 195 | 44 |
| General Concessions and Commissions | 18 | 18 | 12 | (6) |
| Total Use of Money and Property | 11,759 | 11,759 | 10,347 | (1,412) |
| Intergovernmental Revenue | | | | |
| Proportionately shared State Taxes | | | | |
| Local Government Fund - Sales, Franchise, State Income Tax | 24,899 | 24,899 | 24,698 | (201) |
| Local Government Fund - Financial Institution Tax | 850 | 850 | 857 | 7 |
| Estate Tax | 13,200 | 13,200 | 15,174 | 1,974 |
| Public Utility Property Tax Reimbursement | 551 | 551 | 275 | (276) |
| State Income Tax - Real Property Tax Reduction | 2,210 | 2,210 | 2,273 | 63 |
| State Income Tax - Tangible Property Tax Reduction | 1,936 | 1,936 | 370 | (1,566) |
| Total Intergovernmental Revenue | 43,646 | 43,646 | 43,647 | 1 |
| Charges for Services | | | | |
| General Government | 9,280 | 9,280 | 10,324 | 1,044 |
| Public Recreation | - | - | - | - |
| City Planning | | | | |
| Other Inspection Certificates | 1,458 | 1,458 | 1,550 | 92 |
| Elevator Certificates | 565 | 565 | 684 | 119 |
| Public Safety | | | | |
| Police and Communication Charges | 40 | 790 | 557 | (233) |
| Motor Vehicle Response | - | - | - | - |
| Impounded Vehicle Fees | 2,451 | 1,701 | 1,590 | (111) |
| Protective Inspection Fees | 200 | 200 | 172 | (28) |
| Protective Service - Burglary Alarm | 460 | 460 | 360 | (100) |
| Emergency Transportation Service | 6,837 | 6,837 | 5,768 | (1,069) |
| Other Public Safety Charges | 55 | 55 | 331 | 276 |
| Planning and Buildings | - | - | - | - |
| Public Services | | | | |
| Recycling Incentive Fee | 361 | 361 | 423 | 62 |
| Other Public Services Charges | 144 | 144 | 484 | 340 |
| Public Health | | | | |
| Vital Statistics | 909 | 909 | 607 | (302) |
| Clinic Fees | 106 | 106 | 106 | - |
| Other Public Health charges | 10 | 10 | 2 | (8) |
| Total Charges for Current Services | 22,876 | 22,876 | 22,958 | 82 |
| Miscellaneous | 4,554 | 4,554 | 3,267 | (1,287) |
| Total Revenues | 338,433 | 338,433 | 349,248 | 10,815 |

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| General Fund (Continued) | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|--------------|--------------|--|
| Expenditures | | | | |
| City Council | | | | |
| Personal Services | \$ 1,418 | \$ 1,426 | \$ 1,396 | \$ 30 |
| Non Personal Services | 54 | 46 | 31 | 15 |
| Total City Council | <u>1,472</u> | <u>1,472</u> | <u>1,427</u> | <u>45</u> |
| Office of the Mayor | | | | |
| Personal Services | 440 | 427 | 427 | - |
| Non Personal Services | 37 | 50 | 47 | 3 |
| Total Office of the Mayor | <u>477</u> | <u>477</u> | <u>474</u> | <u>3</u> |
| Office of the Clerk of Council | | | | |
| Personal Services | 314 | 314 | 278 | 36 |
| Non Personal Services | 259 | 259 | 228 | 31 |
| Total Office of the Clerk of Council | <u>573</u> | <u>573</u> | <u>506</u> | <u>67</u> |
| Department of Enterprise Technology Services | | | | |
| Personal Services | 1,812 | 1,812 | 1,809 | 3 |
| Non Personal Services | 2,930 | 2,759 | 2,758 | 1 |
| Capital | 38 | 6 | 6 | - |
| Total Department of Enterprise Technology Services | <u>4,780</u> | <u>4,577</u> | <u>4,573</u> | <u>4</u> |
| Department of the City Manager | | | | |
| Office of the City Manager | | | | |
| Personal Services | 995 | 924 | 918 | 6 |
| Non Personal Services | 540 | 661 | 646 | 15 |
| Total Office of the City Manager | <u>1,535</u> | <u>1,585</u> | <u>1,564</u> | <u>21</u> |
| Division of Budget and Evaluation | | | | |
| Personal Services | 645 | 606 | 594 | 12 |
| Non Personal Services | 47 | 71 | 54 | 17 |
| Total Division of Budget and Evaluation | <u>692</u> | <u>677</u> | <u>648</u> | <u>29</u> |
| Division of Environmental Management | | | | |
| Personal Services | 251 | 252 | 251 | 1 |
| Non Personal Services | 2,425 | 2,363 | 2,122 | 241 |
| Total Division of Environmental Management | <u>2,676</u> | <u>2,615</u> | <u>2,373</u> | <u>242</u> |
| Division of Economic Development | | | | |
| Personal Services | 260 | 254 | 254 | - |
| Non Personal Services | 30 | 30 | 17 | 13 |
| Total Division of Economic Development | <u>290</u> | <u>284</u> | <u>271</u> | <u>13</u> |
| Total Department of the City Manager | <u>5,193</u> | <u>5,161</u> | <u>4,856</u> | <u>305</u> |
| Citizen's Complaint Authority & Internal Audit | | | | |
| Personal Services | 683 | 676 | 668 | 8 |
| Non Personal Services | 55 | 56 | 43 | 13 |
| Total Citizen's Complaint Authority & Internal Audit | <u>738</u> | <u>732</u> | <u>711</u> | <u>21</u> |
| Department of Law | | | | |
| Personal Services | 3,371 | 3,484 | 3,465 | 19 |
| Non Personal Services | 991 | 1,142 | 1,124 | 18 |
| Total Department of Law | <u>4,362</u> | <u>4,626</u> | <u>4,589</u> | <u>37</u> |
| Department of Human Resources | | | | |
| Personal Services | 1,121 | 1,121 | 1,121 | - |
| Non Personal Services | 346 | 347 | 252 | 95 |
| Total Department of Human Resources | <u>1,467</u> | <u>1,468</u> | <u>1,373</u> | <u>95</u> |
| Department of Finance | | | | |
| Office of the Director | | | | |
| Personal Services | 273 | 273 | 272 | 1 |
| Non Personal Services | 21 | 71 | 26 | 45 |
| Total Office of the Director | <u>294</u> | <u>344</u> | <u>298</u> | <u>46</u> |
| Division of Accounts and Audits | | | | |
| Personal Services | 784 | 784 | 784 | - |
| Non Personal Services | 71 | 72 | 63 | 9 |
| Total Division of Accounts and Audits | <u>855</u> | <u>856</u> | <u>847</u> | <u>9</u> |

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| General Fund (Continued) | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|--------------|--------|--|
| Expenditures | | | | |
| Department of Finance (Continued) | | | | |
| Division of Treasury | | | | |
| Personal Services | \$ 313 | \$ 326 | \$ 324 | \$ 2 |
| Non Personal Services | 136 | 200 | 200 | - |
| Total Division of Treasury | 449 | 526 | 524 | 2 |
| Division of Risk Management | | | | |
| Non Personal Services | 129 | 129 | 124 | 5 |
| Total Division of Risk Management | 129 | 129 | 124 | 5 |
| Division of Income Tax | | | | |
| Personal Services | 2,279 | 2,076 | 2,041 | 35 |
| Non Personal Services | 588 | 588 | 457 | 131 |
| Total Division of Income Tax | 2,867 | 2,664 | 2,498 | 166 |
| Division of Purchasing | | | | |
| Personal Services | 513 | 411 | 407 | 4 |
| Non Personal Services | 115 | 88 | 88 | - |
| Total Division of Purchasing | 628 | 499 | 495 | 4 |
| Total Department of Finance | 5,222 | 5,018 | 4,786 | 232 |
| Department of Community Development | | | | |
| Office of the Director | | | | |
| Personal Services | 341 | 360 | 360 | - |
| Non Personal Services | 2,524 | 2,455 | 2,335 | 120 |
| Total Office of the Director | 2,865 | 2,815 | 2,695 | 120 |
| Division of Housing Development | | | | |
| Personal Services | 71 | 53 | 53 | - |
| Non Personal Services | 295 | 295 | 295 | - |
| Total Division of Housing Development | 366 | 348 | 348 | - |
| Division of Community Development | | | | |
| Personal Services | 138 | 185 | 185 | - |
| Non Personal Services | 86 | 85 | 85 | - |
| Total Division of Community Development | 224 | 270 | 270 | - |
| Division of New Construction & Existing Building Standards | | | | |
| Personal Services | 1,048 | 978 | 978 | - |
| Non Personal Services | 137 | 138 | 138 | - |
| Total Division of New Construction & Existing Building Standards | 1,185 | 1,116 | 1,116 | - |
| Total Department of Community Development | 4,640 | 4,549 | 4,429 | 120 |
| Department of Planning and Buildings | | | | |
| Division of City Planning | | | | |
| Personal Services | 572 | 507 | 507 | - |
| Non Personal Services | 57 | 57 | 46 | 11 |
| Total Division of City Planning | 629 | 564 | 553 | 11 |
| Division of Licenses and Permits | | | | |
| Personal Services | 3,003 | 2,914 | 2,771 | 143 |
| Non Personal Services | 482 | 544 | 467 | 77 |
| Debt Service | 75 | 75 | 75 | - |
| Total Division of Licenses and Permits | 3,560 | 3,533 | 3,313 | 220 |
| Total Department of City Planning | 4,189 | 4,097 | 3,866 | 231 |
| Department of Public Recreation | | | | |
| West Region Division | | | | |
| Personal Services | 1,562 | 1,453 | 1,411 | 42 |
| Non Personal Services | 457 | 456 | 456 | - |
| Debt Service | 135 | 135 | 135 | - |
| Total West Region Division | 2,154 | 2,044 | 2,002 | 42 |
| East Region Division | | | | |
| Personal Services | 1,355 | 1,345 | 1,345 | - |
| Non Personal Services | 506 | 507 | 507 | - |
| Debt Service | 124 | 124 | 124 | - |
| Total East Region Division | 1,985 | 1,976 | 1,976 | - |

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| General Fund (Continued) | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|------------------------|---------------------|----------------|---|
| Expenditures | | | | |
| Department of Public Recreation (Continued) | | | | |
| Central Region Division | | | | |
| Personal Services | \$ 1,392 | \$ 1,397 | \$ 1,396 | \$ 1 |
| Non Personal Services | 481 | 481 | 481 | - |
| Debt Service | 136 | 136 | 136 | - |
| Total Central Region Division | <u>2,009</u> | <u>2,014</u> | <u>2,013</u> | <u>1</u> |
| Maintenance Division | | | | |
| Personal Services | 2,373 | 2,245 | 2,217 | 28 |
| Non Personal Services | 1,091 | 1,224 | 1,224 | - |
| Total Maintenance Division | <u>3,464</u> | <u>3,469</u> | <u>3,441</u> | <u>28</u> |
| Division of Athletics | | | | |
| Personal Services | 1,009 | 1,346 | 1,345 | 1 |
| Non Personal Services | 182 | 311 | 311 | - |
| Total Division of Athletics | <u>1,191</u> | <u>1,657</u> | <u>1,656</u> | <u>1</u> |
| Division of Administration | | | | |
| Personal Services | 990 | 950 | 950 | - |
| Non Personal Services | 187 | 187 | 187 | - |
| Capital Outlay | 23 | 23 | 23 | - |
| Total Division of Administration | <u>1,200</u> | <u>1,160</u> | <u>1,160</u> | <u>-</u> |
| Total Department of Public Recreation | 12,003 | 12,320 | 12,248 | 72 |
| Department of Parks | | | | |
| Office of the Director | | | | |
| Personal Services | 158 | 158 | 158 | - |
| Non Personal Services | 1 | 1 | 1 | - |
| Total Office of the Director | <u>159</u> | <u>159</u> | <u>159</u> | <u>-</u> |
| Division of Operations and Facilities | | | | |
| Personal Services | 1,169 | 1,211 | 1,211 | - |
| Non Personal Services | 1,471 | 1,414 | 1,414 | - |
| Total Division of Operations and Facilities | <u>2,640</u> | <u>2,625</u> | <u>2,625</u> | <u>-</u> |
| Division of Administration and Program Services | | | | |
| Personal Services | 1,182 | 1,182 | 1,182 | - |
| Non Personal Services | 755 | 756 | 756 | - |
| Total Division of Administration and Program Services | <u>1,937</u> | <u>1,938</u> | <u>1,938</u> | <u>-</u> |
| Total Department of Parks | 4,736 | 4,722 | 4,722 | - |
| Department of Police | | | | |
| Personal Services | 91,283 | 89,874 | 87,999 | 1,875 |
| Non Personal Services | 13,031 | 13,031 | 13,023 | 8 |
| Capital Outlay | 25 | 65 | 61 | 4 |
| Debt Service | 77 | 77 | 77 | - |
| Total Department of Police | <u>104,416</u> | <u>103,047</u> | <u>101,160</u> | <u>1,887</u> |
| Department of Fire | | | | |
| Personal Services | 62,306 | 60,913 | 60,131 | 782 |
| Non Personal Services | 7,612 | 7,612 | 7,513 | 99 |
| Capital Outlay | 96 | 96 | 95 | 1 |
| Debt Service | 81 | 81 | 81 | - |
| Total Department of Fire | <u>70,095</u> | <u>68,702</u> | <u>67,820</u> | <u>882</u> |
| Department of Transportation and Engineering | | | | |
| Office of the Director | | | | |
| Personal Services | 354 | 401 | 398 | 3 |
| Non Personal Services | 72 | 73 | 43 | 30 |
| Total Office of the Director | <u>426</u> | <u>474</u> | <u>441</u> | <u>33</u> |

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| General Fund (Continued) Expenditures | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|---------------|---------------|--|
| Department of Transportation and Engineering (Continued) | | | | |
| Division of Transportation Planning | | | | |
| Personal Services | \$ 140 | \$ 234 | \$ 162 | \$ 72 |
| Non Personal Services | 30 | 29 | 8 | 21 |
| Total Division of Transportation Planning | <u>170</u> | <u>263</u> | <u>170</u> | <u>93</u> |
| Division of Engineering | | | | |
| Personal Services | 226 | 25 | 23 | 2 |
| Non Personal Services | 157 | 157 | 113 | 44 |
| Total Division of Engineering | <u>383</u> | <u>182</u> | <u>136</u> | <u>46</u> |
| Division of Traffic Engineering | | | | |
| Personal Services | 54 | 88 | 88 | - |
| Non Personal Services | 317 | 317 | 317 | - |
| Total Division of Traffic Engineering | <u>371</u> | <u>405</u> | <u>405</u> | <u>-</u> |
| Total Department of Transportation and Engineering | 1,350 | 1,324 | 1,152 | 172 |
| Department of Public Services | | | | |
| Office of the Director | | | | |
| Personal Services | 350 | 340 | 335 | 5 |
| Non Personal Services | 52 | 41 | 36 | 5 |
| Total Office of the Director | <u>402</u> | <u>381</u> | <u>371</u> | <u>10</u> |
| Division of Traffic and Road Operations | | | | |
| Personal Services | 393 | 328 | 324 | 4 |
| Non Personal Services | 2,341 | 2,341 | 2,341 | - |
| Total Traffic and Road Operations | <u>2,734</u> | <u>2,669</u> | <u>2,665</u> | <u>4</u> |
| Neighborhood Operations Division | | | | |
| Personal Services | 5,553 | 5,231 | 5,231 | - |
| Non Personal Services | 5,602 | 5,670 | 5,667 | 3 |
| Capital Outlay | - | - | - | - |
| Debt Service | 81 | 81 | 81 | - |
| Total Neighborhood Operations Division | <u>11,236</u> | <u>10,982</u> | <u>10,979</u> | <u>3</u> |
| Division of City Facility Management | | | | |
| Personal Services | 225 | 285 | 261 | 24 |
| Non Personal Services | 2,256 | 1,845 | 1,835 | 10 |
| Debt Service | 157 | 157 | 157 | - |
| Total City Facility Management | <u>2,638</u> | <u>2,287</u> | <u>2,253</u> | <u>34</u> |
| Total Department of Public Services | 17,010 | 16,319 | 16,268 | 51 |
| Department of Public Health | | | | |
| Office of the Commissioner | | | | |
| Personal Services | 1,206 | 1,044 | 1,044 | - |
| Non Personal Services | 226 | 226 | 226 | - |
| Capital Outlay | 3 | 3 | 3 | - |
| Total Office of the Commissioner | <u>1,435</u> | <u>1,273</u> | <u>1,273</u> | <u>-</u> |
| Office of Technical Resources | | | | |
| Personal Services | 1,353 | 1,152 | 1,151 | 1 |
| Non Personal Services | 584 | 584 | 584 | - |
| Debt Service | 125 | 125 | 125 | - |
| Total Office of Technical Resources | <u>2,062</u> | <u>1,861</u> | <u>1,860</u> | <u>1</u> |
| Office of Community Health Services | | | | |
| Personal Services | 2,235 | 2,438 | 2,435 | 3 |
| Non Personal Services | 249 | 248 | 248 | - |
| Total Office of Community Health Services | <u>2,484</u> | <u>2,686</u> | <u>2,683</u> | <u>3</u> |
| Division of Primary Care - Special Services | | | | |
| Personal Services | 1,580 | 1,729 | 1,726 | 3 |
| Non Personal Services | 15 | 15 | 15 | - |
| Total Division of Primary Care - Special Services | <u>1,595</u> | <u>1,744</u> | <u>1,741</u> | <u>3</u> |
| Division of Primary Care - Health Centers | | | | |
| Personal Services | 5,387 | 5,234 | 5,227 | 7 |
| Non Personal Services | 44 | 44 | 44 | - |
| Total Division of Primary Care - Health Centers | <u>5,431</u> | <u>5,278</u> | <u>5,271</u> | <u>7</u> |

(Continued)

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| General Fund (Continued) | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|------------------|--|
| Expenditures | | | | |
| Department of Public Health (Continued) | | | | |
| Division of School and Adolescent Health | | | | |
| Personal Services | \$ 735 | \$ 1,079 | \$ 1,079 | \$ - |
| Non Personal Services | 1 | 2 | 1 | 1 |
| Total Division of School and Adolescent Health | <u>736</u> | <u>1,081</u> | <u>1,080</u> | <u>1</u> |
| Total Department of Public Health | 13,743 | 13,923 | 13,908 | 15 |
| Nondepartmental Accounts | | | | |
| Pension | | | | |
| Contributions to City Pension System | 13,010 | 12,621 | 12,621 | - |
| Contributions to State Pension System | 1,165 | 1,070 | 1,070 | - |
| Contributions to Police Pension System | 17,642 | 16,974 | 16,973 | 1 |
| Contributions to Fire Pension System | 15,962 | 15,623 | 15,318 | 305 |
| Employee Benefits | | | | |
| Employee Insurance Benefits | 41,877 | 41,834 | 41,834 | - |
| Public Employee Assistance | 313 | 267 | 267 | - |
| Workers' Compensation Insurance | 2,084 | 2,083 | 2,083 | - |
| Police Officers and Firefighters' Insurance | 300 | 300 | 280 | 20 |
| State Unemployment Compensation | 272 | 472 | 470 | 2 |
| Lump Sum Payments | 763 | 1,463 | 1,461 | 2 |
| City Council Benefits | 5 | 5 | 5 | - |
| Professional Services and Legal Fees | | | | |
| Judgments Against the City | 900 | 900 | 898 | 2 |
| Audit and Examiners' Fees | 300 | 380 | 380 | - |
| Hamilton County Treasurer's and Auditor's Fees | 610 | 601 | 590 | 11 |
| County Clerk Fees | 365 | 355 | 350 | 5 |
| Election Expense | 110 | 110 | - | 110 |
| Miscellaneous Accounts | | | | |
| Memberships and Publications | 50 | 32 | 18 | 14 |
| Mayor's Office Obligations | 10 | 10 | 9 | 1 |
| Manager's Office Obligations | 50 | 50 | 35 | 15 |
| Cincinnati Public Schools | - | - | - | - |
| Port Authority of Greater Cincinnati | 525 | 525 | 525 | - |
| Property Investment Reimbursement Agreements | 2,600 | 2,600 | 2,600 | - |
| Reserve for Contingencies | 500 | 8 | - | 8 |
| Total Nondepartmental Accounts | <u>99,413</u> | <u>98,283</u> | <u>97,787</u> | <u>496</u> |
| Total Expenditures | <u>355,879</u> | <u>351,390</u> | <u>346,655</u> | <u>4,735</u> |
| Excess (deficiency) of revenues over expenditures | (17,446) | (12,957) | 2,593 | 15,550 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 4,761 | 4,847 | 4,847 | |
| Transfers (Out) | - | (2,375) | (2,375) | |
| Total Other Financing Sources (Uses) | <u>4,761</u> | <u>2,472</u> | <u>2,472</u> | <u>-</u> |
| Excess (Deficiency) of Revenue over (under) Expenditures and Other Financing Sources (Uses) | (12,685) | (10,485) | 5,065 | 15,550 |
| Cancellation of Prior Years Encumbrances | 1,779 | 1,779 | 1,976 | |
| Fund balances - beginning | 23,819 | 23,819 | 23,819 | |
| Fund balances - ending | <u>\$ 12,913</u> | <u>\$ 15,113</u> | <u>\$ 30,860</u> | <u>\$ 15,550</u> |

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2011
(Amounts in Thousands)

| | |
|---|--------------|
| GENERAL FUND | |
| Revenue | |
| Taxes | |
| Real Property | \$ 23,936 |
| Personal Property | 12 |
| City Income Tax | 234,311 |
| Admissions | <u>4,450</u> |
| Total Taxes | 262,709 |
| Licenses and Permits | |
| Street Use | 1,684 |
| Health | 2 |
| Police and Protective | 71 |
| Beer and Liquor | 508 |
| Business and Merchandising | 18 |
| Amusements | 91 |
| Professional and Occupational | 186 |
| Buildings, Structures and Equipment | <u>4,734</u> |
| Total Licenses and Permits | 7,294 |
| Use of Money and Property | |
| Fines, Forfeits and Penalties | 4,456 |
| Income from Treasury Investments | 6,861 |
| Rents | 27 |
| General Concessions and Commissions | <u>12</u> |
| Total Use of Money and Property | 11,356 |
| Intergovernmental Revenue | |
| Proportionately shared State Taxes | |
| Local Government Fund - Sales, Franchise, State Income Tax | 23,791 |
| Local Government Fund - Financial Institution Tax | 857 |
| Revenue | |
| State Income Tax - Real Property Tax Reduction | 2,273 |
| State Income Tax - Tangible Property Tax Reduction | 370 |
| Estate Tax | 15,174 |
| Public Utility Property Tax Reimbursement | 275 |
| Payments from Other Governmental Units | 1 |
| Revenues from Private Sources | <u>50</u> |
| Total Intergovernmental Revenue | 42,791 |

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2011
(Amounts in Thousands)

GENERAL FUND
(Continued)

| | |
|-------------------------------------|----------------|
| Charges for Services | |
| General Government | \$ 7,021 |
| Planning and Buildings | |
| Other Inspection Certificates | 1,548 |
| Elevator Certificates | 637 |
| Public Safety | |
| Police and Communication Charges | 556 |
| Impounded Vehicle Fees | 1,590 |
| Protective Inspection Fees | 175 |
| Protective Service - Burglary Alarm | 360 |
| Emergency Transportation Service | 5,892 |
| Other Public Safety Charges | 298 |
| Public Services | 1,033 |
| Public Health | |
| Vital Statistics | 607 |
| Clinic Fees | 106 |
| Other Public Health charges | <u>2</u> |
| Total Charges for Current Services | 19,825 |
| Miscellaneous | <u>2,142</u> |
| Total Revenues | <u>346,117</u> |

Expenditures

| | |
|--------------------------------------|------------|
| City Council | 1,427 |
| Office of the Clerk of Council | 513 |
| Office of the Mayor | 487 |
| Department of the City Manager | |
| Office of the City Manager | 1,475 |
| Division of Budget and Evaluation | 625 |
| Division of Environmental Management | 2,371 |
| Division of Economic Development | <u>368</u> |
| Total Department of City Manager | 4,839 |
| Citizen's Complaint Authority | 710 |

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2011

(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

| | |
|---|----------|
| Department of Law | \$ 4,342 |
| Department of Human Resources | 1,446 |
| Department of Finance | |
| Office of the Director | 304 |
| Division of Accounts and Audits | 838 |
| Division of Treasury | 390 |
| Division of Risk Management | 124 |
| Division of Income Tax | 2,407 |
| Division of Purchasing | 476 |
| Total Department of Finance | 4,539 |
| Department of City Planning and Buildings | |
| Office of the Director | 545 |
| Division of Licenses and Permits | 3,278 |
| Total Department of City Planning | 3,823 |
| Department of Community Development | |
| Office of the Director | 2,691 |
| Division of Housing Development | 357 |
| Division of Community Development | 225 |
| Division of New Construction & Existing Building Standards | 1,133 |
| Total Department of Community Development | 4,406 |
| Department of Public Recreation | |
| Division of Community Activities - West Region Division | 1,833 |
| Division of Community Activities - East Region Division | 1,810 |
| Division of Community Activities - Central Region Division | 1,846 |
| Division of Community Activities - Maintenance Division | 3,452 |
| Division of Athletics | 1,642 |
| Division of Waterfront Activities | 27 |
| Division of Administration | 1,100 |
| Total Department of Public Recreation | 11,710 |
| Department of Parks Administration and Program Services | |
| Office of the Director | 158 |
| Division of Operations and Facility Management | 2,555 |
| Division of Planning, Design and Development | 1,960 |
| Total Department of Parks Administration and Program Services | 4,673 |

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2011

(Amounts in Thousands)

GENERAL FUND

(Continued)

Expenditures

| | |
|--|-----------|
| Department of Police | \$ 98,790 |
| Department of Fire | 66,981 |
| Department of Transportation and Engineering | |
| Office of the Director | 415 |
| Division of Engineering | 194 |
| Division of Transportation Planning | 106 |
| Division of Traffic Engineering | 431 |
| Total Department of Transportation and Engineering | 1,146 |
| Department of Public Services | |
| Office of the Director | 376 |
| Division of Traffic and Road Operations | 1,905 |
| Division of Neighborhood Operations | 11,012 |
| Division of City Facility Management | 2,164 |
| Total Department of Public Services | 15,457 |
| Department of Regional Computer Center | 4,425 |
| Department of Public Health | |
| Office of the Commissioner | 1,251 |
| Division of Technical Resources | 1,756 |
| Division of Community Health Services | 2,637 |
| Division of Primary Care - Programs | 1,736 |
| Division of Primary Care - Health Centers | 5,210 |
| Division of Primary Care - Other | 1,064 |
| Total Department of Public Health | 13,654 |
| Nondepartmental Accounts | |
| Pension | |
| Contributions to City Pension System | 11,405 |
| Contributions to State Pension System | 864 |
| Contributions to Police and Fire Pension System for Police | 13,121 |
| Contributions to Police and Fire Pension System for Fire | 12,483 |

(Continued)

City of Cincinnati, Ohio
Statement of Revenue, Expenditures and Changes in Fund Balance
For the year ended December 31, 2011

(Amounts in Thousands)

GENERAL FUND
(Continued)
Expenditures

| | | |
|---|----|----------------------|
| Employee Benefits | | |
| Employee Insurance Benefits | \$ | 40,302 |
| Public Employee Assistance | | 267 |
| Workers' Compensation Insurance | | 1,930 |
| Police Officers and Firefighters' Insurance | | 262 |
| State Unemployment Compensation | | 436 |
| Lump Sum Payments | | 1,233 |
| City Council Staff Benefits | | 5 |
| Judgments Against the City | | 599 |
| County Fees | | 940 |
| Mayor's Office Obligations | | 9 |
| Cincinnati Manager's Office Obligations | | 19 |
| Professional Memberships and Publications | | 18 |
| Audit Fees | | 342 |
| Port Authority of Greater Cincinnati | | 525 |
| Property Investment Reimbursement Agreements | | 2,468 |
| Total Nondepartmental Accounts | | <u>87,228</u> |
| | | |
| Total Expenditures | | 330,596 |
| | | |
| Excess (Deficiency) of revenues over expenditures | | 15,521 |
| | | |
| Other Financing Sources(Uses) | | |
| Transfers In | \$ | 2,639 |
| Transfers (Out) | | <u>(3,708)</u> |
| | | |
| Total Other Financing Sources (Uses) | | (1,069) |
| | | |
| Net change in Fund Balance | | 14,452 |
| | | |
| Fund balances, January 1 | | <u>85,354</u> |
| Fund balances, December 31 | \$ | <u><u>99,806</u></u> |

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|---------------|---------------|---|
| Capital Project Funds | | | |
| Revenue | | | |
| Taxes | \$ 22,621 | \$ 22,621 | \$ - |
| Use of Money and Property | 1,407 | 1,407 | - |
| Special Assessments | 68 | 68 | - |
| Intergovernmental Revenue | 1,260 | 1,260 | - |
| Federal Grants | 4,755 | 4,755 | - |
| State Grants and Subsidies | 9,164 | 9,164 | - |
| Miscellaneous | 1,736 | 1,736 | - |
| Total Revenues | <u>41,011</u> | <u>41,011</u> | <u>-</u> |
| Capital Outlay Expenditures | | | |
| Enterprise Technology Services | 567 | 567 | - |
| Department of the City Manager | | | |
| Office of the City Manager | 2,170 | 2,170 | - |
| Division of Budget and Evaluation | 869 | 869 | - |
| Division of Environmental Management | 2,199 | 2,199 | - |
| Division of Economic Development | 3,619 | 3,619 | - |
| Total Department of the City Manager | <u>8,857</u> | <u>8,857</u> | <u>-</u> |
| Department of Law | 90 | 90 | - |
| Department of Human Resources | 15 | 15 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | 5 | 5 | - |
| Division of Income Tax | 16 | 16 | - |
| Division of Purchasing | 3 | 3 | - |
| Total Department of Finance | <u>24</u> | <u>24</u> | <u>-</u> |
| Department of Community Development | | | |
| Office of the Director | 75 | 75 | - |
| Division of Housing Development | 2,742 | 2,742 | - |
| Division of Community Development | 5,627 | 5,627 | - |
| Division of New Construction and Building Standards | 113 | 113 | - |
| Total Department of Community Development | <u>8,557</u> | <u>8,557</u> | <u>-</u> |
| Department of City Planning and Buildings | | | |
| Division of City Planning | 655 | 655 | - |
| Division of License and Permits | 36 | 36 | - |
| Total Department of City Planning and Buildings | <u>691</u> | <u>691</u> | <u>-</u> |
| Department of Public Recreation | | | |
| Division of Golf Activities | 519 | 519 | - |
| Division of Waterfront Activities | 28 | 28 | - |
| Division of Support Services | 7,231 | 7,231 | - |
| Total Department of Public Recreation | <u>7,778</u> | <u>7,778</u> | <u>-</u> |
| Department of Parks | | | |
| Division of Administration and Program Services | 11,410 | 11,410 | - |
| Total Department of Parks | <u>11,410</u> | <u>11,410</u> | <u>-</u> |
| Department of Building and Inspections | | | |
| Division of Building Inspections | 1 | 1 | - |
| Total Department of Buildings and Inspections | <u>1</u> | <u>1</u> | <u>-</u> |

(Continued)

CITY OF CINCINNATI, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget(Non-GAAP Budgetary Basis) and Actual
 For the year ended December 31, 2011
 (Amounts in Thousands)

| | <u>Final</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|--------------|---------------|---|
| Capital Project Funds | | | |
| (Continued) | | | |
| Capital Outlay Expenditures | | | |
| Department of Police | \$ 1,273 | \$ 1,273 | \$ - |
| Department of Fire | 2,363 | 2,363 | - |
| Department of Transportation and Engineering | | | |
| Office of the Director | 98 | 98 | - |
| Division of Transportation Planning | 12,944 | 12,944 | - |
| Division of Engineering | 36,344 | 36,344 | - |
| Division of Aviation | 593 | 593 | - |
| Division of Traffic Engineering | 2,089 | 2,089 | - |
| Total Department of Transportation and Engineering | 52,068 | 52,068 | - |
| Department of Enterprise Services | | | |
| Division of Convention Center | 918 | 918 | - |
| Division of Parking Facilities | 2,796 | 2,796 | - |
| Total Department of Enterprise Services | 3,714 | 3,714 | - |
| Department of Public Services | | | |
| Division of Traffic and Road Operations | 101 | 101 | - |
| Neighborhood Operations Division | 325 | 325 | - |
| Division of City Facility Management | 5,630 | 5,630 | - |
| Total Department of Public Services | 6,056 | 6,056 | - |
| Department of Public Health | | | |
| Office of the Commissioner | 1,877 | 1,877 | - |
| Total Department of Public Health | 1,877 | 1,877 | - |
| Department of Stormwater Management | | | |
| Office of the Director | 758 | 758 | - |
| Total Department of Stormwater Management | 758 | 758 | - |
| Total Capital Outlay Expenditures | 106,099 | 106,099 | - |
| Other Expenditures | | | |
| Department of Law | | | |
| Non Personal Services | 1 | 1 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | | | |
| Non Personal Services | 636 | 636 | - |
| Debt Service | 9,599 | 9,599 | - |
| Department of Parks | | | |
| Division of Administration and Program Services | | | |
| Non Personal Services | 26 | 26 | - |
| Motorized Equipment | 7,090 | 7,090 | - |
| Total Other Expenditures | 17,352 | 17,352 | - |
| Total Expenditures | 123,451 | 123,451 | - |
| Excess (deficiency) of revenues over expenditures | (82,440) | (82,440) | - |

(Continued)

CITY OF CINCINNATI, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget(Non-GAAP Budgetary Basis) and Actual
 For the year ended December 31, 2011
 (Amounts in Thousands)

| | <u>Final</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--------------------------------------|--------------------------|--------------------------|---|
| Capital Project Funds | | | |
| (Continued) | | | |
| Other Expenditures | | | |
| Other Financing Sources (Uses) | | | |
| Bond Proceeds | \$ 61,970 | \$ 61,970 | \$ - |
| Transfers In | 88,392 | 88,392 | - |
| Transfers (Out) | <u>(80,630)</u> | <u>(80,630)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>69,732</u> | <u>69,732</u> | <u>-</u> |
| Net Change in Fund Balance | (12,708) | (12,708) | - |
| Fund balances - beginning | <u>170,527</u> | <u>170,527</u> | <u>-</u> |
| Fund balances - ending | <u><u>\$ 157,819</u></u> | <u><u>\$ 157,819</u></u> | <u><u>\$ -</u></u> |

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| Debt Service Fund | Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|---|
| Revenue | | | |
| Taxes | \$ 38,961 | \$ 38,961 | \$ - |
| Use of Money and Property | 21,318 | 21,318 | - |
| Intergovernmental Revenue | 7,029 | 7,029 | - |
| Miscellaneous Revenue | <u>2,634</u> | <u>2,634</u> | <u>-</u> |
| Total Revenues | 69,942 | 69,942 | - |
| Expenditures | | | |
| Department of the City Manager | | | |
| Division of Economic Development | | | |
| Debt Service | <u>376</u> | <u>376</u> | <u>-</u> |
| Total Division of Economic Development | <u>376</u> | <u>376</u> | <u>-</u> |
| Total Department of the City Manager | 376 | 376 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | | | |
| Personal Services | 63 | 63 | - |
| Non Personal Services | 408 | 408 | - |
| Debt Service | <u>776</u> | <u>776</u> | <u>-</u> |
| Total Division of Accounts and Audits | <u>1,247</u> | <u>1,247</u> | <u>-</u> |
| Division of Treasury | | | |
| Personal Services | 178 | 178 | - |
| Non Personal Services | 1,379 | 1,379 | - |
| Debt Service | <u>88,103</u> | <u>88,103</u> | <u>-</u> |
| Total Division of Treasury | <u>89,660</u> | <u>89,660</u> | <u>-</u> |
| Total Department of Finance | 90,907 | 90,907 | - |
| Department of Community Development and Planning | | | |
| Division of Housing Development | | | |
| Non Personal Services | 3 | 3 | - |
| Debt Service | <u>1,115</u> | <u>1,115</u> | <u>-</u> |
| Total Division of Housing Development | <u>1,118</u> | <u>1,118</u> | <u>-</u> |
| Division of Community Development | | | |
| Debt Service | <u>571</u> | <u>571</u> | <u>-</u> |
| Total Division of Housing Development | <u>571</u> | <u>571</u> | <u>-</u> |
| Total Department of Community Development | 1,689 | 1,689 | - |
| Non Departmental - Debt Service Payments | | | |
| Non Personal Services | 2 | 2 | - |
| Debt Service | <u>4,574</u> | <u>4,574</u> | <u>-</u> |
| Total Non-Departmental - Debt Service Payments | <u>4,576</u> | <u>4,576</u> | <u>-</u> |
| Total Expenditures | <u>97,548</u> | <u>97,548</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (27,606) | (27,606) | - |
| Other Financing Sources (Uses) | | | |
| General Obligation Bond Proceeds | 31,470 | 31,470 | - |
| Bond Premiums | 1,934 | 1,934 | - |
| Build America Bonds Subsidy | 620 | 620 | - |
| Operating Transfers In | 25,000 | 25,000 | - |
| Operating Transfers (Out) | <u>(24,989)</u> | <u>(24,989)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>34,035</u> | <u>34,035</u> | <u>-</u> |
| Net Change in Fund Balance | 6,429 | 6,429 | - |
| Fund balances - beginning | <u>54,838</u> | <u>54,838</u> | <u>-</u> |
| Fund balances - ending | <u>\$ 61,267</u> | <u>\$ 61,267</u> | <u>\$ -</u> |

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CITY OF CINCINNATI, OHIO
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Tax Increment Financing Funds - Used to account for service payments in lieu of property taxes, capital and debt service expenditure from Tax Increment Financing Districts and Projects.

Health Services Fund - Used to improve, establish, expand, and/or maintain health services to the citizens of Cincinnati.

Street Construction, Maintenance and Repair Fund - Used to account for street maintenance, repair and cleaning, and the operation and maintenance of traffic signals. Financing is provided by the City's share of State-levied Motor Vehicle License Tax, Gasoline Tax, and reimbursements of expenses.

Parking Meter Fund - Used to account for resources provided by collections from parking meters.

Cable T.V. Fund - Used to account for the proceeds of cable franchise fees received from the cable provider.

Income Tax Infrastructure Fund - Used to account for the proceeds of a .1% levy on earned income for infrastructure purposes.

Income Tax Transit Fund - Used to account for the proceeds of a .3% levy on earned income for transit purposes.

Motor Vehicle License Fund - Used to account for resources provided by the locally levied Municipal Motor Vehicle License Tax.

Special Recreation Fund - Used to account for monies received for special activities such as enrichment exercise programs or caretaker services.

Recreation - Used to account for Federal funds, private contributions, and user fees, and for expenditures made for special recreation activities.

Parks - Used to account for State funds, private contributions, and user fees, and for expenditures made for special parks activities.

Safety - Used to account for Federal and State funds and private contributions, and for expenditures made for public safety purposes.

Health - Used to account for Federal and State funds, private contributions and user fees, and for expenditures made for public health purposes.

Cincinnati Blue Ash Airport - Used to account for the revenue and the expenditures for the operation and maintenance of a municipal airport.

Community Development - Used to account for Federal funds received for city-wide development operations.

CITY OF CINCINNATI, OHIO
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (Cont)

Department of Labor Grants - Used to account for Federal funds received for the relief of unemployment through jobs and training.

Other - Used to account for Federal and State funds, private contributions and user fees, and for expenditures for specific purposes not otherwise designated.

Bettman Nature Center - Used to account for the investment and expenditure of bequests made for the Bettman Nature Center.

PERMANENT FUNDS

Groesbeck Endowment - Used to account for the investment and expenditure of bequests made for the cost of music concerts in Burnet Woods.

Schmidlapp Park Music - Used to account for the investment and expenditure of bequests made for the cost of music concerts in Eden Park.

Joanna Peters Bequest - Used to account for the investment and expenditure of bequest made for the treatment of alcoholism.

W. M. Ampt Music Endowment - Used to account for the investment and expenditure of bequests made for the cost of concerts in various City parks.

Crosley Field Trust - Used to account for the investment and expenditure of bequests made for the maintenance of the Crosley Field Sports Complex.

Kroger Trust - Used to account for the investment and expenditure of a bequest made for the maintenance of the Hartwell Recreation Center.

Yeatman's Cove Park Trust - Used to account for the investment and expenditure of a bequest made for the maintenance of the Yeatman's Cove Park.

Park Board Fund - Used to account for the investment and expenditure of bequests related to the maintenance and improvement of Fleischmann Gardens, the Geier Esplanade, and various citywide parks.

CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2011
 (Amounts in Thousands)

| | Special Revenue Funds | | | | | | | | | |
|--|-------------------------------|-----------------|--|-----------------|-----------------|---------------------------|--------------------|-----------------------|--------------------|----------|
| | Tax Increment Financing Funds | Health Services | Street Construction Maintenance and Repair | Parking Meter | Cable T.V. | Income Tax Infrastructure | Income Tax Transit | Motor Vehicle License | Special Recreation | |
| ASSETS | | | | | | | | | | |
| Cash and Equivalents | \$ 37,531 | \$ 993 | \$ 3,274 | \$ 1,623 | \$ 2,054 | \$ 6,073 | \$ 10,508 | \$ 865 | \$ 7 | \$ 3,095 |
| Equity in City Treasury Cash Investments | 23,904 | | | | | | | | | |
| Receivables: | | | | | | | | | | |
| Taxes | | | | | | 2,278 | 6,833 | | | |
| Accounts, Net | 18,171 | 98 | 16 | 7 | | 49 | 25 | 5 | 19 | |
| Special Assessments | | | | | | | | | | |
| Accrued Interest | | | | | | | 31 | | | 13 |
| Due from Other Funds | 1,052 | 28 | 288 | 46 | 276 | 250 | 294 | 53 | 87 | |
| Due from Fiduciary Funds | | | | | | | | | | |
| Due from Other Governments | | | 3,720 | | | | | 1,231 | | |
| Inventory | | | | | | 162 | | 66 | | |
| Advances to Other Funds | | | 496 | | | | | | | |
| Total Assets | \$ 80,658 | \$ 1,119 | \$ 7,794 | \$ 1,669 | \$ 2,339 | \$ 8,812 | \$ 17,691 | \$ 2,220 | \$ 3,221 | |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts Payable | 132 | 135 | 70 | 126 | 66 | 52 | 28 | 14 | 24 | |
| Due to Other Funds | | 84 | 130 | | 7 | 41 | | 16 | 5 | |
| Due to Fiduciary Funds | | 12 | 52 | 1 | 19 | 91 | | 12 | 4 | |
| Accrued Payroll | | 97 | 366 | 5 | 134 | 479 | | 96 | 92 | |
| Accrued Liabilities | | 3 | 6 | | 2 | 11 | | 1 | 3 | |
| Deposits Payable | | | 6 | | 243 | 14 | | | | |
| Deferred Revenue | 18,171 | | 2,484 | | | 869 | 2,617 | 822 | 5 | |
| Estimated Liability for Unpaid Claims | 1,617 | | | | | 20 | | | | |
| Advances from Other Funds | | | | | | | | | | |
| Total Liabilities | 19,920 | 331 | 3,114 | 132 | 471 | 1,577 | 2,645 | 961 | 133 | |
| Fund Balances: | | | | | | | | | | |
| Nonspendable | | | | | | 162 | | 66 | | |
| Restricted | 60,738 | 788 | 4,680 | 1,537 | 1,868 | 7,073 | 15,046 | 1,193 | 3,088 | |
| Committed | | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| Total Fund Balances | 60,738 | 788 | 4,680 | 1,537 | 1,868 | 7,235 | 15,046 | 1,259 | 3,088 | |
| Total Liabilities and Fund Balances | \$ 80,658 | \$ 1,119 | \$ 7,794 | \$ 1,669 | \$ 2,339 | \$ 8,812 | \$ 17,691 | \$ 2,220 | \$ 3,221 | |

CITY OF CINCINNATI, OHIO
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2011
 (Amounts in Thousands)

| | Special Revenue Funds | | | | | | | Bettman Nature Center | | |
|--|-----------------------|-----------------|-----------------|-----------------|-----------------------------------|--------------------------|----------------------------------|-----------------------------|-----------------|-------|
| | Recreation | Parks | Safety | Health | Cincinnati Blue Ash Airport | Community Development | Department of Labor Grants | | Other | |
| ASSETS | | | | | | | | | | |
| Cash and Equivalents | \$ 1 | \$ 1,217 | \$ | \$ | \$ | \$ | \$ | \$ | \$ 173 | \$ 22 |
| Equity in City Treasury Cash | 2,973 | 2,918 | 7,938 | 2,250 | 295 | | 474 | 11,495 | | |
| Investments | | 4,156 | | | | | | | | 1,298 |
| Receivables: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Accounts, Net | 10 | 1 | 285 | 42 | 65 | | | | 374 | |
| Special Assessments | | | | | | 10,681 | | | 4,255 | |
| Accrued Interest | 9 | 9 | 7 | | | | | | | |
| Due from Other Funds | 83 | 82 | 225 | 64 | 8 | 1 | 13 | | 394 | |
| Due from Fiduciary Funds | | | | | | | | | 59 | |
| Due from Other Governments | 12 | | 102 | 180 | | 470 | | | 943 | |
| Inventory | | | | 129 | | | | | 88 | |
| Advances to Other Funds | 25 | | | | | | | | 528 | |
| Total Assets | \$ 3,113 | \$ 8,383 | \$ 8,557 | \$ 2,665 | \$ 368 | \$ 11,152 | \$ 487 | \$ 18,309 | \$ 1,320 | |
| LIABILITIES AND FUND BALANCE | | | | | | | | | | |
| Liabilities: | | | | | | | | | | |
| Accounts Payable | \$ 13 | \$ 15 | \$ 265 | \$ 291 | \$ 5 | \$ 882 | \$ | \$ 1,514 | \$ | |
| Due to Other Funds | | 1 | 141 | 19 | | 112 | | 38 | | |
| Due to Fiduciary Funds | | 2 | 11 | 55 | | 17 | | 14 | | |
| Accrued Payroll | | 17 | 74 | 428 | | 81 | | 243 | | |
| Accrued Liabilities | | | 1 | 11 | | 102 | | 401 | | |
| Deposits Payable | | | 2,375 | | | | | | | |
| Deferred Revenue | 15 | 3 | 3 | | | 10,680 | | 4,272 | | |
| Estimated Liability for Unpaid Claims | | | | | | | | | | |
| Advances from Other Funds | | | | | | | | | | |
| Total Liabilities | 28 | 38 | 3,398 | 804 | 5 | 11,874 | | 6,607 | 125 | |
| Fund Balances: | | | | | | | | | | |
| Nonspendable | | | | 129 | | | | | 88 | |
| Restricted | 2,511 | 5,468 | 4,856 | 1,895 | 363 | | 487 | 5,491 | 1,320 | |
| Committed | 574 | 2,877 | 465 | 98 | | | | 6,726 | | |
| Unassigned | | | (162) | (261) | | (722) | | (603) | | |
| Total Fund Balances | 3,085 | 8,345 | 5,159 | 1,861 | 363 | (722) | 487 | 11,702 | 1,320 | |
| Total Liabilities and Fund Balances | \$ 3,113 | \$ 8,383 | \$ 8,557 | \$ 2,665 | \$ 368 | \$ 11,152 | \$ 487 | \$ 18,309 | \$ 1,320 | |

CITY OF CINCINNATI, OHIO
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011
(Amounts in Thousands)

| | Permanent Funds | | | | | | | | | | Total Nonmajor Governmental Funds |
|---|--------------------------------|----------------------------------|-----------------------------|--|---------------------------|-----------------|---------------------------------|-----------------------|-----------------|-------------------|--|
| | Groesbeck Endowment Fund | Schmidlapp Park Music Fund | Joanna Peters Bequest | The W.M. Ampt Music Endowment Fund | Crosley Field Trust | Kroger Trust | Yeatman's Cove Park Trust | Park Board Fund | | | |
| ASSETS | | | | | | | | | | | |
| Cash and Equivalents | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Equity in City Treasury Cash Investments, at Fair Value | 37 | 50 | 117 | 126 | 14 | 88 | 619 | 266 | | 1,700 | |
| Receivables: | 453 | 1 | | 166 | 761 | | | 5,438 | | 95,396 | |
| Taxes | | | | | | | | | | 36,177 | |
| Accounts, Net | | | | | | | | | | 9,111 | |
| Special Assessments | | | | | | | | | | 19,167 | |
| Accrued Interest | | | | | | | | | | 14,936 | |
| Due from Other Funds | 1 | 1 | 3 | 4 | | 2 | 17 | | | 73 | |
| Due from Fiduciary Funds | | | | | | | | | | 3,272 | |
| Due from Other Governments | | | | | | | | | | 59 | |
| Inventory | | | | | | | | | | 6,658 | |
| Advances to Other Funds | | | | | | | | | | 445 | |
| Total Assets | \$ 491 | \$ 52 | \$ 120 | \$ 296 | \$ 775 | \$ 90 | \$ 638 | \$ 5,704 | \$ 1,049 | \$ 188,043 | |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | |
| Accounts Payable | | | | | | | | | | 3,632 | |
| Due to Other Funds | | | | | | | | | | 594 | |
| Due to Fiduciary Funds | | | | | | | | | | 290 | |
| Accrued Payroll | | | | | | | | | | 2,112 | |
| Accrued Liabilities | | | | | | | | | | 541 | |
| Deposits Payable | | | | | | | | | | 2,638 | |
| Deferred Revenue | | | | | | | 1 | | | 39,942 | |
| Estimated Liability for Unpaid Claims | | | | | | | | | | 1,637 | |
| Advances from Other Funds | | | | | | | | | | 653 | |
| Total Liabilities | | | | | | | 1 | | | 52,039 | |
| Fund Balances: | | | | | | | | | | | |
| Nonspendable | 484 | 51 | | 288 | 225 | 50 | 505 | 597 | | 2,645 | |
| Restricted | 7 | 1 | 120 | 8 | 550 | 40 | 132 | 5,107 | | 117,086 | |
| Committed | | | | | | | | | | 18,021 | |
| Unassigned | | | | | | | | | | (1,748) | |
| Total Fund Balances | 491 | 52 | 120 | 296 | 775 | 90 | 637 | 5,704 | 136,004 | 188,043 | |
| Total Liabilities and Fund Balances: | \$ 491 | \$ 52 | \$ 120 | \$ 296 | \$ 775 | \$ 90 | \$ 638 | \$ 5,704 | \$ 1,049 | \$ 188,043 | |

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2011
(Amounts in Thousands)

| | Special Revenue Funds | | | | | | | | | |
|---|-------------------------------|-----------------|--|---------------|------------|---------------------------|--------------------|-----------------------|--------------------|----------|
| | Tax Increment Financing Funds | Health Services | Street Construction Maintenance and Repair | Parking Meter | Cable T.V. | Income Tax Infrastructure | Income Tax Transit | Motor Vehicle License | Special Recreation | |
| REVENUES | | | | | | | | | | |
| Taxes | | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Licenses and Permits | | | | | 2,745 | 15,117 | 45,350 | | | |
| Use of Money and Property | | | | | | | | | | |
| Special Assessments | | | | | | 166 | | | | 499 |
| Intergovernmental Revenue | 327 | 50 | 9,563 | | 19 | | | 2,478 | | 70 |
| Federal Grants | | | | | | | | | | |
| State Grants and Subsidies | | | | | | | | | | |
| Charges for Current Services | | 4,750 | 22 | | 174 | 22 | | 9 | | 3,417 |
| Miscellaneous | 16,856 | | | | | 1 | 25 | | | |
| Total Revenues | 17,183 | 4,800 | 9,585 | | 2,938 | 15,140 | 45,541 | 2,487 | | 3,986 |
| EXPENDITURES | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General Government | 12,882 | 106 | | 23 | 2,173 | 2,061 | 515 | 99 | | 158 |
| Community Development | 1,010 | | | | 110 | | | | | |
| Parks and Recreation | | | | | | 1,423 | | | | 3,372 |
| Public Safety | | | | 366 | 142 | 2,497 | 1,805 | | | |
| Transportation and Engineering | | | | 238 | | 3,289 | | 1,592 | | |
| Public Services | | | 6,628 | | | | | | | |
| Transit System | | | | | | | | | | |
| Public Health | | | | | | | | | | |
| Employee Benefits | | 5,128 | | 64 | 839 | 4,197 | | 537 | | 206 |
| Capital Outlay | 993 | 665 | 13 | | | 6 | | | | |
| Debt Service Principal | 770 | | | | | | | | | |
| Debt Service Interest | 2,837 | | | | | | | | | |
| Bond Issuance Costs | 278 | | | | | | | | | |
| Total Expenditures | 18,770 | 5,899 | 9,601 | 691 | 3,319 | 13,473 | 44,065 | 2,228 | | 3,736 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (1,587) | (1,099) | (16) | (691) | (381) | 1,667 | 1,476 | 259 | | 250 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Revenue Bonds and Notes Issued | 21,000 | | | | | | | | | |
| Discounts on Bonds and Notes Issued | (180) | | | | | | | | | |
| Premiums on Bonds Issued | 333 | | | | | | | | | |
| Transfers In | | | | | | | | | | |
| Transfers (Out) | (4,249) | | | 1,089 | | | | | (100) | 15 |
| Total Other Financing Sources (Uses) | 16,904 | | | 1,089 | | | | | (100) | 15 |
| Net Change in Fund Balances | 15,317 | (1,099) | (16) | 398 | (381) | 1,667 | 1,376 | 259 | | 265 |
| Fund Balances, January 1 | 45,421 | 1,887 | 4,696 | 1,139 | 2,249 | 5,568 | 13,670 | 1,000 | | 2,823 |
| Fund Balances, December 31 | \$ 60,738 | \$ 788 | \$ 4,680 | \$ 1,537 | \$ 1,868 | \$ 7,235 | \$ 15,046 | \$ 1,259 | \$ | \$ 3,088 |

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Special Revenue Funds | | | | | | | Bettman Nature Center | |
|--|-----------------------|-------|---------|--------|-----------------------------------|--------------------------|----------------------------------|-----------------------------|-------|
| | Recreation | Parks | Safety | Health | Cincinnati Blue Ash Airport | Community Development | Department of Labor Grants | | Other |
| REVENUES | | | | | | | | | |
| Taxes | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Licenses and Permits | | 182 | 1,079 | | | | | 2,270 | 13 |
| Use of Money and Property | 56 | 537 | 21 | | 46 | 210 | | 1,100 | 22 |
| Special Assessments | | | | 1 | | 123 | | 4,801 | |
| Intergovernmental Revenue | | | 5,802 | 1,458 | | | | | |
| Federal Grants | 371 | | 3,870 | 7,096 | | 16,017 | 81 | 27,946 | |
| State Grants and Subsidies | 487 | 17 | 609 | 776 | | | | 1,870 | |
| Charges for Current Services | 15 | 671 | 1,016 | 3,870 | | 65 | | 974 | |
| Miscellaneous | | 671 | 23 | 4 | | 1,157 | | 837 | |
| Total Revenues | 929 | 1,896 | 11,523 | 14,284 | 46 | 17,572 | 81 | 39,811 | 22 |
| EXPENDITURES | | | | | | | | | |
| Current: | | | | | | | | | |
| General Government | | | 4,729 | 146 | | 1,286 | | 7,314 | |
| Community Development | | | | | | 607 | 81 | 2,169 | |
| Parks and Recreation | 951 | 1,522 | | | | | | 1,950 | 10 |
| Public Safety | | | 6,300 | | 42 | | | 4,853 | |
| Transportation and Engineering | | | | | | | | 513 | |
| Public Services | | | | | | | | 1,866 | |
| Transit System | | | | | | | | 1 | |
| Public Health | | | | 11,421 | | | | | |
| Employee Benefits | | 1 | 1 | 2,610 | | 823 | | | |
| Capital Outlay | | | 583 | | | 15,710 | | 19,777 | |
| Debt Service Principal | | | | | | | | | |
| Debt Service Interest | | | 28 | | | 222 | | | |
| Bond Issuance Costs | | | | | | | | | |
| Total Expenditures | 951 | 1,523 | 11,641 | 14,177 | 42 | 18,648 | 81 | 38,443 | 10 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (22) | 373 | (118) | 107 | 4 | (1,076) | | 1,368 | 12 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Revenue Bonds and Notes Issued | | | | | | | | | |
| Discounts on Bonds and Notes Issued | | | | | | | | | |
| Premiums on Bonds Issued | | | | | | | | | |
| Transfers In | 11 | 263 | 408 | | 212 | 7 | | 288 | |
| Transfers (Out) | | | (2,834) | (2) | | (355) | | (502) | (44) |
| Total Other Financing Sources (Uses) | 11 | 263 | (2,426) | (2) | 212 | (348) | | (214) | (44) |
| Net Change in Fund Balances | (11) | 636 | (2,544) | 105 | 216 | (1,424) | | 1,154 | (32) |
| Fund Balances, January 1 | 3,096 | 7,709 | 7,703 | 1,756 | 147 | 702 | 487 | 10,548 | 1,352 |
| Fund Balances, December 31 | 3,085 | 8,345 | 5,159 | 1,861 | 363 | (722) | 487 | 11,702 | 1,320 |

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Permanent Funds | | | | | | | | | | Total Nonmajor Governmental Funds |
|--|-------------------------------|----------------------------------|-----------------------------|--|---------------------------|-----------------|---------------------------------|-----------------------|----|----|--|
| | Grosbeck Endowment Fund | Schmidlapp Park Music Fund | Joanna Peters Bequest | The W.M. Ampt Music Endowment Fund | Crosley Field Trust | Kroger Trust | Yeatman's Cove Park Trust | Park Board Fund | | | |
| REVENUES | | | | | | | | | | | |
| Taxes | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Licenses and Permits | | | | | | | | | | | 62,737 |
| Use of Money and Property | 49 | 2 | 2 | 19 | 27 | 1 | 13 | (22) | | | 4,019 |
| Special Assessments | | | | | | | | | | | 2,748 |
| Intergovernmental Revenue | | | | | | | | | | | 4,925 |
| Federal Grants | | | | | | | | | | | 19,697 |
| State Grants and Subsidies | | | | | | | | | | | 55,451 |
| Charges for Current Services | | | | | | | | | | | 3,759 |
| Miscellaneous | | | | | | | | | | | 15,005 |
| Total Revenues | 49 | 2 | 2 | 19 | 27 | 1 | 13 | (22) | | | 19,574 |
| | | | | | | | | | | | 187,915 |
| EXPENDITURES | | | | | | | | | | | |
| Current: | | | | | | | | | | | |
| General Government | | | | | | | | | | | 31,492 |
| Community Development | | | | | | | | | | | 3,977 |
| Parks and Recreation | | 2 | | | 9 | | | 40 | | | 9,558 |
| Public Safety | | | | | | | | | | | 11,661 |
| Transportation and Engineering | | | | | | | | | | | 5,095 |
| Public Services | | | | | | | | | | | 13,430 |
| Transit System | | | | | | | | | | | 41,746 |
| Public Health | | | | | | | | | | | 16,549 |
| Employee Benefits | | | | | | | | | | | 12,624 |
| Capital Outlay | | | | | | | | | | | 37,082 |
| Debt Service Principal | | | | | | | | | | | 770 |
| Debt Service Interest | | | | | | | | | | | 3,087 |
| Bond Issuance Costs | | | | | | | | | | | 278 |
| Total Expenditures | | 2 | | | 9 | | | 40 | | | 187,349 |
| Excess (Deficiency) of Revenues over Expenditures | 49 | | 2 | 19 | 18 | 1 | 13 | (62) | | | 566 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | |
| Revenue Bonds and Notes Issued | | | | | | | | | | | 21,000 |
| Discounts on Bonds and Notes Issued | | | | | | | | | | | (180) |
| Premiums on Bonds Issued | | | | | | | | | | | 333 |
| Transfers In | | | | | | | | | | | 2,293 |
| Transfers (Out) | (17) | | | (9) | (11) | | | (194) | | | (8,317) |
| Total Other Financing Sources (Uses) | (17) | | | (9) | (11) | | | (194) | | | 15,129 |
| Net Change in Fund Balances | 32 | | 2 | 10 | 7 | 1 | 13 | (256) | | | 15,695 |
| Fund Balances, January 1 | 459 | 52 | 118 | 286 | 768 | 89 | 624 | 5,960 | | | 120,309 |
| Fund Balances, December 31 | 491 | 52 | 120 | 296 | 775 | 90 | 637 | 5,704 | | | 136,004 |

CITY OF CINCINNATI, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|------------------|------------------|---|
| Tax Increment Financing Funds | | | |
| Revenue | | | |
| Intergovernmental Revenue | \$ 329 | \$ 329 | \$ - |
| Miscellaneous Revenue | <u>18,472</u> | <u>18,472</u> | <u>-</u> |
| Total Revenues | 18,801 | 18,801 | - |
| Expenditures | | | |
| Department of the City Manager | | | |
| Office of the City Manager | | | |
| Capital Outlay | 89 | 89 | - |
| Debt Service | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Office of the City Manager | 89 | 89 | - |
| Office of Economic Development | | | |
| Non Personal Services | 135 | 135 | - |
| Capital Outlay | <u>490</u> | <u>490</u> | <u>-</u> |
| Total Office of Economic Development | 625 | 625 | - |
| Total Department of the City Manager | 714 | 714 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | | | |
| Non Personal Services | 12,908 | 12,908 | - |
| Debt Service | <u>2,973</u> | <u>2,973</u> | <u>-</u> |
| Total Department of Finance | 15,881 | 15,881 | - |
| Department of Community Development and Planning | | | |
| Division of Housing Development | | | |
| Non Personal Services | 1,009 | 1,009 | - |
| Capital Outlay | 515 | 515 | - |
| Debt Service | <u>254</u> | <u>254</u> | <u>-</u> |
| Total Division of Housing Development | 1,778 | 1,778 | - |
| Division of Community Development | | | |
| Capital Outlay | <u>300</u> | <u>300</u> | <u>-</u> |
| Total Division of Community Development | 300 | 300 | - |
| Total Department of Community Development and Planning | 2,078 | 2,078 | - |
| Total Expenditures | <u>18,673</u> | <u>18,673</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | 128 | 128 | - |
| Other Financing Sources (Uses) | | | |
| Bond Proceeds | 21,037 | 21,037 | - |
| Operating Transfers In | 2,360 | 2,360 | - |
| Operating Transfers (Out) | <u>(6,515)</u> | <u>(6,515)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | 16,882 | 16,882 | - |
| Net Change in Fund Balance | 17,010 | 17,010 | - |
| Fund balances - beginning | 45,478 | 45,478 | - |
| Fund balances - ending | <u>\$ 62,488</u> | <u>\$ 62,488</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| HEALTH SERVICES FUND | | | |
| REVENUES | | | |
| Charges for Current Services | \$ 5,300 | \$ 4,808 | \$ (492) |
| Intergovernmental | - | 49 | 49 |
| Miscellaneous | - | 1 | 1 |
| | <u>5,300</u> | <u>4,858</u> | <u>(442)</u> |
| Total Revenues | 5,300 | 4,858 | (442) |
| EXPENDITURES | | | |
| Department of Public Health | | | |
| Division of Primary Care - Special Programs | | | |
| Personal Services | 86 | 86 | - |
| Non-Personal Services | 536 | 534 | 2 |
| | <u>622</u> | <u>620</u> | <u>2</u> |
| Total Division of Primary Care - Special Programs | 622 | 620 | 2 |
| Division of Primary Care - Health Centers | | | |
| Personal Services | 2,526 | 2,468 | 58 |
| Non-Personal Services | 2,132 | 2,128 | 4 |
| | <u>4,658</u> | <u>4,596</u> | <u>62</u> |
| Total Division of Primary Care - Health Centers | 4,658 | 4,596 | 62 |
| Total Department of Health | 5,280 | 5,216 | 64 |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 270 | 245 | 25 |
| Employee Insurance Benefits | 407 | 401 | 6 |
| Public Employee Assistance | 2 | 2 | - |
| Workers' Compensation Insurance | 16 | 16 | - |
| General Fund Overhead Charge | 106 | 106 | - |
| | <u>801</u> | <u>770</u> | <u>31</u> |
| Total Nondepartmental Accounts | 801 | 770 | 31 |
| Total Expenditures | <u>6,081</u> | <u>5,986</u> | <u>95</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (781) | (1,128) | (347) |
| Cancellation of Prior Year Encumbrances | 24 | 24 | |
| Fund Balance - January 1 | <u>1,613</u> | <u>1,613</u> | |
| Fund Balance - December 31 | <u>\$ 856</u> | <u>\$ 509</u> | <u>\$ (347)</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND | | | |
| REVENUES | | | |
| Intergovernmental Revenue | | | |
| Motor Vehicle License | \$ 1,830 | \$ 1,810 | \$ (20) |
| Gasoline | 7,906 | 7,603 | (303) |
| Miscellaneous | 375 | 377 | 2 |
| Total Revenues | 10,111 | 9,790 | (321) |
| EXPENDITURES | | | |
| Department of Parks | | | |
| Operations and Facility Management | | | |
| Personal Services | 194 | 194 | - |
| Non-Personal Services | 84 | 84 | - |
| Total Operations and Facility Management | 278 | 278 | - |
| Total Department of Parks | 278 | 278 | - |
| Department of Public Services | | | |
| Traffic and Road Operations Division | | | |
| Personal Services | 3,047 | 2,990 | 57 |
| Non-Personal Services | 1,906 | 1,813 | 93 |
| Capital Outlay | 17 | 17 | - |
| Total Traffic and Road Operations Division | 4,970 | 4,820 | 150 |
| Neighborhood Operations Division | | | |
| Personal Services | 2,173 | 2,158 | 15 |
| Non-Personal Services | 229 | 215 | 14 |
| Total Neighborhood Operations Division | 2,402 | 2,373 | 29 |
| Total Department of Public Services | 7,372 | 7,193 | 179 |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 1,180 | 1,070 | 110 |
| Employee Insurance Benefits | 1,674 | 1,603 | 71 |
| Public Employee Assistance | 8 | 7 | 1 |
| Workers' Compensation Insurance | 50 | 50 | - |
| State Unemployment Compensation | 68 | 61 | 7 |
| Total Nondepartmental Accounts | 2,980 | 2,791 | 189 |
| Total Expenditures | 10,630 | 10,262 | 368 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (519) | (472) | 47 |
| Cancellation of Prior Year Encumbrances | 330 | 330 | |
| Fund Balance - January 1 | 3,156 | 3,156 | |
| Fund Balance - December 31 | <u>\$ 2,967</u> | <u>\$ 3,014</u> | <u>\$ 47</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| PARKING METER FUND | | | |
| REVENUES | | | |
| Charges for Current Services | \$ 1,089 | \$ 1,106 | \$ 17 |
| Total Revenues | 1,089 | 1,106 | 17 |
| EXPENDITURES | | | |
| Department of Police | | | |
| Personal Services | 366 | 366 | - |
| Total Department of Police | 366 | 366 | - |
| Department of Transportation & Engineering | | | |
| Division of Traffic Engineering | | | |
| Personal Services | 102 | 32 | 70 |
| Non-Personal Services | 594 | 500 | 94 |
| Total Department of Transportation and Engineering | 696 | 532 | 164 |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 48 | 42 | 6 |
| Employee Insurance Benefits | 24 | 18 | 6 |
| Workers' Compensation Insurance | 5 | 4 | 1 |
| Downtown Special Improvement District | 112 | 90 | 22 |
| Reserve for Contingencies | 50 | - | 50 |
| Total Nondepartmental Accounts | 239 | 154 | 85 |
| Total Expenditures | 1,301 | 1,052 | 249 |
| OTHER FINANCING Sources(Uses) | | | |
| Transfers In | 1,089 | 1,106 | 17 |
| Total Other Financing Sources | 1,089 | 1,106 | 17 |
| Net Change in Fund Balance | 877 | 1,160 | 283 |
| Fund Balance - January 1 | 1,059 | 1,059 | |
| Fund Balance - December 31 | <u>\$ 1,936</u> | <u>\$ 2,219</u> | <u>\$ 283</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|-----------------|---|
| CABLE TV FUND | | | |
| REVENUES | | | |
| License and Permits | \$ 2,495 | \$ 2,745 | \$ 250 |
| Charges for Services | - | 174 | 174 |
| Miscellaneous | 5 | 19 | 14 |
| Total Revenues | 2,500 | 2,938 | 438 |
| EXPENDITURES | | | |
| Enterprise Technology Services | | | |
| Personal Services | 963 | 956 | 7 |
| Non-Personal Services | 364 | 355 | 9 |
| Total Enterprise Technology Services | 1,327 | 1,311 | 16 |
| Department of the City Manager | | | |
| Office of the City Manager | | | |
| Personal Services | 410 | 407 | 3 |
| Non-Personal Services | 153 | 144 | 9 |
| Total Department of the City Manager | 563 | 551 | 12 |
| Division of Economic Development | | | |
| Personal Services | 57 | 35 | 22 |
| Non-Personal Services | 135 | 135 | - |
| Total Division of Economic Development | 192 | 170 | 22 |
| Total Department of the City Manager | 755 | 721 | 34 |
| Department of Community Development | | | |
| Division of Housing Development | | | |
| Non-Personal Services | 110 | 110 | - |
| Total Department of Community Development | 110 | 110 | - |
| Department of Police | | | |
| Personal Services | 74 | 74 | - |
| Total Department of Police | 74 | 74 | - |
| Department of Fire | | | |
| Personal Services | 81 | 75 | 6 |
| Total Department of Fire | 81 | 75 | 6 |
| Department of Public Services | | | |
| Office of the Director | | | |
| Personal Services | 57 | 54 | 3 |
| Total Office of the Director | 57 | 54 | 3 |
| Division of Neighborhood Operations | | | |
| Personal Services | 35 | 34 | 1 |
| Total Division of Neighborhood Operations | 35 | 34 | 1 |
| Total Department of Pubic Services | 92 | 88 | 4 |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 363 | 359 | 4 |
| Employee Insurance Benefits | 435 | 431 | 4 |
| Contribution to Police Pension System | 14 | 14 | - |
| Contribution to Police Fire System | 19 | 19 | - |
| Workers' Compensation Insurance | 13 | 13 | - |
| General Fund Overhead | 105 | 105 | - |
| Total Nondepartmental Accounts | 949 | 941 | 8 |
| Total Expenditures | 3,388 | 3,320 | 68 |
| Excess (Deficiency) of Revenues over (under) Expenditures | (888) | (382) | 506 |
| Cancellation of Prior Years Encumbrances | 122 | 122 | |
| Fund Balance - January 1 | 1,565 | 1,565 | |
| Fund Balance - December 31 | \$ 799 | \$ 1,305 | \$ 506 |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|---------------------------------------|---------------|---------------|---|
| INCOME TAX INFRASTRUCTURE FUND | | | |
| REVENUES | | | |
| Taxes | | | |
| City Income Tax | \$ 14,211 | \$ 15,081 | \$ 870 |
| Miscellaneous | 565 | 1,040 | 475 |
| Total Revenues | 14,776 | 16,121 | 1,345 |
| EXPENDITURES | | | |
| Enterprise Technology Services | | | |
| Non-Personal Services | 715 | 715 | - |
| Total Enterprise Technology Services | 715 | 715 | - |
| Office of the City Manager | | | |
| Personal Services | 103 | 102 | 1 |
| Total Office of the City Manager | 103 | 102 | 1 |
| Office of Budget and Evaluation | | | |
| Personal Services | 37 | 37 | - |
| Non-Personal Services | 15 | 12 | 3 |
| Total Office of Budget and Evaluation | 52 | 49 | 3 |
| Department of Law | | | |
| Administration | | | |
| Personal Services | 141 | 133 | 8 |
| Non-Personal Services | 7 | 5 | 2 |
| Total Department of Law | 148 | 138 | 10 |
| Department of Human Resources | | | |
| Personal Services | 176 | 176 | - |
| Total Department of Human Resources | 176 | 176 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | | | |
| Personal Services | 181 | 180 | 1 |
| Non-Personal Services | 3 | 1 | 2 |
| Total Division of Accounts and Audits | 184 | 181 | 3 |
| Division of Purchasing | | | |
| Personal Services | 82 | 82 | - |
| Total Division of Purchasing | 82 | 82 | - |
| Total Department of Finance | 266 | 263 | 3 |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|---|---------------|---------------|---|
| INCOME TAX INFRASTRUCTURE FUND | | | |
| (Continued) | | | |
| Expenditures | | | |
| Department of City Planning and Buildings | | | |
| Licenses and Permits | | | |
| Personal Services | \$ 67 | \$ 48 | \$ 19 |
| Total Department of City Planning and Building | 67 | 48 | 19 |
| Department of Public Recreation | | | |
| Division of Maintenance | | | |
| Personal Services | 301 | 301 | - |
| Total Department of Public Recreation | 301 | 301 | - |
| Department of Parks | | | |
| Division of Operations and Facility Management | | | |
| Personal Services | 1,052 | 1,052 | - |
| Non-Personal Services | 1 | 1 | - |
| Total Division of Operations and Facility Management | 1,053 | 1,053 | - |
| Division of Administration and Program Services | | | |
| Personal Services | 88 | 88 | - |
| Total Division of Administration and Program Services | 88 | 88 | - |
| Total Department of Parks | 1,141 | 1,141 | - |
| Department of Transportation and Engineering | | | |
| Office of the Director | | | |
| Personal Services | 482 | 481 | 1 |
| Non-Personal Services | 36 | 11 | 25 |
| Total Office of the Director | 518 | 492 | 26 |
| Division of Transportation, Planning and Urban Design | | | |
| Personal Services | 120 | 24 | 96 |
| Non-Personal Services | 15 | 2 | 13 |
| Total Division of Transportation, Planning and Urban Design | 135 | 26 | 109 |
| Division of Engineering | | | |
| Personal Services | 1,351 | 1,348 | 3 |
| Non-Personal Services | 397 | 365 | 32 |
| Total Division of Engineering | 1,748 | 1,713 | 35 |
| Division of Traffic Engineering | | | |
| Personal Services | 1,032 | 1,032 | - |
| Non-Personal Services | 87 | 80 | 7 |
| Total Division of Traffic Engineering | 1,119 | 1,112 | 7 |
| Total Department of Transportation and Engineering | 3,520 | 3,343 | 177 |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|---|-----------------|-----------------|---|
| INCOME TAX INFRASTRUCTURE FUND | | | |
| (Continued) | | | |
| Expenditures | | | |
| Department of Public Service: | | | |
| Office of the Director | | | |
| Personal Services | \$ 66 | \$ 65 | \$ 1 |
| Non-Personal Services | 44 | 22 | 22 |
| Total Office of the Director | 110 | 87 | 23 |
| Division of Traffic and Road Operations | | | |
| Personal Services | 1,007 | 979 | 28 |
| Non-Personal Services | 874 | 729 | 145 |
| Capital Outlay | 11 | 6 | 5 |
| Total Division of Traffic and Road Operations | 1,892 | 1,714 | 178 |
| Division of City Facility Management | | | |
| Personal Services | 1,074 | 1,037 | 37 |
| Non-Personal Services | 933 | 926 | 7 |
| Total City Facility Management | 2,007 | 1,963 | 44 |
| Total Department of Public Service: | 4,009 | 3,764 | 245 |
| Nondepartmental Accounts: | | | |
| Contribution to Pension System | 2,030 | 1,914 | 116 |
| Employee Insurance Benefits | 2,287 | 2,195 | 92 |
| Public Employee Assistance | 11 | 10 | 1 |
| State Unemployment Compensation | 75 | 4 | 71 |
| Workers' Compensation Insurance | 73 | 73 | - |
| General Fund Overhead | 606 | 606 | - |
| Total Nondepartmental Accounts | 5,082 | 4,802 | 280 |
| Total Expenditures | 15,580 | 14,842 | 738 |
| Excess (Deficiency) of Revenues over (under) Expenditures: | (804) | 1,279 | 2,083 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | - | 4 | 4 |
| Transfers Out | - | - | - |
| Total Other Financing Sources: | - | 4 | 4 |
| Net Change in Fund Balance: | (804) | 1,283 | 2,087 |
| Cancellation of Prior Years Encumbrance | 406 | 406 | |
| Fund Balance - January 1 | 3,549 | 3,549 | |
| Fund Balance - December 31 | <u>\$ 3,151</u> | <u>\$ 5,238</u> | <u>\$ 2,087</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|------------------|---|
| INCOME TAX TRANSIT FUND | | | |
| REVENUES | | | |
| Taxes | | | |
| City Income Tax | \$ 42,638 | \$ 45,242 | \$ 2,604 |
| Use of Money and Property | 165 | 145 | (20) |
| Total Revenues | <u>42,803</u> | <u>45,387</u> | <u>2,584</u> |
| EXPENDITURES | | | |
| SORTA | | | |
| Operations | <u>41,745</u> | <u>41,745</u> | <u>-</u> |
| Total SORTA | 41,745 | 41,745 | - |
| Office of the City Manager | | | |
| Office of Budget and Evaluation | | | |
| Personal Services | 18 | 9 | 9 |
| Non-Personal Services | <u>6</u> | <u>4</u> | <u>2</u> |
| Total Office of the City Manager | 24 | 13 | 11 |
| Department of Law | | | |
| Non-Personal Services | <u>100</u> | <u>100</u> | <u>-</u> |
| Total Department of Law | 100 | 100 | - |
| Department of Parks | | | |
| Non-Personal Services | <u>26</u> | <u>-</u> | <u>26</u> |
| Total Department of Parks | 26 | - | 26 |
| Department of Transportation and Engineering | | | |
| Division of Transportation, Planning & Urban Design | | | |
| Personal Services | 36 | 8 | 28 |
| Non-Personal Services | <u>97</u> | <u>75</u> | <u>22</u> |
| Total Division of Transportation, Planning & Urban Design | 133 | 83 | 50 |
| Division of Engineering | | | |
| Non-Personal Services | <u>25</u> | <u>-</u> | <u>25</u> |
| Total Division of Engineering | 25 | - | 25 |
| Division of Traffic Engineering | | | |
| Non-Personal Services | <u>1,737</u> | <u>1,737</u> | <u>-</u> |
| Total Division of Traffic Engineering | 1,737 | 1,737 | - |
| Total Department of Transportation and Engineering | 1,895 | 1,820 | 75 |
| Nondepartmental Accounts | | | |
| General Fund Overhead | <u>500</u> | <u>445</u> | <u>55</u> |
| Total Nondepartmental Accounts | 500 | 445 | 55 |
| Total Expenditures | <u>44,290</u> | <u>44,123</u> | <u>167</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (1,487) | 1,264 | 2,751 |
| OTHER FINANCING (Uses) | | | |
| Transfers In | 25 | 25 | |
| Transfers Out | <u>(100)</u> | <u>(100)</u> | |
| Total Other Financing Uses | (75) | (75) | - |
| Net Change in Fund Balance | (1,562) | 1,189 | 2,751 |
| Cancellation of Prior Years Encumbrances | 1 | 1 | |
| Fund Balance - January 1 | <u>9,540</u> | <u>9,540</u> | |
| Fund Balance - December 31 | <u>\$ 7,979</u> | <u>\$ 10,730</u> | <u>\$ 2,751</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| MOTOR VEHICLE LICENSE FUND | | | |
| REVENUES | | | |
| Intergovernmental Revenue | \$ 2,535 | 2,456 | \$ (79) |
| Miscellaneous | 15 | 60 | 45 |
| Total Revenues | <u>2,550</u> | <u>2,516</u> | <u>(34)</u> |
| EXPENDITURES | | | |
| Department of Public Services | | | |
| Traffic and Road Operations Division | | | |
| Personal Services | 1,209 | 1,184 | 25 |
| Non-Personal Services | 725 | 684 | 41 |
| Total Department of Public Services | <u>1,934</u> | <u>1,868</u> | <u>66</u> |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 276 | 243 | 33 |
| Employee Insurance Benefits | 352 | 302 | 50 |
| Workers' Compensation Insurance | 12 | 12 | - |
| Public Employees Assistance Program | 2 | 2 | - |
| General Fund Overhead | 99 | 99 | - |
| Total Nondepartmental Accounts | <u>741</u> | <u>658</u> | <u>83</u> |
| Total Expenditures | <u>2,675</u> | <u>2,526</u> | <u>149</u> |
| Net Change in Fund Balance | (125) | (10) | 115 |
| Cancellation of Prior Years Encumbrances | 23 | 23 | |
| Fund Balance - January 1 | <u>550</u> | <u>550</u> | |
| Fund Balance - December 31 | <u>\$ 448</u> | <u>\$ 563</u> | <u>\$ 115</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|------------------------------------|---------------|---------------|---|
| SPECIAL RECREATION FUND | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 429 | \$ 425 | \$ (4) |
| Charges for Services | 3,494 | 3,577 | 83 |
| Intergovernmental Revenue | 2 | - | (2) |
| Miscellaneous | - | 12 | 12 |
| Total Revenues | <u>3,925</u> | <u>4,014</u> | <u>89</u> |
| EXPENDITURES | | | |
| Department of Recreation | | | |
| West Region | | | |
| Personal Services | 441 | 416 | 25 |
| Non-Personal Services | 171 | 104 | 67 |
| Total West Region | <u>612</u> | <u>520</u> | <u>92</u> |
| East Region | | | |
| Personal Services | 668 | 660 | 8 |
| Non-Personal Services | 170 | 143 | 27 |
| Total East Region | <u>838</u> | <u>803</u> | <u>35</u> |
| Central Region | | | |
| Personal Services | 483 | 481 | 2 |
| Non-Personal Services | 146 | 98 | 48 |
| Total Central Region | <u>629</u> | <u>579</u> | <u>50</u> |
| Maintenance Division | | | |
| Non-Personal Services | 1 | - | 1 |
| Total Maintenance Division | <u>1</u> | <u>-</u> | <u>1</u> |
| Division of Athletics | | | |
| Personal Services | 416 | 362 | 54 |
| Non-Personal Services | 507 | 501 | 6 |
| Total Division of Athletics | <u>923</u> | <u>863</u> | <u>60</u> |
| Division of Support Services | | | |
| Personal Services | 65 | 65 | - |
| Non-Personal Services | 35 | 32 | 3 |
| Capital Outlay | 11 | - | 11 |
| Total Division of Support Services | <u>111</u> | <u>97</u> | <u>14</u> |
| Total Department of Recreation | <u>3,114</u> | <u>2,862</u> | <u>252</u> |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| SPECIAL RECREATION FUND | | | |
| (Continued) | | | |
| Department of Parks | | | |
| Division of Parks, Operations, and Facility Management | | | |
| Personal Services | \$ 165 | \$ 140 | \$ 25 |
| Non-Personal Services | 594 | 411 | 183 |
| Total Division of Parks, Operations and Facility Mgt | <u>759</u> | <u>551</u> | <u>208</u> |
| Total Department of Parks | 759 | 551 | 208 |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 134 | 114 | 20 |
| Employee Insurance Benefits | 86 | 69 | 17 |
| Public Employee Assistance | 3 | 2 | 1 |
| Workers' Compensation Insurance | 20 | 19 | 1 |
| General Fund Overhead | 172 | 158 | 14 |
| Total Nondepartmental Accounts | <u>415</u> | <u>362</u> | <u>53</u> |
| Total Expenditures | <u>4,288</u> | <u>3,775</u> | <u>513</u> |
| Net Change in Fund Balance | (363) | 239 | 602 |
| Cancellation of Prior Year Encumbrances | 34 | 34 | |
| Fund Balance - January 1 | <u>2,724</u> | <u>2,724</u> | |
| Fund Balance - December 31 | <u>\$ 2,395</u> | <u>\$ 2,997</u> | <u>\$ 602</u> |

Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| RECREATION GRANTS | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 57 | \$ 57 | \$ - |
| State Grants and Subsidies | 849 | 849 | - |
| Charges for Current Services | <u>14</u> | <u>14</u> | <u>-</u> |
| Total Revenues | 920 | 920 | - |
| EXPENDITURES | | | |
| Department of Recreation | | | |
| Region 1 | | | |
| Non-Personal Services | <u>4</u> | <u>4</u> | <u>-</u> |
| Total Region 1 | 4 | 4 | - |
| Region 2 | | | |
| Non-Personal Services | <u>4</u> | <u>4</u> | <u>-</u> |
| Total Region 2 | 4 | 4 | - |
| Region 3 | | | |
| Non-Personal Services | <u>33</u> | <u>33</u> | <u>-</u> |
| Total Region 3 | 33 | 33 | - |
| Division of Athletics | | | |
| Personal Services | 661 | 661 | - |
| Non-Personal Services | <u>133</u> | <u>133</u> | <u>-</u> |
| Total Division of Athletics | 794 | 794 | - |
| Division of Support Services | | | |
| Personal Services | 18 | 18 | - |
| Non-Personal Services | <u>95</u> | <u>95</u> | <u>-</u> |
| Total Division of Support Services | <u>113</u> | <u>113</u> | <u>-</u> |
| Total Expenditures | <u>948</u> | <u>948</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (28) | (28) | - |
| OTHER FINANCING Sources(Uses) | | | |
| Transfers In | <u>11</u> | <u>11</u> | <u>-</u> |
| Total Other Financing Sources | 11 | 11 | - |
| Net Change in Fund Balance | (17) | (17) | - |
| Fund Balance - January 1 | <u>3,068</u> | <u>3,068</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 3,051</u> | <u>\$ 3,051</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| PARKS | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 439 | \$ 439 | \$ - |
| Charges for Current Services | 671 | 671 | - |
| State Grants and Subsidies | 16 | 16 | - |
| Miscellaneous | <u>71</u> | <u>71</u> | <u>-</u> |
| Total Revenues | 1,197 | 1,197 | - |
| EXPENDITURES | | | |
| Department of Parks | | | |
| Office of the Director | | | |
| Non-Personal Services | <u>31</u> | <u>31</u> | <u>-</u> |
| Total Office of the Director | 31 | 31 | - |
| Division of Operations and Facility Management | | | |
| Personal Services | 121 | 121 | - |
| Non-Personal Services | <u>99</u> | <u>99</u> | <u>-</u> |
| Total Division of Operations and Facility Management | 220 | 220 | - |
| Division of Administration and Program Services | | | |
| Personal Services | 461 | 461 | - |
| Non-Personal Services | <u>324</u> | <u>324</u> | <u>-</u> |
| Total Division of Administration and Program Services | <u>785</u> | <u>785</u> | <u>-</u> |
| Total Department of Parks | 1,036 | 1,036 | - |
| Total Expenditures | <u>1,036</u> | <u>1,036</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 161 | 161 | - |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | <u>26</u> | <u>26</u> | <u>-</u> |
| Total Financing Sources | <u>26</u> | <u>26</u> | <u>-</u> |
| Net Change in Fund Balances | 187 | 187 | - |
| Fund Balance - January 1 | <u>2,785</u> | <u>2,785</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 2,972</u> | <u>\$ 2,972</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| SAFETY | | | |
| REVENUES | | | |
| Licenses and Permits | \$ 182 | \$ 182 | \$ - |
| Use of Money and Property | 58 | 58 | - |
| Intergovernmental Revenue | 5,944 | 5,944 | - |
| Federal Grants | 3,930 | 3,930 | - |
| State Grants and Subsidies | 315 | 315 | - |
| Charges for Current Services | 1,291 | 1,291 | - |
| Miscellaneous | 23 | 23 | - |
| | <u>11,743</u> | <u>11,743</u> | <u>-</u> |
| Total Revenues | 11,743 | 11,743 | - |
| EXPENDITURES | | | |
| Enterprise Technology Services | | | |
| Personal Services | 1,080 | 1,080 | - |
| Non-Personal Services | 3,749 | 3,749 | - |
| | <u>4,829</u> | <u>4,829</u> | <u>-</u> |
| Total Enterprise Technology Services | 4,829 | 4,829 | - |
| Department of Police | | | |
| Personal Services | 73 | 73 | - |
| Non-Personal Services | 5,024 | 5,024 | - |
| Capital Outlay | 360 | 360 | - |
| Debt Services | 270 | 270 | - |
| | <u>5,727</u> | <u>5,727</u> | <u>-</u> |
| Total Department of Police | 5,727 | 5,727 | - |
| Department of Fire | | | |
| Personal Services | 58 | 58 | - |
| Non-Personal Services | 1,357 | 1,357 | - |
| Capital Outlay | 370 | 370 | - |
| | <u>1,785</u> | <u>1,785</u> | <u>-</u> |
| Total Department of Fire | 1,785 | 1,785 | - |
| | <u>12,341</u> | <u>12,341</u> | <u>-</u> |
| Total Expenditures | 12,341 | 12,341 | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | (598) | (598) | - |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 455 | 455 | - |
| Transfers Out | (430) | (430) | - |
| | <u>25</u> | <u>25</u> | <u>-</u> |
| Total Other Financing Sources | 25 | 25 | - |
| Net Change in Fund Balance | (573) | (573) | |
| Fund Balance - January 1 | <u>7,048</u> | <u>7,048</u> | |
| Fund Balance - December 31 | <u>\$ 6,475</u> | <u>\$ 6,475</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|---|-----------------|-----------------|---|
| HEALTH GRANTS | | | |
| REVENUES | | | |
| Licenses and Permits | \$ 1,079 | \$ 1,079 | \$ - |
| Use of Money and Property | 4 | 4 | - |
| Intergovernmental Revenue | 1,458 | 1,458 | - |
| Federal Grants | 1,271 | 1,271 | - |
| State Grants and Subsidies | 6,622 | 6,622 | - |
| Charges for Current Services | 3,931 | 3,931 | - |
| Special Assessments | <u>2</u> | <u>2</u> | <u>-</u> |
| Total Revenues | 14,367 | 14,367 | - |
| EXPENDITURES | | | |
| Department of Public Health | | | |
| Office of the Commissioner | | | |
| Personal Services | 217 | 217 | - |
| Non-Personal Services | <u>802</u> | <u>802</u> | <u>-</u> |
| Total Office of the Commissioner | 1,019 | 1,019 | - |
| Division of Technical Resources | | | |
| Non-Personal Services | <u>2</u> | <u>2</u> | <u>-</u> |
| Total Division of Technical Resources | 2 | 2 | - |
| Division of Community Health | | | |
| Personal Services | 1,432 | 1,432 | - |
| Non-Personal Services | <u>839</u> | <u>839</u> | <u>-</u> |
| Total Division of Community Health | 2,271 | 2,271 | - |
| Division of Primary Care - Special Programs | | | |
| Personal Services | 2,559 | 2,559 | - |
| Non-Personal Services | <u>1,210</u> | <u>1,210</u> | <u>-</u> |
| Total Division of Primary Care - Special Programs | 3,769 | 3,769 | - |
| Division of Primary Care - Health Centers | | | |
| Personal Services | 1,406 | 1,406 | - |
| Non-Personal Services | <u>1,688</u> | <u>1,688</u> | <u>-</u> |
| Total Division of Primary Care - Health Centers | 3,094 | 3,094 | - |
| Division of School and Adolescent Health | | | |
| Personal Services | 1,059 | 1,059 | - |
| Non-Personal Services | <u>228</u> | <u>228</u> | <u>-</u> |
| Total Division of School and Adolescent Health | <u>1,287</u> | <u>1,287</u> | <u>-</u> |
| Total Department of Health | 11,442 | 11,442 | - |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 1,129 | 1,129 | - |
| Employee Hospital Care | 1,225 | 1,225 | - |
| Dental and Vision Care | 94 | 94 | - |
| Medicare Tax | 87 | 87 | - |
| Public Employee Assistance | 8 | 8 | - |
| Workers' Compensation Insurance | 66 | 66 | - |
| General Fund Overhead Charge | <u>146</u> | <u>146</u> | <u>-</u> |
| Total Nondepartmental Accounts | <u>2,755</u> | <u>2,755</u> | <u>-</u> |
| Total Expenditures | <u>14,197</u> | <u>14,197</u> | <u>-</u> |
| Net Change in Fund Balance | 170 | 170 | - |
| Fund Balance - January 1 | <u>2,671</u> | <u>2,671</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 2,841</u> | <u>\$ 2,841</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| CINCINNATI BLUE ASH AIRPORT | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 44 | \$ 44 | \$ - |
| Miscellaneous | <u>211</u> | <u>211</u> | <u>-</u> |
| Total Revenues | 255 | 255 | - |
| EXPENDITURES | | | |
| Department of Transportation and Engineering | | | |
| Division of Aviation | | | |
| Non-Personal Services | <u>66</u> | <u>66</u> | <u>-</u> |
| Total Division of Aviation | <u>66</u> | <u>66</u> | <u>-</u> |
| Total Department of Transportation and Engineering | <u>66</u> | <u>66</u> | <u>-</u> |
| Total Expenditures | <u>66</u> | <u>66</u> | <u>-</u> |
| Net Change in Fund Balance | 189 | 189 | - |
| Fund Balance - January 1 | <u>249</u> | <u>249</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 438</u> | <u>\$ 438</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|---------------------------------------|---------------|---------------|---|
| COMMUNITY DEVELOPMENT | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 1,348 | \$ 1,348 | \$ - |
| Federal Grants | 15,299 | 15,299 | - |
| Charges for Current Services | 65 | 65 | - |
| Miscellaneous | <u>424</u> | <u>424</u> | <u>-</u> |
| Total Revenues | 17,136 | 17,136 | - |
| EXPENDITURES | | | |
| Department of the City Manager | | | |
| Office of the City Manager | | | |
| Personal Services | 23 | 23 | - |
| Non-Personal Services | <u>13</u> | <u>13</u> | <u>-</u> |
| Total Office of the City Manager | 36 | 36 | - |
| Office of Budget and Evaluation | | | |
| Personal Services | 182 | 182 | - |
| Non-Personal Services | <u>33</u> | <u>33</u> | <u>-</u> |
| Total Office of Budget and Evaluation | <u>215</u> | <u>215</u> | <u>-</u> |
| Total Department of the City Manager | 251 | 251 | - |
| Department of Law | | | |
| Division of Administration | | | |
| Non-Personal Services | 4 | 4 | - |
| Capital Outlay | <u>15</u> | <u>15</u> | <u>-</u> |
| Total Department of Law | 19 | 19 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | | | |
| Personal Services | 75 | 75 | - |
| Non-Personal Services | <u>1</u> | <u>1</u> | <u>-</u> |
| Total Division of Accounts and Audits | 76 | 76 | - |
| Division of Treasury | | | |
| Personal Services | <u>18</u> | <u>18</u> | <u>-</u> |
| Total Division of Treasury | 18 | 18 | - |
| Division of Income Tax | | | |
| Capital Outlay | <u>1</u> | <u>1</u> | <u>-</u> |
| Total Division of Income Tax | <u>1</u> | <u>1</u> | <u>-</u> |
| Total Department of Finance | 95 | 95 | - |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| COMMUNITY DEVELOPMENT | | | |
| (Continued) | | | |
| EXPENDITURES | | | |
| Department of Community Development | | | |
| Office of the Director | | | |
| Personal Services | \$ 336 | \$ 336 | \$ - |
| Non-Personal Services | 245 | 245 | - |
| Capital Outlay | <u>1,475</u> | <u>1,475</u> | <u>-</u> |
| Total Office of the Director | 2,056 | 2,056 | - |
| Division of Housing Development | | | |
| Personal Services | 160 | 160 | - |
| Non-Personal Services | 122 | 122 | - |
| Capital Outlay | <u>9,348</u> | <u>9,348</u> | <u>-</u> |
| Total Division of Housing Development | 9,630 | 9,630 | - |
| Division of Human Services | | | |
| Capital Outlay | <u>62</u> | <u>62</u> | <u>-</u> |
| Total Division of Human Services | 62 | 62 | - |
| Division of Community Development | | | |
| Personal Services | 47 | 47 | - |
| Capital Outlay | <u>1,286</u> | <u>1,286</u> | <u>-</u> |
| Total Division of Community Development | 1,333 | 1,333 | - |
| Division of New Construction and Existing Building Standards | | | |
| Capital Outlay | <u>1,719</u> | <u>1,719</u> | <u>-</u> |
| Total Division of New Construction and Existing Building Standards | 1,719 | 1,719 | - |
| Total Department of Community Development | 14,800 | 14,800 | - |
| Department of City Planning and Buildings | | | |
| Division of City Planning | | | |
| Personal Services | 308 | 308 | - |
| Non-Personal Services | <u>20</u> | <u>20</u> | <u>-</u> |
| Total Division of City Planning | 328 | 328 | - |
| Division of Licenses and Permits | | | |
| Non-Personal Services | <u>9</u> | <u>9</u> | <u>-</u> |
| Total Division of Licenses and Permits | 9 | 9 | - |
| Total Department of City Planning and Buildings | 337 | 337 | - |
| Department of Citizens' Complaint Authority | | | |
| Personal Services | <u>10</u> | <u>10</u> | <u>-</u> |
| Total Department of Citizens' Complaint Authority | 10 | 10 | - |
| Department of Parks | | | |
| Division of Administration and Program Services | | | |
| Capital Outlay | <u>100</u> | <u>100</u> | <u>-</u> |
| Total Division of Administration and Program Services | 100 | 100 | - |
| Total Department of Parks | 100 | 100 | - |
| Department of Police | | | |
| Capital Outlay | <u>105</u> | <u>105</u> | <u>-</u> |
| Total Department of Police | 105 | 105 | - |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-------------------|-------------------|---|
| COMMUNITY DEVELOPMENT | | | |
| (Continued) | | | |
| EXPENDITURES | | | |
| Department of Public Services | | | |
| Division of City Facility Management | | | |
| Capital Outlay | \$ 570 | \$ 570 | \$ - |
| Total Division of City Facility Management | <u>570</u> | <u>570</u> | <u>-</u> |
| Total Department of Public Services | 570 | 570 | - |
| Department of Health | | | |
| Division of Community Health | | | |
| Capital Outlay | <u>878</u> | <u>878</u> | <u>-</u> |
| Division of Community Health | 878 | 878 | - |
| Division of Primary Health Care - Centers | | | |
| Capital Outlay | <u>48</u> | <u>48</u> | <u>-</u> |
| Division of Primary Health Care - Centers | <u>48</u> | <u>48</u> | <u>-</u> |
| Total Department of Health | 926 | 926 | - |
| Nondepartmental Accounts | | | |
| Contribution to Pension System | 391 | 391 | - |
| Employee Hospital Care | 419 | 419 | - |
| Public Employee Assistance | 2 | 2 | - |
| Workers' Compensation Insurance | 12 | 12 | - |
| Indirect Costs | 195 | 195 | - |
| Special Investigations and Studies | <u>543</u> | <u>543</u> | <u>-</u> |
| Total Nondepartmental Accounts | <u>1,562</u> | <u>1,562</u> | <u>-</u> |
| Total Expenditures | <u>18,775</u> | <u>18,775</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | (1,639) | (1,639) | - |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers Out | <u>(353)</u> | <u>(353)</u> | <u>-</u> |
| Total Other Financing Uses | (353) | (353) | - |
| Net Change in Fund Balance | (1,992) | (1,992) | |
| Fund Balance - January 1 | <u>(1,001)</u> | <u>(1,001)</u> | |
| Fund Balance - December 31 | <u>\$ (2,993)</u> | <u>\$ (2,993)</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| DEPARTMENT OF LABOR GRANTS | | | |
| REVENUES | | | |
| Federal Grants | \$ 81 | \$ 81 | \$ - |
| Total Revenues | 81 | 81 | - |
| EXPENDITURES | | | |
| Department of Community Development | | | |
| Division of Housing Development | | | |
| Non-Personal Services | 81 | 81 | - |
| Total Division of Housing Development | 81 | 81 | - |
| Division of Community Development | | | |
| Non-Personal Services | - | - | - |
| Total Division of Housing Development | - | - | - |
| Total Department of Community Development and Planning | 81 | 81 | - |
| Total Expenditures | 81 | 81 | - |
| Net Change in Fund Balance | - | - | - |
| Fund Balance - January 1 | 487 | 487 | |
| Fund Balance - December 31 | <u>\$ 487</u> | <u>\$ 487</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| OTHER GRANTS AND SPECIAL REVENUES | | | |
| REVENUES | | | |
| Taxes | \$ 2,270 | \$ 2,270 | \$ - |
| Use of Money and Property | 1,547 | 1,547 | - |
| Special Assessments | 5,172 | 5,172 | - |
| Federal Grants | 29,782 | 29,782 | - |
| State Grants and Subsidies | 209 | 209 | - |
| Intergovernmental Revenue | 3,000 | 3,000 | - |
| Charges for Current Services | 1,540 | 1,540 | - |
| License and Permits | 13 | 13 | - |
| Miscellaneous | 870 | 870 | - |
| Total Revenues | 44,403 | 44,403 | - |
| EXPENDITURES | | | |
| Department of the City Manager | | | |
| Office of the City Manager | | | |
| Non-Personal Services | 14 | 14 | - |
| Total Office of the City Manager | 14 | 14 | - |
| Office of Budget and Evaluation | | | |
| Non-Personal Services | 251 | 251 | - |
| Capital Outlay | 147 | 147 | - |
| Total Office of Budget and Evaluation | 398 | 398 | - |
| Office of Environmental Management | | | |
| Personal Services | 271 | 271 | - |
| Non-Personal Services | 218 | 218 | - |
| Capital Outlay | 580 | 580 | - |
| Debt Service | 502 | 502 | - |
| Total Office of Environmental Management | 1,571 | 1,571 | - |
| Office of Economic Development | | | |
| Non-Personal Services | 247 | 247 | - |
| Total Office of Environmental Management | 247 | 247 | - |
| Total Department of the City Manager | 2,230 | 2,230 | - |
| Department of Law | | | |
| Capital Outlay | 25 | 25 | - |
| Total Department of Law | 25 | 25 | - |
| Department of Finance | | | |
| Division of Accounts and Audits | | | |
| Personal Services | 123 | 123 | - |
| Non-Personal Services | 314 | 314 | - |
| Capital Outlay | 11 | 11 | - |
| Total Division of Accounts and Audits | 448 | 448 | - |
| Division of Treasury | | | |
| Non-Personal Services | 4,538 | 4,538 | - |
| Total Division of Treasury | 4,538 | 4,538 | - |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| OTHER GRANTS AND SPECIAL REVENUES | Budget | Actual | Variance with Budget - Positive (Negative) |
|--|---------------|---------------|---|
| (Continued) | | | |
| Expenditures | | | |
| Division of Risk Management | | | |
| Personal Services | \$ 783 | \$ 783 | \$ - |
| Non-Personal Services | 454 | 454 | - |
| Total Division of Risk Management | <u>1,237</u> | <u>1,237</u> | <u>-</u> |
| Total Department of Finance | 6,223 | 6,223 | - |
| Division of Housing Development | 91 | 91 | - |
| Non-Personal Services | 1,782 | 1,782 | - |
| Capital Outlay | 17,158 | 17,158 | - |
| Total Division of Housing Development | <u>19,031</u> | <u>19,031</u> | <u>-</u> |
| Division of Community Development | | | |
| Personal Services | 10 | 10 | - |
| Non-Personal Services | 34 | 34 | - |
| Capital Outlay | 3 | 3 | - |
| Total Division of Community Development | <u>47</u> | <u>47</u> | <u>-</u> |
| Division of New Construction and Existing Building Standards | | | |
| Personal Services | 105 | 105 | - |
| Non-Personal Services | 18 | 18 | - |
| Capital Outlay | 98 | 98 | - |
| Total Division of Community Development | <u>221</u> | <u>221</u> | <u>-</u> |
| Total Department of Community Development | 19,299 | 19,299 | - |
| Department of City Planning | | | |
| Licenses and Permits | | | |
| Capital Outlay | 27 | 27 | - |
| Total Department of City Planning | <u>27</u> | <u>27</u> | <u>-</u> |
| Department of Parks | | | |
| Division of Operations and Facility Management | | | |
| Personal Services | 433 | 433 | - |
| Non-Personal Services | 1,265 | 1,265 | - |
| Capital Outlay | 281 | 281 | - |
| Total Department of Parks | <u>1,979</u> | <u>1,979</u> | <u>-</u> |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| OTHER GRANTS AND SPECIAL REVENUES | | | |
| (Continued) | | | |
| Expenditures | | | |
| Department of Police | | | |
| Non-Personal Services | \$ 4,869 | \$ 4,869 | \$ - |
| | 4,869 | 4,869 | - |
| Division of Engineering | | | |
| Capital Outlay | 1,088 | 1,088 | - |
| Total Division of Engineering | 1,088 | 1,088 | - |
| Division of Traffic Engineering | | | |
| Personal Services | 124 | 124 | - |
| Non-Personal Services | 376 | 376 | - |
| Capital Outlay | 237 | 237 | - |
| Total Division of Traffic Engineering | 737 | 737 | - |
| Total Department of Transportation and Engineering | 1,825 | 1,825 | - |
| Department of Convention Center | | | |
| Capital Outlay | 403 | 403 | - |
| Total Department of Convention Center | 403 | 403 | - |
| Department of Public Services | | | |
| Division of Traffic and Road Operations | | | |
| Personal Services | 66 | 66 | - |
| Non-Personal Services | 280 | 280 | - |
| Total Division of Traffic and Road Operations | 346 | 346 | - |
| Division of Neighborhood Operations | | | |
| Non-Personal Services | 51 | 51 | - |
| Capital Outlay | 170 | 170 | - |
| Total Division of Neighborhood Operations | 221 | 221 | - |
| Division of City Facility Management | | | |
| Non-Personal Services | 1,417 | 1,417 | - |
| Total City Facility Management | 1,417 | 1,417 | - |
| Division of Fleet Services | | | |
| Capital Outlay | 137 | 137 | - |
| Total Division of Fleet Services | 137 | 137 | - |
| Total Department of Public Services | 2,121 | 2,121 | - |

(Continued)

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|------------------|------------------|---|
| OTHER GRANTS AND SPECIAL REVENUES | | | |
| (Continued) | | | |
| Expenditures | | | |
| Department of Public Health | | | |
| Division of Primary Health Care - Centers | | | |
| Capital Outlay | \$ 77 | \$ 77 | \$ - |
| Total Department of Public Health | 77 | 77 | - |
| Department of Water Works | | | |
| Non-Personal Services | 1 | 1 | - |
| Capital Outlay | 776 | 776 | - |
| Total Department of Water Works | 777 | 777 | - |
| Total Expenditures | 39,855 | 39,855 | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | 4,548 | 4,548 | - |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 18 | 18 | - |
| Total Other Financing Sources | 18 | 18 | - |
| Net Change in Fund Balance | 4,566 | 4,566 | |
| Fund Balance - January 1 | 8,857 | 8,857 | |
| Fund Balance - December 31 | <u>\$ 13,423</u> | <u>\$ 13,423</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| BETTMAN NATURE CENTER | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 84 | \$ 84 | \$ - |
| Total Revenues | 84 | 84 | - |
| EXPENDITURES | | | |
| Department of Parks | | | |
| Division of Operations and Facility Management | | | |
| Non-Personal Services | 10 | 10 | - |
| Total Division of Operations and Facility Management | 10 | 10 | - |
| Total Department of Parks | 10 | 10 | - |
| Total Expenditures | 10 | 10 | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | 74 | 74 | - |
| OTHER FINANCING (USES) | | | |
| Transfers Out | (44) | (44) | - |
| Total Other Financing Uses | (44) | (44) | - |
| Net Change in Fund Balance | 30 | 30 | - |
| Fund Balance - January 1 | 1,173 | 1,173 | |
| Fund Balance - December 31 | <u>\$ 1,203</u> | <u>\$ 1,203</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| GROESBECK ENDOWMENT FUND | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 15 | \$ 15 | \$ - |
| Total Revenues | 15 | 15 | - |
| <hr/> | | | |
| Excess (Deficiency) of Revenues over (under) Expenditures | 15 | 15 | - |
| OTHER FINANCING (USES) | | | |
| Transfers Out | (17) | (17) | - |
| Total Other Financing Uses | (17) | (17) | - |
| Net Change in Fund Balance | (2) | (2) | - |
| Fund Balance - January 1 | 59 | 59 | |
| Fund Balance - December 31 | <u>\$ 57</u> | <u>\$ 57</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|--------------------------------|--------------------------------|---|
| SCHMIDLAPP PARK MUSIC FUND | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 1 | \$ 1 | \$ - |
| Total Revenues | 1 | 1 | - |
| EXPENDITURES | | | |
| Department of Parks | | | |
| Division of Administration and Program Services | | | |
| Non-Personal Services | <u> </u> | <u> </u> | <u> </u> - |
| Total Division of Administration and Program Services | <u> </u> - | <u> </u> - | <u> </u> - |
| Total Department of Parks | <u> </u> - | <u> </u> - | <u> </u> - |
| Total Expenditures | <u> </u> - | <u> </u> - | <u> </u> - |
| Excess (Deficiency) of Revenues over (under) Expenditures | 1 | 1 | - |
| OTHER FINANCING (USES) | | | |
| Transfers Out | <u> </u> (2) | <u> </u> (2) | <u> </u> - |
| Total Other Financing Uses | <u> </u> (2) | <u> </u> (2) | <u> </u> - |
| Net Change in Fund Balance | (1) | (1) | - |
| Fund Balance - January 1 | <u> </u> 52 | <u> </u> 52 | <u> </u> |
| Fund Balance - December 31 | <u><u> </u></u> \$ 51 | <u><u> </u></u> \$ 51 | <u><u> </u></u> \$ - |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| JOANNA PETERS BEQUEST | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 3 | \$ 3 | \$ - |
| Total Revenues | 3 | 3 | - |
| <hr/> | | | |
| Excess (Deficiency) of Revenues over (under) Expenditures | 3 | 3 | - |
| Fund Balance - January 1 | 117 | 117 | |
| Fund Balance - December 31 | <u>\$ 120</u> | <u>\$ 120</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| THE W. M. AMPT MUSIC ENDOWMENT FUND | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 7 | \$ 7 | \$ - |
| Total Revenues | <u>7</u> | <u>7</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 7 | 7 | - |
| OTHER FINANCING (USES) | | | |
| Transfers Out | <u>(9)</u> | <u>(9)</u> | <u>-</u> |
| Total Other Financing Uses | <u>(9)</u> | <u>(9)</u> | <u>-</u> |
| Net Change in Fund Balance | (2) | (2) | - |
| Fund Balance - January 1 | <u>138</u> | <u>138</u> | |
| Fund Balance - December 31 | <u>\$ 136</u> | <u>\$ 136</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| CROSLEY FIELD TRUST | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 42 | \$ 42 | \$ - |
| Total Revenues | 42 | 42 | - |
| EXPENDITURES | | | |
| Department of Recreation Division of Athletics Non-Personal Services | <u>7</u> | <u>7</u> | <u>-</u> |
| Total Department of Recreation | 7 | 7 | - |
| Total Expenditures | <u>7</u> | <u>7</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 35 | 35 | - |
| OTHER FINANCING (USES) | | | |
| Transfers Out | <u>(10)</u> | <u>(10)</u> | <u>-</u> |
| Total Other Financing Uses | <u>(10)</u> | <u>(10)</u> | <u>-</u> |
| Net Change in Fund Balance | 25 | 25 | - |
| Fund Balance - January 1 | <u>516</u> | <u>516</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 541</u> | <u>\$ 541</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| KROGER TRUST | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 2 | \$ 2 | \$ - |
| Total Revenues | 2 | 2 | - |
| <hr/> | | | |
| Excess (Deficiency) of Revenues over (under) Expenditures | 2 | 2 | - |
| Fund Balance - January 1 | 88 | 88 | |
| Fund Balance - December 31 | <u>\$ 90</u> | <u>\$ 90</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|---------------|---------------|---|
| YEATMAN'S COVE PARK TRUST | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 13 | \$ 13 | \$ - |
| Total Revenues | 13 | 13 | - |
| Excess (Deficiency) of Revenues over (under) Expenditures | 13 | 13 | - |
| Fund Balance - January 1 | <u>618</u> | <u>618</u> | |
| Fund Balance - December 31 | <u>\$ 631</u> | <u>\$ 631</u> | <u>\$ -</u> |

City of Cincinnati, Ohio
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget(Non-GAAP Budgetary Basis) and Actual
For the year ended December 31, 2011
(Amounts in Thousands)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget - Positive (Negative)</u> |
|--|-----------------|-----------------|---|
| PARK BOARD FUND | | | |
| REVENUES | | | |
| Use of Money and Property | \$ 508 | \$ 508 | \$ - |
| Total Revenues | 508 | 508 | - |
| EXPENDITURES | | | |
| Department of Parks | | | |
| Division of Administration and Program Services | | | |
| Non-Personal Services | <u>40</u> | <u>40</u> | <u>-</u> |
| Total Division of Administration and Program Services | <u>40</u> | <u>40</u> | <u>-</u> |
| Total Department of Parks | <u>40</u> | <u>40</u> | <u>-</u> |
| Total Expenditures | <u>40</u> | <u>40</u> | <u>-</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 468 | 468 | - |
| OTHER FINANCING (USES) | | | |
| Transfers Out | <u>(194)</u> | <u>(194)</u> | <u>-</u> |
| Total Other Financing Uses | <u>(194)</u> | <u>(194)</u> | <u>-</u> |
| Net Change in Fund Balance | 274 | 274 | - |
| Fund Balance - January 1 | <u>5,155</u> | <u>5,155</u> | <u>-</u> |
| Fund Balance - December 31 | <u>\$ 5,429</u> | <u>\$ 5,429</u> | <u>\$ -</u> |

CITY OF CINCINNATI, OHIO

NON-MAJOR ENTERPRISE FUNDS

Convention Center – Used to account for the expenses from the operation of the Duke Energy Convention Center, financed primarily through user fees.

Parking Facilities - Used to account for the revenue and expenses of the parking meters, garages, and lots of the City.

General Aviation - Used to account for the expenses of Lunken Airport, financed primarily through user fees.

Municipal Golf - Used to account for the revenue received from all golf activities and for the expenses of operating the golf courses of the City.

Stormwater Management - Used to account for the operation, maintenance and improvement of a stormwater management system. Financing is provided by the users of the system in proportion to their use of the system.

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CITY OF CINCINNATI, OHIO
Combining Statement of Net Position
Nonmajor Enterprise Funds
December 31, 2011
(Amounts in Thousands)

| | Business Type Activities - Enterprise Funds | | | | | Total Nonmajor Enterprise Funds |
|---|--|-----------------------|---------------------|-------------------|--------------------------|--|
| | Convention Center | Parking Facilities | General Aviation | Municipal Golf | Stormwater Management | |
| Assets | | | | | | |
| Current Assets: | | | | | | |
| Cash and Equivalents | \$ | \$ 55 | \$ | \$ 15 | \$ | \$ 70 |
| Equity in City Treasury Cash | 866 | 3,989 | 627 | 496 | 1,923 | 7,901 |
| Receivables: | | | | | | |
| Taxes Receivable | 203 | | | | | 203 |
| Accounts, Net | 467 | 13 | 47 | 1 | 1,977 | 2,505 |
| Accrued Interest | | 56 | 13 | 8 | 39 | 116 |
| Due from Other Funds | 82 | 380 | 60 | 47 | 228 | 797 |
| Due from Other Governments | 819 | | | | | 819 |
| Prepaid Items | 11 | 17 | 19 | | | 47 |
| Advances to Other Funds | 911 | 3,004 | 979 | 38 | 4,984 | 9,916 |
| Total Current Assets | <u>3,359</u> | <u>7,514</u> | <u>1,745</u> | <u>605</u> | <u>9,151</u> | <u>22,374</u> |
| Noncurrent Assets: | | | | | | |
| Equity in City Treasury Cash | 2,070 | 9,530 | 1,499 | 1,186 | 4,593 | 18,878 |
| Land | 11,555 | 7,296 | 13,229 | 1,324 | 7,050 | 40,454 |
| Buildings, net of Accumulated Depreciation | 2,697 | 10,479 | 757 | 431 | | 14,364 |
| Improvements, net of Accumulated Depreciation | 99,979 | 12,082 | 8,066 | 4,119 | 58,883 | 183,129 |
| Machinery and Equipment, net of Accumulated Depreciation | 195 | 189 | 131 | 485 | 104 | 1,104 |
| Property Acquired Under Capital Lease Net of Accumulated Amortization | | | | 136 | | 136 |
| Construction in Progress | 1,728 | 2,947 | 821 | 4,771 | 3,334 | 13,601 |
| Total Noncurrent Assets | <u>118,224</u> | <u>42,523</u> | <u>24,503</u> | <u>12,452</u> | <u>73,964</u> | <u>271,666</u> |
| Total Assets | <u>\$ 121,583</u> | <u>\$ 50,037</u> | <u>\$ 26,248</u> | <u>\$ 13,057</u> | <u>\$ 83,115</u> | <u>\$ 294,040</u> |
| Liabilities | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts Payable | \$ 169 | \$ 153 | \$ 57 | \$ 529 | \$ 743 | \$ 1,651 |
| Due to Other Funds | | 25 | 5 | 8 | 110 | 148 |
| Due to Fiduciary Funds | | 12 | 5 | 1 | 8 | 26 |
| Accrued Payroll | | 83 | 43 | 9 | 55 | 190 |
| Accrued Liabilities | 458 | 861 | 20 | 303 | 1 | 1,643 |
| Accrued Interest | 2 | 19 | 3 | 7 | 6 | 37 |
| Deposits Payable | | | 4 | | | 4 |
| Unearned Revenue | 662 | 6,294 | | | | 6,956 |
| Compensated Absences Payable | | 227 | 83 | 20 | 111 | 441 |
| Unpaid Claims Liability | | 5 | | | | 5 |
| General Obligation Bonds Payable | 45 | 150 | 44 | 283 | 675 | 1,197 |
| Total Current Liabilities | <u>1,336</u> | <u>7,829</u> | <u>264</u> | <u>1,160</u> | <u>1,709</u> | <u>12,298</u> |
| Noncurrent liabilities: | | | | | | |
| Compensated Absences Payable | | 149 | 148 | 18 | 77 | 392 |
| General Obligation Bonds Payable | 585 | 4,700 | 610 | 1,954 | 2,025 | 9,874 |
| Net Pension Obligation | 145 | 1,533 | 598 | 44 | 831 | 3,151 |
| Net Other Post Employment Benefit Obligation | 46 | 1,057 | 427 | 31 | 593 | 2,154 |
| Total Noncurrent Liabilities | <u>776</u> | <u>7,439</u> | <u>1,783</u> | <u>2,047</u> | <u>3,526</u> | <u>15,571</u> |
| Total Liabilities | <u>2,112</u> | <u>15,268</u> | <u>2,047</u> | <u>3,207</u> | <u>5,235</u> | <u>27,869</u> |
| NET POSITION | | | | | | |
| Net Investment in Capital Assets | 115,524 | 28,896 | 22,350 | 9,057 | 68,210 | 244,037 |
| Restricted Net Position | | | | | | |
| Unrestricted Net Position | 3,947 | 5,873 | 1,851 | 793 | 9,670 | 22,134 |
| Total Net Position | <u>\$ 119,471</u> | <u>\$ 34,769</u> | <u>\$ 24,201</u> | <u>\$ 9,850</u> | <u>\$ 77,880</u> | <u>\$ 266,171</u> |

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Business Type Activities - Enterprise Funds | | | | | Total Nonmajor Enterprise Funds |
|---|--|-----------------------|---------------------|-------------------|--------------------------|--|
| | Convention Center | Parking Facilities | General Aviation | Municipal Golf | Stormwater Management | |
| OPERATING REVENUES | | | | | | |
| Charges for Services | \$ 7,513 | \$ 10,385 | \$ 2,044 | \$ 5,270 | \$ 8,412 | \$ 33,624 |
| Miscellaneous Income | | 236 | | 8 | | 244 |
| Total Operating Revenues | 7,513 | 10,621 | 2,044 | 5,278 | 8,412 | 33,868 |
| OPERATING EXPENSES | | | | | | |
| Personal Services | | 2,368 | 1,142 | 270 | 2,251 | 6,031 |
| Contractual Services | 8,036 | 2,176 | 173 | 4,110 | 2,869 | 17,364 |
| Maintenance and Repairs | | 285 | 89 | 3 | 2,351 | 2,728 |
| Materials and Supplies | 5 | 71 | 82 | 170 | 100 | 428 |
| Utilities | | 246 | 183 | 407 | 78 | 914 |
| Insurance | 55 | 43 | 3 | 1 | | 102 |
| Taxes | 83 | 1,043 | 39 | 1,620 | | 2,785 |
| Rent | 251 | 95 | 13 | | 154 | 513 |
| Other Expense | | 105 | 280 | | 297 | 682 |
| Depreciation and Amortization | 7,026 | 2,148 | 695 | 635 | 2,971 | 13,475 |
| Total Operating Expenses | 15,456 | 8,580 | 2,699 | 7,216 | 11,071 | 45,022 |
| Operating Income (Loss) | (7,943) | 2,041 | (655) | (1,938) | (2,659) | (11,154) |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Interest Revenue | | 257 | 67 | 31 | 150 | 505 |
| Occupancy Tax | 1,394 | | | | | 1,394 |
| Interest Expense | (28) | (227) | (30) | (97) | (86) | (468) |
| Gain on Disposal of Assets | 1 | (4,786) | | - | - | (4,785) |
| Total Non-Operating Revenues (Expenses) | 1,367 | (4,756) | 37 | (66) | 64 | (3,354) |
| Income (Loss) before Contributions and Transfers | (6,576) | (2,715) | (618) | (2,004) | (2,595) | (14,508) |
| Transfers In | 1,000 | 528 | | | 1 | 1,529 |
| Transfers (Out) | | (1,089) | | | | (1,089) |
| Capital Contributions | | 150 | 89 | | | 239 |
| Change in Net Position | (5,576) | (3,126) | (529) | (2,004) | (2,594) | (13,829) |
| Net Position, January 1 | 125,047 | 37,895 | 24,730 | 11,854 | 80,474 | 280,000 |
| Net Position, December 31 | \$ 119,471 | \$ 34,769 | \$ 24,201 | \$ 9,850 | \$ 77,880 | \$ 266,171 |

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Business Type Activities - Enterprise Funds | | | | | Total Nonmajor Enterprise Funds |
|--|--|-----------------------|---------------------|-------------------|--------------------------|--|
| | Convention Center | Parking Facilities | General Aviation | Municipal Golf | Stormwater Management | |
| Cash Flows from Operating Activities: | | | | | | |
| Receipts from Customers | \$ 6,252 | \$ 9,322 | \$ 2,037 | \$ 5,279 | \$ 8,604 | \$ 31,494 |
| Receipts from Other Funds | 1,128 | 1,088 | | | | 2,216 |
| Payments to Suppliers | (8,520) | (2,657) | (887) | (5,860) | (1,507) | (19,431) |
| Payments to Other Funds | (115) | (410) | | | (3,656) | (4,181) |
| Payments to Employees | | (2,099) | (1,045) | 47 | (2,067) | (5,164) |
| Payments for Property Taxes | (83) | (976) | (42) | | | (1,101) |
| Net Cash Provided (Used) by Operating Activities | <u>(1,338)</u> | <u>4,268</u> | <u>63</u> | <u>(534)</u> | <u>1,374</u> | <u>3,833</u> |
| Cash Flows from Noncapital Financing Activities: | | | | | | |
| Repayment of Advances Made To Other Funds | | (983) | | | | (983) |
| Advances to Other Funds | 569 | | 808 | 395 | 61 | 1,833 |
| Amounts Due From Other Funds for Notes | 3 | (17) | (2) | 40 | 58 | 82 |
| Occupancy Tax | 1,362 | | | | | 1,362 |
| Transfers to Other Funds | | (1,089) | | | | (1,089) |
| Transfers from Other Funds | 1,000 | 528 | | | 1 | 1,529 |
| Net Cash Provided (Used) by Noncapital Financing | <u>\$ 2,934</u> | <u>\$ (1,561)</u> | <u>\$ 806</u> | <u>\$ 435</u> | <u>\$ 120</u> | <u>\$ 2,734</u> |
| Cash Flows from Capital and Related Financing Activities: | | | | | | |
| Proceeds from Sale of Assets | | 4,098 | | | | 4,098 |
| Capital Items Expensed | 256 | | | 129 | | 385 |
| Capital Contributed by Other Sources | | 150 | 52 | | | 202 |
| Acquisition of Property, Plant and Equipment | | | | | (18) | (18) |
| Interest Paid on Bonds and Notes | (28) | (227) | (30) | (99) | (87) | (471) |
| Principal Paid on Bonds and Notes | (45) | (150) | (44) | (283) | (675) | (1,197) |
| Payments on Long Term Capital Leases Obligations | | | | (11) | | (11) |
| Additions to Construction in Progress | (971) | (2,461) | (270) | (178) | (446) | (4,326) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(788)</u> | <u>1,410</u> | <u>(292)</u> | <u>(442)</u> | <u>(1,226)</u> | <u>(1,338)</u> |
| Cash Flow from Investing Activities: | | | | | | |
| Interest and Dividends on Investments | | 286 | 84 | 47 | 209 | 626 |
| Net Cash Provided by Investing Activities | | <u>286</u> | <u>84</u> | <u>47</u> | <u>209</u> | <u>626</u> |
| Net Increase (decrease) in Cash and Cash Equivalents | 808 | 4,403 | 661 | (494) | 477 | 5,855 |
| Cash and Cash Equivalents at Beginning of Year | 2,128 | 9,171 | 1,465 | 2,191 | 6,039 | 20,994 |
| Cash and Cash Equivalents at End of Year | <u>\$ 2,936</u> | <u>\$ 13,574</u> | <u>\$ 2,126</u> | <u>\$ 1,697</u> | <u>\$ 6,516</u> | <u>\$ 26,849</u> |

(Continued)

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Business Type Activities - Enterprise Funds | | | | | Total Nonmajor Enterprise Funds |
|--|--|-----------------------|---------------------|-------------------|--------------------------|--|
| | Convention Center | Parking Facilities | General Aviation | Municipal Golf | Stormwater Management | |
| (Continued) | | | | | | |
| <u>Reconciliation of Operating Income (Loss) to</u> | | | | | | |
| <u>Net Cash Provided (Used) by</u> | | | | | | |
| <u>Operating Activities:</u> | | | | | | |
| Operating Income (Loss) | \$ (7,943) | \$ 2,041 | \$ (655) | \$ (1,938) | \$ (2,659) | \$ (11,154) |
| Depreciation and Amortization | 7,026 | 2,148 | 695 | 635 | 2,971 | 13,475 |
| Changes in Assets and Liabilities: | | | | | | |
| (Increase) Decrease in: | | | | | | |
| Receivables | (68) | 4 | (7) | 3 | 190 | 122 |
| Due from Other Funds | | | | | 5 | 5 |
| Due from Other Governments | (109) | | | | | (109) |
| Prepaid Items | 58 | 7 | | | | 65 |
| Increase (Decrease) in: | | | | | | |
| Accounts Payable | (12) | (37) | (13) | 454 | 590 | 982 |
| Due to Other Funds | | (2) | (51) | (5) | 97 | 39 |
| Due to Fiduciary Funds | | (5) | (3) | | (2) | (10) |
| Accrued Payroll | | (42) | (21) | (2) | (7) | (72) |
| Accrued Liabilities | (334) | 50 | (3) | 302 | | 15 |
| Unearned Revenue | 44 | (215) | | | (3) | (174) |
| Compensated Absences Payable | | (3) | (55) | 3 | (21) | (76) |
| Unpaid Claims Payable | | 3 | | | (1) | 2 |
| Net Pension Obligation | | 182 | 100 | 8 | 122 | 412 |
| Net Other Post Employment Benefit Obligation | | 137 | 76 | 6 | 92 | 311 |
| Net Cash Provided (Used) by Operating Activities | <u>\$ (1,338)</u> | <u>\$ 4,268</u> | <u>\$ 63</u> | <u>\$ (534)</u> | <u>\$ 1,374</u> | <u>\$ 3,833</u> |
| <u>Schedule of Noncash Investing</u> | | | | | | |
| <u>Capital and Financing Activities:</u> | | | | | | |
| Change in Fair Value of Investments | | \$ 67 | \$ 15 | \$ 9 | \$ 44 | \$ 135 |
| Property Plant and Equipment | | | | | | |
| Transferred from other funds | \$ 44 | | | | | 44 |
| Contributed by Other Funds | | 150 | 89 | | | 239 |
| Total Noncash Investing, Capital and Financing Activities | <u>\$ 44</u> | <u>\$ 217</u> | <u>\$ 104</u> | <u>\$ 9</u> | <u>\$ 44</u> | <u>\$ 418</u> |

CITY OF CINCINNATI, OHIO

INTERNAL SERVICE FUNDS

Purchasing, Reproduction, and Printing - Used to account for revenue from City departments and for the expenses of operations and maintenance of the Division of Reproduction and Printing. Also, used to account for the revenue and expenses related to the distribution and sale of materials and supplies.

Fleet Services - Used to account for revenue from City departments for auto repairs and maintenance and to account for the expenses necessary to provide this service.

Property Management - Used to account for proceeds of City leases and land sales and to account for costs of administering the fixed assets of the City.

Self Insurance-Medical - Used to account for monies appropriated from the General or other funds or received from contract agencies, employees, members of council and others, including interest earned, and to make expenditures for employee medical costs.

Self Insurance-Workers' Compensation - Used to receive, from all City funds, workers' compensation premium charges, and to pay workers' compensation premium payments, claim costs and reserve settlements.

Enterprise Technology Services - Used to account for revenue and expenses related to the delivery of data processing services to the City, Hamilton County, and others.

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CITY OF CINCINNATI, OHIO
Combining Statement of Net Position
Internal Service Funds
December 31, 2011
(Amounts in Thousands)

| | Purchasing Reproduction and Printing | Fleet Services | Property Management | Self Insurance Medical | Self Insurance Workers' Compensation | Enterprise Technology Services | Total Internal Service Funds |
|--|--|-------------------|------------------------|------------------------------|--|--------------------------------------|---------------------------------------|
| ASSETS | | | | | | | |
| Current Assets: | | | | | | | |
| Cash | \$ 68 | \$ 184 | \$ 350 | \$ 188 | \$ 5,597 | \$ 1,173 | \$ 188 |
| Equity in City Treasury Cash | | | | 2,314 | | | 9,686 |
| Receivables: | | | | | | | |
| Accounts, Net | 22 | 200 | | 9 | | 127 | 358 |
| Accrued Interest | | | | 10 | 76 | 9 | 95 |
| Due from Other Funds | 165 | 1,201 | 33 | 220 | 532 | 439 | 2,590 |
| Due from Fiducary Funds | | | | 2,966 | | 44 | 3,010 |
| Due from Other Governments | | | | | | 183 | 183 |
| Prepaid Items | 43 | 5 | 11 | 1,207 | | 45 | 1,268 |
| Inventory | | 397 | | | | | 440 |
| Advances to Other Funds | | | | | | 1,648 | 1,648 |
| Total Current Assets | 298 | 1,987 | 394 | 6,914 | 6,205 | 3,668 | 19,466 |
| Noncurrent Assets: | | | | | | | |
| Equity in City Treasury Cash | 161 | 438 | 835 | 5,528 | 13,371 | 2,801 | 23,134 |
| Land | | 283 | | | | | 283 |
| Improvements, net of Accumulated Depreciation | | 2,460 | 1 | | | 5,404 | 7,865 |
| Machinery and Equipment, net of Accumulated Depreciation | 314 | 1,515 | 2 | 4 | | 15,311 | 17,146 |
| Property Acquired Under Capital Lease, net of Accumulated Amortization | 245 | | | | | | 245 |
| Other Assets | | 815 | | | | | 815 |
| Total Noncurrent Assets | 720 | 5,511 | 838 | 5,532 | 13,371 | 23,516 | 49,488 |
| Total Assets | 1,018 | 7,498 | 1,232 | 12,446 | 19,576 | 27,184 | 68,954 |

(Continued)

CITY OF CINCINNATI, OHIO
Combining Statement of Net Position
Internal Service Funds
December 31, 2011
(Amounts in Thousands)

| | Purchasing Reproduction and Printing | Fleet Services | Property Management | Self Insurance Medical | Self Insurance Workers' Compensation | Enterprise Technology Services | Total Internal Service Funds |
|--|--|-------------------|------------------------|------------------------------|--|--------------------------------------|---------------------------------------|
| (Continued) | | | | | | | |
| LIABILITIES | | | | | | | |
| Current Liabilities: | | | | | | | |
| Accounts Payable | \$ 204 | \$ 1,167 | \$ 1 | \$ 2,976 | \$ 366 | \$ 456 | \$ 5,170 |
| Due to Other Funds | | 63 | 1 | 1 | | 36 | 101 |
| Due to Fiduciary Funds | 2 | 29 | 2 | | 18 | 18 | 51 |
| Accrued Payroll | 19 | 197 | 10 | | 144 | 144 | 370 |
| Accrued Liabilities | 1 | 3 | | | 327 | 412 | 743 |
| Obligations under Capital Leases | 101 | | | | | | 101 |
| Deposits Payable | | | 134 | | | | 134 |
| Unearned Revenue | | | | | 39 | 39 | 39 |
| Compensated Absences Payable | 47 | 297 | 1 | 9,100 | 233 | 233 | 578 |
| Unpaid Claims Payable | | | | | 3,237 | | 12,337 |
| Total Current Liabilities | 374 | 1,756 | 149 | 12,077 | 3,930 | 1,338 | 19,624 |
| Noncurrent Liabilities: | | | | | | | |
| Estimated Liability for Compensated Absences | 28 | 374 | 22 | | | 266 | 690 |
| Estimated Liability for Unpaid Claims | | | | | 7,585 | | 7,585 |
| Advances from Other Funds | | 50 | 177 | | | | 227 |
| Advances from Other Governments | | 20 | | | | 2 | 22 |
| Obligations under Capital Leases | 178 | | | | | | 178 |
| Net Pension Obligation | 302 | 2,964 | 225 | | | 3,772 | 7,263 |
| Net Other Post Employment Benefit Obligation | 187 | 1,826 | 144 | | | 2,022 | 4,179 |
| Total Noncurrent Liabilities | 695 | 5,234 | 568 | | 7,585 | 6,062 | 20,144 |
| Total Liabilities | 1,069 | 6,990 | 717 | 12,077 | 11,515 | 7,400 | 39,768 |
| NET POSITION | | | | | | | |
| Net Investment in Capital Assets | 280 | 4,258 | 3 | 4 | | 20,715 | 25,260 |
| Restricted | | 815 | | | | | 815 |
| Unrestricted Net Position | (331) | (4,565) | 512 | 365 | 8,061 | (931) | 3,111 |
| Total Net Position | \$ (51) | \$ 508 | \$ 515 | \$ 369 | \$ 8,061 | \$ 19,784 | \$ 29,186 |

CITY OF CINCINNATI, OHIO
Combining Statement of Revenue, Expenses and Changes in Fund Net Position
Internal Service Funds

For the year ended December 31, 2011
(Amounts in Thousands)

| | Purchasing Reproduction and Printing | Fleet Services | Property Management | Self Insurance Medical | Self Insurance Workers' Compensation | Enterprise Technology Services | Total Internal Service Funds |
|--|--|-------------------|------------------------|------------------------------|--|--------------------------------------|---------------------------------------|
| OPERATING REVENUES | | | | | | | |
| Charges for Services | \$ 2,331 | \$ 15,932 | \$ 2,064 | \$ 88,659 | \$ 1,730 | \$ 6,522 | \$ 115,174 |
| Miscellaneous | 2 | | 2,064 | | | | 2,066 |
| Total Operating Revenues | 2,333 | 15,932 | 2,064 | 88,659 | 1,730 | 6,522 | 117,240 |
| OPERATING EXPENSES | | | | | | | |
| Personal Services | 667 | 5,182 | 265 | | | 3,845 | 9,959 |
| Contractual Services | 521 | 389 | 19 | 1,834 | 121 | 1,617 | 4,501 |
| Maintenance and Repairs | 48 | 520 | | 4 | | 24 | 596 |
| Materials and Supplies | 1,132 | 10,469 | 1 | | 5 | 298 | 11,905 |
| Utilities | 2 | 169 | 2 | | | 255 | 428 |
| Insurance | | 9 | | 84,500 | 1,471 | 15 | 85,995 |
| Taxes | | 4 | | | | | 4 |
| Rent | 25 | 17 | 38 | | | 2,070 | 2,150 |
| Depreciation and Amortization | 234 | 310 | 4 | 2 | | 4,641 | 5,191 |
| Other Expense | | 5 | 1 | 4 | | 6 | 16 |
| Total Operating Expenses | 2,629 | 17,074 | 330 | 86,344 | 1,597 | 12,771 | 120,745 |
| Operating Income (Loss) | (296) | (1,142) | 1,734 | 2,315 | 133 | (6,249) | (3,505) |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | |
| Interest Expense | (17) | | | | | | (17) |
| Interest Revenue | | | | 115 | 388 | 48 | 551 |
| Gain on Disposal of Assets | | 313 | | | | | 313 |
| Total Non-Operating Revenue (Expenses) | (17) | 313 | | 115 | 388 | 48 | 847 |
| Income (Loss) before Contributions and Transfers | (313) | (829) | 1,734 | 2,430 | 521 | (6,201) | (2,658) |
| Transfers In | | 805 | (1,485) | | | 1,165 | 1,970 |
| Transfers (Out) | | | | | | (704) | (2,189) |
| Capital Contribution | | 856 | | | | | 856 |
| Change in Net Position | (313) | 832 | 249 | 2,430 | 521 | (5,740) | (2,021) |
| Net Position, January 1 | 262 | (324) | 266 | (2,061) | 7,540 | 25,524 | 31,207 |
| Net Position, December 31 | \$ (51) | \$ 508 | \$ 515 | \$ 369 | \$ 8,061 | \$ 19,784 | \$ 29,186 |

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Purchasing Reproduction and Printing | Fleet Services | Property Management | Self Insurance Medical | Self Insurance Workers' Compensation | Enterprise Technology Services | Total Internal Service Funds |
|--|--|-------------------|------------------------|------------------------------|--|--------------------------------------|---------------------------------------|
| <u>Cash Flows from Operating Activities:</u> | | | | | | | |
| Receipts from Customers | \$ 63 | \$ 250 | \$ 2,115 | \$ 9,914 | \$ | \$ 1,425 | \$ 13,767 |
| Receipts from Other Funds | 2,371 | 15,644 | | 52,083 | 1,730 | 5,466 | 77,294 |
| Receipts from Retirement System | | | | 26,662 | | | 26,662 |
| Payment to Suppliers | (1,627) | (9,250) | (28) | (87,488) | (4,107) | (3,120) | (105,620) |
| Payments to Other Funds | (4) | (1,756) | | | | (809) | (2,569) |
| Payments to Employees | (623) | (4,449) | (222) | | | (3,521) | (8,815) |
| Net Cash Provided (Used) by Operating Activities | 180 | 439 | 1,865 | 1,171 | (2,377) | (559) | 719 |
| <u>Cash Flows from Noncapital Financing Activities:</u> | | | | | | | |
| Advances Made to Other Funds | | | | | | 167 | 167 |
| Due from Other Funds for Note Payable | | | (33) | 40 | 285 | 73 | 365 |
| Transfers to Other Funds | | | (1,485) | | | (704) | (2,189) |
| Transfers from Other Funds | | | | | | 1,165 | 1,165 |
| Net Cash Provided (Used) by Noncapital Financing Activities | | | (1,518) | 40 | 285 | 701 | (492) |
| <u>Cash Flows from Capital and Related Financing Activities:</u> | | | | | | | |
| Contributions from Other Sources | | | | | | | |
| Acquisition of Property, Plant and Equipment | | | | | | (122) | (122) |
| Capital Items Expensed | | | | | | (107) | (107) |
| Additions to Construction In Progress | | | | | | (628) | (628) |
| Interest Paid on Debt | (17) | | | | | | (17) |
| Payment on Long Term Capital Lease Obligations | (77) | | | | | | (77) |
| Net Cash (Used) by Capital and Related Financing Activities | (94) | | | | | (857) | (951) |
| <u>Cash Flows from Investing Activities:</u> | | | | | | | |
| Interest on Investments | | | | 106 | 507 | 56 | 669 |
| Net Cash Provided by Investing Activities | | | | 106 | 507 | 56 | 669 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 86 | 439 | 347 | 1,317 | (1,585) | (659) | (55) |
| Cash and Cash Equivalents at Beginning of Year | 143 | 183 | 838 | 6,713 | 20,553 | 4,633 | 33,063 |
| Cash and Cash Equivalents at End of Year | \$ 229 | \$ 622 | \$ 1,185 | \$ 8,030 | \$ 18,968 | \$ 3,974 | \$ 33,008 |

CITY OF CINCINNATI, OHIO
Combining Statement of Cash Flows
Internal Service Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Purchasing Reproduction and Printing | Fleet Services | Property Management | Self Insurance Medical | Self Insurance Workers' Compensation | Enterprise Technology Services | Total Internal Service Funds |
|--|--|-------------------|------------------------|------------------------------|--|--------------------------------------|---------------------------------------|
| \$ (296) \$ (1,142) \$ 1,734 \$ 2,315 \$ 133 \$ (6,249) \$ (3,505) | 234 | 310 | 4 | 2 | | 4,641 | 5,191 |
| 23 | (70) | | (4) | | (127) | | (178) |
| 78 | 32 | 33 | | | 234 | | 377 |
| | | | | | (16) | | (16) |
| 8 | (3) | | 306 | | 278 | | 584 |
| | | (1) | | | 135 | | 5 |
| | | | | | | | 134 |
| 89 | 541 | 1 | (1,879) | (251) | 313 | | (1,186) |
| | 38 | 71 | | | | | 71 |
| (2) | (5) | | 1 | (1) | 31 | | 69 |
| (10) | (27) | (2) | | | (7) | | (14) |
| | | (1) | | 93 | (36) | | (75) |
| | | | | | (124) | | (32) |
| | | | | | 1 | | 1 |
| | | (20) | | | | | (20) |
| (25) | 2 | (1) | 430 | (2,351) | (116) | | (140) |
| 46 | 436 | 27 | | | 275 | | (1,921) |
| 35 | 327 | 20 | | | 208 | | 784 |
| \$ 180 \$ 439 \$ 1,865 \$ 1,171 \$ (2,377) \$ (559) \$ 719 | | | | | | | |
| | | | | | | | |
| \$ | \$ 11 | \$ | \$ 10 | \$ 87 | \$ 10 | \$ | \$ 118 |
| | (283) | | | | | | (283) |
| | 856 | | | | | | 856 |
| | | | | | | | |
| \$ 584 | | | \$ 10 | \$ 87 | \$ 10 | \$ | \$ 691 |

Reconciliation of Operating Income(Loss) to
Net Cash Provided (Used) by

Operating Activities:

Operating Income (Loss)
Depreciation and Amortization

Changes in Assets and Liabilities:

(Increase) Decrease in:

Receivables
Due from Other Funds
Due from Fiduciary Funds
Due from Other Governments
Inventory
Prepaid Items
Increase (Decrease) in:
Accounts Payable
Deposits Payable
Due to Other Funds
Due to Fiduciary Funds
Accrued Payroll
Accrued Liabilities
Advances from Other Governments
Unearned Revenue
Estimated Liability for Compensated Absences
Estimated Liability for Unpaid Claims Payable
Net Pension Obligation
Net Other Post Employment Benefit Obligation

Net Cash Provided (Used) by
Operating Activities

Schedule of Noncash Investing,
Capital and Financing Activities:

Change in Fair Value of Investments
Property Plant and Equipment
Transferred to Other Funds
Contributed by Other Funds

Total Noncash Investing, Capital
and Financing Activities

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CITY OF CINCINNATI, OHIO

FIDUCIARY FUNDS

—
AGENCY FUNDS

Agency Funds

Towing Charges - Used to account for monies received as charges for towing and storage of impounded vehicles.

Convention Facility Authority – Used to account for monies collected by the City of Cincinnati from Transient Occupancy Tax Revenues.

Admission Tax Bond - Used to account for deposits related to entertainment facilities in the City.

Engineering Deposits - Used to account for Transportation & Engineering monies reserved for specific purposes.

Metropolitan Sewer District - Used to account for the monies of the Metropolitan Sewer District.

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CITY OF CINCINNATI, OHIO
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2011
(Amounts in Thousands)

| | Agency Funds | | | | | | Total |
|---|----------------------------------|-------------------------------|----------------------|----------------------|-----------------------------|-------------------|-------------------|
| | Towing Charges Private Operators | Convention Facility Authority | Admissions Tax Bonds | Engineering Deposits | Metropolitan Sewer District | | |
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Equity in City Treasury Cash Investments, at fair value | 313 | 260 | 30 | 2,439 | 280,861 | 3,042 | 280,861 |
| Receivables: | | | | | | | |
| Accounts, Net | 9 | 7 | 1 | 144 | 34,069 | 34,230 | 34,230 |
| Accrued Interest and Dividends | | | | | 2,950 | 2,950 | 2,950 |
| Total Assets | <u>\$ 322</u> | <u>\$ 267</u> | <u>\$ 31</u> | <u>\$ 2,589</u> | <u>\$ 317,880</u> | <u>\$ 321,089</u> | <u>\$ 321,089</u> |
| LIABILITIES | | | | | | | |
| Accounts Payable | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Due to Other Governments | 32 | | | 13 | 19,690 | 245,251 | 19,735 |
| Accrued Payroll | | | | | 2,140 | 2,140 | 2,140 |
| Accrued Liabilities | | | | | 47 | 47 | 47 |
| Deposits Payable | 290 | 267 | 31 | 2,576 | 8,963 | 3,164 | 3,164 |
| Estimated Liability for Compensated Absences | | | | | 31,083 | 8,963 | 8,963 |
| Net Pension Obligation | | | | | 10,706 | 31,083 | 31,083 |
| Net Other Post Employment Benefit Obligation | | | | | | 10,706 | 10,706 |
| Total Liabilities | <u>\$ 322</u> | <u>\$ 267</u> | <u>\$ 31</u> | <u>\$ 2,589</u> | <u>\$ 317,880</u> | <u>\$ 321,089</u> | <u>\$ 321,089</u> |

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Balance January 1, 2011 | Additions | Deductions | Balance December 31, 2011 |
|--|-------------------------------|-----------------|-----------------|---------------------------------|
| <u>TOWING CHARGES - PRIVATE OPERATORS</u> | | | | |
| ASSETS | | | | |
| Equity in City Treasury Cash | \$ 256 | \$ 874 | \$ 817 | \$ 313 |
| Accounts Receivable | 10 | 9 | 10 | 9 |
| Total Assets | <u>\$ 266</u> | <u>\$ 883</u> | <u>\$ 827</u> | <u>\$ 322</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ | \$ 440 | \$ 408 | \$ 32 |
| Due to Other Governments | 250 | | 250 | |
| Deposits Payable | 16 | 1,522 | 1,248 | 290 |
| Total Liabilities | <u>\$ 266</u> | <u>\$ 1,962</u> | <u>\$ 1,906</u> | <u>\$ 322</u> |
| <u>CONVENTION FACILITY AUTHORITY</u> | | | | |
| ASSETS | | | | |
| Equity in City Treasury Cash | \$ 209 | \$ 1,396 | \$ 1,345 | \$ 260 |
| Accounts Receivable | 8 | 7 | 8 | 7 |
| Total Assets | <u>\$ 217</u> | <u>\$ 1,403</u> | <u>\$ 1,353</u> | <u>\$ 267</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ | \$ 1,338 | \$ 1,338 | \$ |
| Deposits Payable | 217 | 480 | 430 | 267 |
| Total Liabilities | <u>\$ 217</u> | <u>\$ 1,818</u> | <u>\$ 1,768</u> | <u>\$ 267</u> |
| <u>ADMISSION TAX BONDS</u> | | | | |
| ASSETS | | | | |
| Equity in City Treasury Cash | \$ 29 | \$ 2 | \$ 1 | \$ 30 |
| Accounts Receivable | 1 | 1 | 1 | 1 |
| Total Assets | <u>\$ 30</u> | <u>\$ 3</u> | <u>\$ 2</u> | <u>\$ 31</u> |
| LIABILITIES | | | | |
| Deposits Payable | <u>\$ 30</u> | <u>\$ 1</u> | <u>\$</u> | <u>\$ 31</u> |
| <u>ENGINEERING DEPOSITS</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 3 | \$ 145 | \$ 142 | \$ 6 |
| Equity in City Treasury Cash | 3,140 | 1,581 | 2,282 | 2,439 |
| Accounts Receivable | 157 | 363 | 376 | 144 |
| Total Assets | <u>\$ 3,300</u> | <u>\$ 2,089</u> | <u>\$ 2,800</u> | <u>\$ 2,589</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ | \$ 13 | \$ | \$ 13 |
| Deposits Payable | 3,300 | 1,709 | 2,433 | 2,576 |
| Total Liabilities | <u>\$ 3,300</u> | <u>\$ 1,722</u> | <u>\$ 2,433</u> | <u>\$ 2,589</u> |

CITY OF CINCINNATI, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended December 31, 2011
(Amounts in Thousands)

| | Balance January 1, 2011 | Additions | Deductions | Balance December 31, 2011 |
|--|-------------------------------|-------------------|-------------------|---------------------------------|
| <u>METROPOLITAN SEWER DISTRICT</u> | | | | |
| ASSETS | | | | |
| Investments | \$ 359,503 | \$ 639,109 | \$ 717,751 | \$ 280,861 |
| Accounts Receivable | 38,786 | 36,413 | 41,130 | 34,069 |
| Accrued Interest Receivable | 3,445 | 4,238 | 4,733 | 2,950 |
| Total Assets | <u>\$ 401,734</u> | <u>\$ 679,760</u> | <u>\$ 763,614</u> | <u>\$ 317,880</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 12,879 | \$ 291,802 | \$ 284,991 | \$ 19,690 |
| Due to Other Governments | 344,136 | 433,473 | 532,358 | 245,251 |
| Accrued Payroll | 2,246 | 2,473 | 2,579 | 2,140 |
| Accrued Liabilities | 48 | 47 | 48 | 47 |
| Estimated Liability for Compensated Absences | 8,451 | 512 | | 8,963 |
| Net Pension Obligation | 26,623 | 4,460 | | 31,083 |
| Net Other Post Employment Benefit Obligation | 7,351 | 3,355 | | 10,706 |
| Total Liabilities | <u>\$ 401,734</u> | <u>\$ 736,122</u> | <u>\$ 819,976</u> | <u>\$ 317,880</u> |
| <u>TOTAL AGENCY FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 3 | \$ 145 | \$ 142 | \$ 6 |
| Equity in City Treasury Cash | 3,634 | 3,853 | 4,445 | 3,042 |
| Investments | 359,503 | 639,109 | 717,751 | 280,861 |
| Receivables: | | | | |
| Accounts, Net | 38,962 | 36,793 | 41,525 | 34,230 |
| Accrued Interest Receivable | 3,445 | 4,238 | 4,733 | 2,950 |
| Total Assets | <u>\$ 405,547</u> | <u>\$ 684,138</u> | <u>\$ 768,596</u> | <u>\$ 321,089</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 12,879 | \$ 293,593 | \$ 286,737 | \$ 19,735 |
| Due to Other Governmental Agencies | 344,386 | 433,473 | 532,608 | 245,251 |
| Accrued Payroll | 2,246 | 2,473 | 2,579 | 2,140 |
| Accrued Liabilities | 48 | 47 | 48 | 47 |
| Deposits Payable | 3,563 | 3,712 | 4,111 | 3,164 |
| Estimated Liability for Compensated Absences | 8,451 | 512 | | 8,963 |
| Net Pension Obligation | 26,623 | 4,460 | | 31,083 |
| Net Other Post Employment Benefit Obligation | 7,351 | 3,355 | | 10,706 |
| Total Liabilities | <u>\$ 405,547</u> | <u>\$ 741,625</u> | <u>\$ 826,083</u> | <u>\$ 321,089</u> |

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**CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS**

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CITY OF CINCINNATI, OHIO
Comparative Schedule of Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
December 31
(Amounts In Thousands)

| | 2011 | 2010 |
|---|------------------|------------------|
| Governmental Funds Capital Assets | | |
| Land | \$ 173,865 | \$ 174,349 |
| Buildings | 222,531 | 186,187 |
| Improvements | 413,483 | 394,466 |
| Machinery and Equipment | 147,498 | 141,420 |
| Infrastructure | 827,860 | 782,689 |
| Construction in Progress | 138,542 | 127,861 |
| Property acquired under capital leases | 643 | 643 |
| Total Governmental Capital Assets | \$ 1,924,422 | \$ 1,807,615 |
| Investment in Governmental Capital Assets | \$ 1,924,422 | \$ 1,807,615 |

Investment in Governmental Capital Assets by Source:

| | | |
|-------------------------------|------------------|------------------|
| Permanent Improvement Fund or | | |
| General Obligation Bonds | \$ 1,249,683 | \$ 1,170,332 |
| Federal Grants | 98,150 | 84,623 |
| State Grants | 177,807 | 172,456 |
| County Grants | 10,667 | 9,408 |
| Private | 13,447 | 13,133 |
| General Fund Revenues | 94,718 | 93,823 |
| Special Revenue Funds | 49,540 | 35,862 |
| Gifts | 2,529 | 2,529 |
| Other and Undifferentiated | 227,881 | 225,449 |
| Total from All Sources | \$ 1,924,422 | \$ 1,807,615 |

CITY OF CINCINNATI, OHIO
Schedule of Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
As of December 31, 2011
(Amounts in Thousands)

| | Total | Land | Buildings | Improvements | Equipment | Infrastructure | Property Acquisition under Capital Leases | Construction In Progress |
|---|--------------|------------|------------|--------------|------------|----------------|---|--------------------------|
| Mayor and Council | \$ 92 | | | | \$ 92 | | | \$ |
| City Manager | 2,361 | | 48 | | 492 | 1,814 | | 7 |
| Economic Development | 16,908 | | 7,100 | 4,013 | | 5,795 | | |
| Law | 127 | | | | 108 | | | 19 |
| Human Resources | 5,741 | | | 5,724 | 17 | | | |
| Finance | 1,019 | | | 710 | 290 | | | 19 |
| Enterprise Technology Services | 2,784 | | | | 2,784 | | | |
| Community Development | 143,104 | 66,604 | 8,452 | 45,693 | 68 | 22,287 | | |
| City Planning | 142 | | | | 96 | | | 46 |
| Recreation | 153,017 | 6,913 | 35,349 | 106,591 | 3,930 | 208 | | 26 |
| Parks | 94,721 | 12,722 | 12,811 | 37,459 | 3,923 | 27,806 | | |
| Buildings and Inspections | 425 | | | 91 | 334 | | | |
| Public Safety | 76,393 | 1,660 | 8,269 | 12,766 | 53,698 | 768,626 | | |
| Transportation & Engineering | 814,198 | 26,765 | 5,450 | 12,247 | 1,110 | | | |
| Enterprise Services | 1,030 | 297 | | | 733 | | | |
| Public Services | 87,601 | 911 | 26,952 | 32,433 | 25,981 | 1,324 | | 29 |
| Public Health | 16,340 | 237 | 4,194 | 8,826 | 3,054 | | | |
| Pooled, Unassigned Equipment | 920 | | | | 920 | | | |
| Southern Railway Improvement | 83,224 | | | 83,224 | | | | |
| General Government | | | | | | | | |
| Land | 57,473 | 57,473 | | | | | | |
| Buildings | 113,634 | | 113,634 | | | | | |
| Improvements | 51,558 | | | 51,558 | | | | |
| Total Governmental Capital Assets Allocated by Function | 1,722,812 | 173,582 | 222,259 | 401,335 | 97,630 | 827,860 | 146 | |
| Construction in Progress | 138,542 | | | | | | | 138,542 |
| Internal Service Funds: | | | | | | | | |
| Purchasing, Printing and Stores | 1,358 | | | | 861 | | | |
| Fleet Services | 9,109 | 283 | 272 | 4,345 | 4,209 | | | 497 |
| Property Management | 21 | | 6 | | 15 | | | |
| Self Insurance Medical | 8 | | | | 8 | | | |
| Enterprise Technology Services | 52,572 | | | 7,797 | 44,775 | | | |
| Total Governmental Capital Assets | \$ 1,924,422 | \$ 173,865 | \$ 222,531 | \$ 413,483 | \$ 147,498 | \$ 827,860 | \$ 643 | \$ 138,542 |

CITY OF CINCINNATI, OHIO
Schedule of Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Year Ended December 31, 2011
(Amounts in Thousands)

| | General Capital Assets January 1, 2011 | Additions | Deletions | General Capital Assets December 31, 2011 |
|-----------------------------------|--|-------------------|-------------------|--|
| Mayor and Council | \$ 92 | \$ | \$ | \$ 92 |
| City Manager | 1,592 | 784 | 15 | 2,361 |
| Economic Development | 9,508 | 7,400 | | 16,908 |
| Law | 71 | 56 | | 127 |
| Human Resources | 5,741 | | | 5,741 |
| Enterprise Technology Services | 2,667 | 117 | | 2,784 |
| Finance | 1,039 | 80 | 100 | 1,019 |
| Community Development | 132,465 | 10,657 | 18 | 143,104 |
| City Planning and Buildings | 89 | 67 | 14 | 142 |
| Recreation | 143,798 | 10,028 | 809 | 153,017 |
| Parks | 82,428 | 12,542 | 249 | 94,721 |
| Buildings and Inspections | 517 | | 92 | 425 |
| Public Safety | 70,051 | 8,223 | 1,881 | 76,393 |
| Transportation & Engineering | 776,510 | 37,757 | 69 | 814,198 |
| Enterprise Services | 1,030 | | | 1,030 |
| Public Services | 67,935 | 21,743 | 2,077 | 87,601 |
| Public Health | 14,273 | 2,132 | 65 | 16,340 |
| Pooled, Unassigned Equipment | 920 | | | 920 |
| Southern Railway Improvement | 83,224 | | | 83,224 |
| General Government | | | | |
| Land | 60,299 | | 2,826 | 57,473 |
| Buildings | 113,634 | | | 113,634 |
| Improvements | 51,557 | 1 | | 51,558 |
| Construction in Progress | 127,861 | 106,557 | 95,876 | 138,542 |
| Internal Service Funds: | | | | |
| Purchasing, Printing and Stores | 1,358 | | | 1,358 |
| Fleet Services | 7,212 | 2,148 | 251 | 9,109 |
| Property Management | 21 | | | 21 |
| Self Insurance Medical | 8 | | | 8 |
| Enterprise Technology Services | 51,715 | 2,590 | 1,733 | 52,572 |
| Total Governmental Capital Assets | <u>\$ 1,807,615</u> | <u>\$ 222,882</u> | <u>\$ 106,075</u> | <u>\$ 1,924,422</u> |

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SCHEDULE

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City of Cincinnati, Ohio
Schedule of Outstanding Bonds and Notes
December 31, 2011

| Year | (a)General Obligation Bonds and Notes | (b)Municipal Income Tax Bonds and Notes | (c)Water Works Bonds | (d)Revenue Bonds and Notes | (c)Police and Fire Pension Bonds |
|------|--|---|-------------------------|-------------------------------|-------------------------------------|
| 2002 | \$ 195,500,000 | \$ 14,097,000 | \$ 67,810,000 | \$ 108,407,000 | \$ 40,170,000 |
| 2003 | 221,750,000 | 11,717,000 | 53,340,000 | 237,450,000 | 39,700,000 |
| 2004 | 220,620,000 | 5,937,000 | 41,510,000 | 228,152,000 | 39,205,000 |
| 2005 | 217,710,000 | 13,560,000 | 31,380,000 | 332,094,000 | 42,935,000 |
| 2006 | 223,225,000 | 22,995,000 | 22,950,000 | 321,282,337 | 42,935,000 |
| 2007 | 222,868,000 | 42,655,000 | 16,400,000 | 391,750,000 | 42,365,000 |
| 2008 | 223,695,000 | 50,095,000 | 11,800,000 | 405,625,000 | 41,515,000 |
| 2009 | 220,385,000 | 71,910,000 | 9,800,000 | 496,105,000 | 40,630,000 |
| 2010 | 216,595,000 | 77,585,000 | 7,800,000 | 478,100,000 | 39,700,000 |
| 2011 | 208,770,000 | 80,870,000 | 5,800,000 | 544,580,000 | 38,730,000 |

| Year | (e)Urban Development Taxable Bonds | (c)Recreational Facility Bonds and Notes | (c)Off-Street Parking Facilities Bonds | (c)Urban Renewal Economic Development Bonds and Notes | (d)Sewer Admin Building Bonds & Notes |
|------|---|--|---|---|---|
| 2002 | \$ 6,570,000 | \$ 12,265,000 | \$ 10,500,000 | \$ 20,595,000 | |
| 2003 | 6,335,000 | 10,910,000 | 10,150,000 | 18,490,000 | |
| 2004 | 6,090,000 | 9,545,000 | 700,000 | 33,085,000 | |
| 2005 | 5,830,000 | 8,375,000 | 350,000 | 35,046,800 | |
| 2006 | 5,555,000 | 10,090,000 | | 37,694,301 | |
| 2007 | 5,265,000 | 10,435,000 | | 26,640,000 | |
| 2008 | 4,960,000 | 9,820,000 | | 25,835,000 | |
| 2009 | 5,080,000 | 8,955,000 | | 31,080,000 | \$ 15,000,000 |
| 2010 | 4,915,000 | 8,090,000 | 5,000,000 | 36,995,000 | 14,460,000 |
| 2011 | 4,740,000 | 7,225,000 | 4,850,000 | 51,835,000 | 13,900,000 |

| Year | (c)Stormwater Bonds and Notes | (c)Urban Redevelopment Bonds and Notes | Public Building Bonds (d) | Gross Tax Supported Debt | Gross Revenue Supported Debt | Gross Total Debt |
|------|----------------------------------|--|---------------------------------|-----------------------------------|---------------------------------------|------------------------|
| 2002 | \$ 4,225,000 | \$ 7,305,000 | | \$ 195,500,000 | \$ 291,944,000 | \$ 487,444,000 |
| 2003 | 3,300,000 | 16,625,000 | | 221,750,000 | 408,017,000 | 629,767,000 |
| 2004 | 2,375,000 | 16,235,000 | | 220,620,000 | 382,834,000 | 603,454,000 |
| 2005 | 1,450,000 | 14,885,000 | | 217,710,000 | 485,905,800 | 703,615,800 |
| 2006 | 725,000 | 13,939,000 | | 223,225,000 | 478,165,638 | 701,390,638 |
| 2007 | | 12,230,000 | | 222,868,000 | 547,740,000 | 770,608,000 |
| 2008 | | 10,870,000 | | 223,695,000 | 560,520,000 | 784,215,000 |
| 2009 | 1,250,000 | 9,485,000 | | 220,385,000 | 689,295,000 | 909,680,000 |
| 2010 | 3,375,000 | 24,570,000 | \$ 10,080,000 | 216,595,000 | 710,670,000 | 927,265,000 |
| 2011 | 2,700,000 | 16,620,000 | 9,405,000 | 208,770,000 | 781,255,000 | 990,025,000 |

- (a) Supported by general tax levy or special assessment levy
- (b) Supported by Municipal Income Tax, but have property tax support if necessary
- (c) Supported by current revenue, but have property tax support if necessary
- (d) Supported by current revenue, no tax support pledged
- (e) Supported by current revenue, but have property tax support if necessary-taxable

CITY OF CINCINNATI
SCHEDULE OF ANNUAL DEBT SERVICE
 December 31, 2011

PROPERTY TAX-SUPPORTED

| Year | Maturing | Interest Cost | Debt Service Requirement | Outstanding Debt End of Year |
|------|---------------|---------------|--------------------------|------------------------------|
| 2011 | | | | \$ 208,770,000 |
| 2012 | \$ 28,485,000 | \$ 9,398,254 | \$ 37,883,254 | 180,285,000 |
| 2013 | 27,205,000 | 7,960,516 | 35,165,516 | 153,080,000 |
| 2014 | 26,020,000 | 6,827,929 | 32,847,929 | 127,060,000 |
| 2015 | 23,750,000 | 5,737,154 | 29,487,154 | 103,310,000 |
| 2016 | 19,670,000 | 4,681,535 | 24,351,535 | 83,640,000 |
| 2017 | 16,370,000 | 3,817,202 | 20,187,202 | 67,270,000 |
| 2018 | 13,540,000 | 3,063,017 | 16,603,017 | 53,730,000 |
| 2019 | 11,260,000 | 2,496,641 | 13,756,641 | 42,470,000 |
| 2020 | 9,185,000 | 1,994,788 | 11,179,788 | 33,285,000 |
| 2021 | 5,680,000 | 1,565,039 | 7,245,039 | 27,605,000 |
| 2022 | 5,165,000 | 1,297,559 | 6,462,559 | 22,440,000 |
| 2023 | 4,705,000 | 1,064,810 | 5,769,810 | 17,735,000 |
| 2024 | 4,350,000 | 857,594 | 5,207,594 | 13,385,000 |
| 2025 | 4,000,000 | 656,778 | 4,656,778 | 9,385,000 |
| 2026 | 3,560,000 | 464,185 | 4,024,185 | 5,825,000 |
| 2027 | 2,495,000 | 287,376 | 2,782,376 | 3,330,000 |
| 2028 | 1,825,000 | 161,661 | 1,986,661 | 1,505,000 |
| 2029 | 685,000 | 68,525 | 753,525 | 820,000 |
| 2030 | 440,000 | 38,250 | 478,250 | 380,000 |
| 2031 | 380,000 | 19,000 | 399,000 | 0 |

SELF-SUPPORTED

| Year | Maturing | Interest Cost | Debt Service Requirement | Outstanding Debt End of Year | Year |
|------|---------------|---------------|--------------------------|------------------------------|------|
| 2011 | | | | \$ 155,805,000 | 2011 |
| 2012 | \$ 24,870,000 | \$ 6,053,074 | \$ 30,923,074 | 130,935,000 | 2012 |
| 2013 | 9,430,000 | 5,614,627 | 15,044,627 | 121,505,000 | 2013 |
| 2014 | 9,325,000 | 5,270,576 | 14,595,576 | 112,180,000 | 2014 |
| 2015 | 7,620,000 | 4,922,445 | 12,542,445 | 104,560,000 | 2015 |
| 2016 | 9,600,000 | 4,831,137 | 14,431,137 | 94,960,000 | 2016 |
| 2017 | 6,675,000 | 4,377,418 | 11,052,418 | 88,285,000 | 2017 |
| 2018 | 6,810,000 | 4,105,480 | 10,915,480 | 81,475,000 | 2018 |
| 2019 | 6,660,000 | 3,819,260 | 10,479,260 | 74,815,000 | 2019 |
| 2020 | 6,740,000 | 3,521,703 | 10,261,703 | 68,075,000 | 2020 |
| 2021 | 6,300,000 | 3,203,523 | 9,503,523 | 61,775,000 | 2021 |
| 2022 | 5,890,000 | 2,894,356 | 8,784,356 | 55,885,000 | 2022 |
| 2023 | 6,035,000 | 2,611,723 | 8,646,723 | 49,850,000 | 2023 |
| 2024 | 6,290,000 | 2,337,112 | 8,627,112 | 43,560,000 | 2024 |
| 2025 | 5,800,000 | 2,032,842 | 7,832,842 | 37,760,000 | 2025 |
| 2026 | 5,430,000 | 1,755,015 | 7,185,015 | 32,330,000 | 2026 |
| 2027 | 5,220,000 | 1,495,004 | 6,715,004 | 27,110,000 | 2027 |
| 2028 | 5,365,000 | 1,246,446 | 6,611,446 | 21,745,000 | 2028 |
| 2029 | 4,370,000 | 993,468 | 5,363,468 | 17,375,000 | 2029 |
| 2030 | 3,230,000 | 794,364 | 4,024,364 | 14,145,000 | 2030 |
| 2031 | 3,325,000 | 646,560 | 3,971,560 | 10,820,000 | 2031 |
| | 2,950,000 | 493,075 | 3,443,075 | 7,870,000 | 2032 |
| | 2,870,000 | 359,100 | 3,229,100 | 5,000,000 | 2033 |
| | 2,980,000 | 228,725 | 3,208,725 | 2,020,000 | 2034 |
| | 1,560,000 | 93,400 | 1,653,400 | 460,000 | 2035 |
| | 460,000 | 21,950 | 481,950 | 0 | 2036 |

MUNICIPAL INCOME TAX SUPPORTED

| Year | Maturing | Interest Cost | Debt Service Requirement | Outstanding Debt End of Year |
|------|--------------|---------------|--------------------------|------------------------------|
| 2011 | | | | \$ 80,870,000 |
| 2012 | \$ 5,325,000 | \$ 3,315,913 | \$ 8,640,913 | 75,545,000 |
| 2013 | 5,345,000 | 3,140,312 | 8,485,312 | 70,200,000 |
| 2014 | 5,620,000 | 2,973,703 | 8,593,703 | 64,580,000 |
| 2015 | 5,620,000 | 2,793,930 | 8,413,930 | 58,960,000 |
| 2016 | 5,635,000 | 2,442,055 | 8,077,055 | 53,325,000 |
| 2017 | 5,655,000 | 2,398,652 | 8,053,652 | 47,670,000 |
| 2018 | 5,385,000 | 2,185,519 | 7,570,519 | 42,285,000 |
| 2019 | 5,135,000 | 1,964,337 | 7,099,337 | 37,150,000 |
| 2020 | 4,960,000 | 1,735,590 | 6,695,590 | 32,190,000 |
| 2021 | 4,450,000 | 1,507,174 | 5,957,174 | 27,740,000 |
| 2022 | 3,770,000 | 1,298,456 | 5,068,456 | 23,970,000 |
| 2023 | 3,815,000 | 1,117,192 | 4,932,192 | 20,155,000 |
| 2024 | 3,845,000 | 945,937 | 4,790,937 | 16,310,000 |
| 2025 | 3,955,000 | 771,107 | 4,726,107 | 12,355,000 |
| 2026 | 4,045,000 | 589,675 | 4,634,675 | 8,310,000 |
| 2027 | 3,675,000 | 394,477 | 4,069,477 | 4,635,000 |
| 2028 | 2,810,000 | 221,234 | 3,031,234 | 1,825,000 |
| 2029 | 1,545,000 | 81,600 | 1,626,600 | 280,000 |
| 2030 | 140,000 | 12,250 | 152,250 | 140,000 |
| 2031 | 140,000 | 6,125 | 146,125 | 0 |

TOTAL

| Year | Maturing | Interest Cost | Debt Service Requirement | Outstanding Debt End of Year | Year |
|------|---------------|---------------|--------------------------|------------------------------|------|
| 2011 | | | | \$ 990,025,000 | 2011 |
| 2012 | \$ 79,300,000 | \$ 43,701,129 | \$ 123,001,129 | 910,725,000 | 2012 |
| 2013 | 63,320,000 | 42,565,523 | 105,885,523 | 847,405,000 | 2013 |
| 2014 | 63,960,000 | 39,907,185 | 103,867,185 | 783,445,000 | 2014 |
| 2015 | 64,455,000 | 43,792,861 | 108,247,861 | 718,990,000 | 2015 |
| 2016 | 62,950,000 | 34,463,474 | 97,413,474 | 656,040,000 | 2016 |
| 2017 | 57,555,000 | 31,844,422 | 89,399,422 | 598,485,000 | 2017 |
| 2018 | 55,950,000 | 29,267,947 | 85,217,947 | 542,535,000 | 2018 |
| 2019 | 54,865,000 | 26,703,433 | 81,568,433 | 487,670,000 | 2019 |
| 2020 | 53,895,000 | 24,284,162 | 78,179,162 | 433,775,000 | 2020 |
| 2021 | 51,215,000 | 21,735,016 | 72,950,016 | 382,560,000 | 2021 |
| 2022 | 42,910,000 | 19,290,109 | 62,200,109 | 339,650,000 | 2022 |
| 2023 | 44,870,000 | 17,243,754 | 62,113,754 | 294,780,000 | 2023 |
| 2024 | 35,635,000 | 15,140,021 | 50,775,021 | 259,145,000 | 2024 |
| 2025 | 35,880,000 | 13,452,548 | 49,332,548 | 223,265,000 | 2025 |
| 2026 | 27,505,000 | 11,695,204 | 39,200,204 | 195,760,000 | 2026 |
| 2027 | 26,790,000 | 10,283,465 | 37,073,465 | 168,970,000 | 2027 |
| 2028 | 26,245,000 | 8,909,788 | 35,154,788 | 142,725,000 | 2028 |
| 2029 | 23,705,000 | 7,551,572 | 31,256,572 | 119,020,000 | 2029 |
| 2030 | 21,215,000 | 6,333,463 | 27,548,463 | 97,805,000 | 2030 |
| 2031 | 22,200,000 | 5,213,830 | 27,413,830 | 75,605,000 | 2031 |
| 2032 | 22,815,000 | 4,043,605 | 26,858,605 | 52,790,000 | 2032 |
| 2033 | 17,860,000 | 2,817,174 | 20,677,174 | 34,930,000 | 2033 |
| 2034 | 16,220,000 | 1,832,007 | 18,052,007 | 18,710,000 | 2034 |
| 2035 | 7,015,000 | 918,688 | 7,933,688 | 11,695,000 | 2035 |
| 2036 | 6,275,000 | 575,931 | 6,850,931 | 5,420,000 | 2036 |
| 2037 | 1,610,000 | 264,856 | 1,874,856 | 3,810,000 | 2037 |
| 2038 | 3,810,000 | 186,063 | 3,996,063 | 0 | 2038 |

REVENUE

| Year | Maturing | Interest Cost | Debt Service Requirement | Outstanding Debt End of Year |
|------|---------------|---------------|--------------------------|------------------------------|
| 2011 | | | | \$ 544,580,000 |
| 2012 | \$ 20,620,000 | \$ 24,933,888 | \$ 45,553,888 | 523,960,000 |
| 2013 | 21,340,000 | 25,850,068 | 47,190,068 | 502,620,000 |
| 2014 | 22,995,000 | 24,834,977 | 47,829,977 | 479,625,000 |
| 2015 | 27,465,000 | 30,339,332 | 57,804,332 | 452,160,000 |
| 2016 | 28,045,000 | 22,508,747 | 50,553,747 | 424,115,000 |
| 2017 | 28,855,000 | 21,251,150 | 50,106,150 | 395,260,000 |
| 2018 | 30,215,000 | 19,913,931 | 50,128,931 | 365,045,000 |
| 2019 | 31,810,000 | 18,423,195 | 50,233,195 | 333,235,000 |
| 2020 | 33,010,000 | 17,032,081 | 50,042,081 | 300,225,000 |
| 2021 | 34,785,000 | 15,459,280 | 50,244,280 | 265,440,000 |
| 2022 | 28,085,000 | 13,799,738 | 41,884,738 | 237,355,000 |
| 2023 | 30,315,000 | 12,450,029 | 42,765,029 | 207,040,000 |
| 2024 | 21,150,000 | 10,999,378 | 32,149,378 | 185,890,000 |
| 2025 | 22,125,000 | 9,991,821 | 32,116,821 | 163,765,000 |
| 2026 | 14,470,000 | 8,886,329 | 23,356,329 | 149,295,000 |
| 2027 | 15,400,000 | 8,106,608 | 23,506,608 | 133,895,000 |
| 2028 | 16,245,000 | 7,280,447 | 23,525,447 | 117,650,000 |
| 2029 | 17,105,000 | 6,407,979 | 23,512,979 | 100,545,000 |
| 2030 | 17,405,000 | 5,488,599 | 22,893,599 | 83,140,000 |
| 2031 | 18,355,000 | 4,542,145 | 22,897,145 | 64,785,000 |
| 2032 | 19,865,000 | 3,550,530 | 23,415,530 | 44,920,000 |
| 2033 | 14,990,000 | 2,458,074 | 17,448,074 | 29,930,000 |
| 2034 | 13,240,000 | 1,603,282 | 14,843,282 | 16,690,000 |
| 2035 | 5,455,000 | 825,288 | 6,280,288 | 11,235,000 |
| 2036 | 5,815,000 | 553,981 | 6,368,981 | 5,420,000 |
| 2037 | 1,610,000 | 264,856 | 1,874,856 | 3,810,000 |
| 2038 | 3,810,000 | 186,063 | 3,996,063 | 0 |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|---|------|--------|--------------------|------------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| 1 U.S. Department of Agriculture | | | | | | | | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| Hamilton County WIC Program | 391 | 10.557 | 31-2-001-1-WA-0310 | Health | 89 | - | - | - |
| Hamilton County WIC Program | 391 | 10.557 | 31-2-001-1-WA-0411 | Health | 1,925 | \$ | (1,580) | - |
| Hamilton County WIC Program | 391 | 10.557 | 31-2-001-1-WA-0411 | Health | 1,800 | - | (784) | - |
| Total for CFDA No. 10.557 | | | | | 3,814 | | (2,364) | |
| <i>Passed through Ohio Department of Education</i> | | | | | | | | |
| CACFP-Child & Adult Care Food Program | 324 | 10.558 | | Recreation | 94 | - | (83) | - |
| Total for CFDA No. 10.558 | | | | | 94 | | (83) | |
| TOTAL DEPARTMENT OF AGRICULTURE | | | | | 3,908 | | (2,457) | |
| 2 U.S. Department of Health and Human Services | | | | | | | | |
| <i>Passed through Ohio Department of Community Dev.</i> | | | | | | | | |
| Child Care & Development Block Grant | 323 | 93.575 | | Recreation | 18 | - | (18) | - |
| (a.) Total for CFDA No. 93.575 | | | | | 18 | | (18) | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| Social Services Block Grant | 323 | 93.667 | | Recreation | 18 | - | (18) | - |
| Total for CFDA No. 93.667 | | | | | 18 | | (18) | |
| <i>Passed through Council on Aging of Southwestern Ohio</i> | | | | | | | | |
| Special Programs for the Aging Title III Part B | 324 | 93.044 | | Recreation | 51 | - | (51) | - |
| (b.) Total for CFDA No. 93.044 | | | | | 51 | | (51) | |
| Special Programs for the Aging Title III Part C | | | | | | | | |
| (b.) Total for CFDA No. 93.045 | | | | | 216 | 13 | (216) | |
| <i>Passed through YMCA of Greater Cincinnati</i> | | | | | | | | |
| TANF - Child Care Services | 323 | 93.558 | | Recreation | 35 | - | (35) | - |
| TANF - Cincy After School | 319 | 93.558 | | Recreation | - | - | - | - |
| Total for CFDA No. 93.558 | | | | | 35 | | (35) | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| Homeless Health Care Program | 448 | 93.151 | Contract #95-9748 | Health | 207 | - | (2) | - |
| Homeless Health Care Program | 448 | 93.151 | Contract #15X0059 | Health | 207 | - | (155) | - |
| Total for CFDA No. 93.151 | | | | | 414 | | (157) | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| Regional Lead Poisoning Prevention | 380 | 93.197 | 31-2-001-1-BE-02 | Health | - | 20 | (28) | (53) |
| Regional Lead Poisoning Prevention | 380 | 93.197 | 31-2-001-1-LE-0411 | Health | 44 | - | (45) | 55 |
| Total for CFDA No. 93.197 | | | | | 44 | 20 | (71) | |
| <i>Passed through Neighborhood Health Care</i> | | | | | | | | |
| Cincinnati Health Network | 446 | 93.224 | Contract #05-9955 | Health | 119 | - | (281) | - |
| Cincinnati Health Network | 446 | 93.224 | Contract #05-9955 | Health | 253 | - | (281) | - |
| Total for CFDA No. 93.224 | | | | | 372 | | (562) | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| Immunization Action Plan Special | 415 | 93.268 | 31-2-001-2-IM-0310 | Health | 25 | - | (29) | - |
| Immunization Action Plan Special | 415 | 93.268 | 31-2-001-2-IM-0411 | Health | 293 | - | (288) | - |
| Total for CFDA No. 93.268 | | | | | 318 | | (317) | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| Federal AIDS Prevention | 378 | 93.940 | 31-2-001-2-HP-0310 | Health | 1 | - | (94) | - |
| Federal AIDS Prevention | 378 | 93.940 | 31-2-001-2-HP-0411 | Health | 517 | - | (321) | - |
| Total for CFDA No. 93.940 | | | | | 518 | | (415) | |
| <i>Passed through Ohio Department of Health</i> | | | | | | | | |
| STD Control Program | 378 | 93.977 | 31-2-001-2-ST-0412 | Health | 194 | - | (191) | - |
| Total for CFDA No. 93.977 | | | | | 194 | | (191) | |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|--|------|--------|--------------------|--------------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| STD/HIV Prevention Training Centers | 379 | 93.978 | R30/PS000262-05 | NAM Health | \$ 216 | - | \$ (144) | - |
| Total for CFDA No. 93.978 | | | | | 216 | - | (144) | - |
| * Passed through Ohio Department of Health | | | | | | | | |
| Heart Health in Hamilton County | 425 | 93.991 | 31-2-001-2-CH-0110 | NAM Health | 14 | - | (2) | - |
| Heart Health in Hamilton County | 425 | 93.991 | 31-2-001-4-CC-0211 | NAM Health | 136 | - | (130) | - |
| Total for CFDA No. 93.991 | | | | | 150 | - | (132) | - |
| * Passed through Ohio Department of Health | | | | | | | | |
| Reproductive Health and Wellness | 350 | 93.217 | 31-2-001-2-RH-0112 | NAM Health | 190 | - | (70) | - |
| Total for CFDA No. 93.217 | | | | | 190 | - | (70) | - |
| * Passed through Ohio Department of Health | | | | | | | | |
| Public Health Emergency Preparedness | 350 | 93.069 | 31-2-001-2-PH-0211 | NAM Health | 396 | - | (279) | - |
| Public Health Emergency Preparedness | 350 | 93.069 | 31-2-001-2-PH-0211 | NAM Health | 224 | - | (49) | - |
| Total for CFDA No. 93.069 | | | | | 620 | - | (328) | - |
| * Passed through Ohio Department of Health | | | | | | | | |
| ARRA - Electronic Health Records | 502 | 93.721 | HRSA-10-154 | NAO Health | 120 | - | (77) | - |
| Total for CFDA No. 93.721 | | | | | 120 | - | (77) | - |
| TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | 3,287 | 33 | (2,521) | - |
| 3 U.S. Department of Housing & Urban Development | | | | | | | | |
| Community Development Block Grant | 304 | 14.218 | B09-MC390003 | NAC Comm Dev | 9,445 | 77 | (0) | (0) |
| Community Development Block Grant | 304 | 14.218 | B10-MC390003 | NAC Comm Dev | - | 1,353 | (9,720) | (20) |
| Community Development Block Grant | 304 | 14.218 | B11-MC390003 | NAC Comm Dev | - | - | (1,276) | - |
| Neighborhood Stabilization Program 1 | 438 | 14.218 | B08-MN390003 | NAO Comm Dev | 2,760 | 291 | (3,460) | - |
| Community Development Block Grant | 304 | 14.218 | New CFDA Loans | NAC Comm Dev | - | - | (5) | (20) |
| (d.) Total for CFDA No. 14.218 | | | | | 12,205 | 1,721 | (14,461) | - |
| ARRA - Community Dev Block Grant Recovery | 502 | 14.253 | B-09-MY-39-0003 | NAO Comm Dev | 370 | - | (359) | - |
| (d.) Total for CFDA No. 14.253 | | | | | 370 | - | (359) | - |
| Emergency Shelter Grant | 445 | 14.231 | S-10-MC-39-0003 | NAO Comm Dev | 83 | - | (83) | - |
| Emergency Shelter Grant | 445 | 14.231 | S-11-MC-39-0003 | NAO Comm Dev | 468 | - | (468) | - |
| Total for CFDA No. 14.231 | | | | | 551 | - | (551) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH16C50-0001 | NAO Comm Dev | 105 | - | (105) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH16C70-0001 | NAO Comm Dev | 219 | - | (219) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH000CSE000800 | NAO Comm Dev | 58 | - | (58) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH000CSE000800 | NAO Comm Dev | 142 | - | (142) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH006CSE000800 | NAO Comm Dev | 100 | - | (100) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH033TCSE001001 | NAO Comm Dev | 104 | - | (104) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH009CSE001003 | NAO Comm Dev | 2,283 | - | (2,283) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0015CSE001003 | NAO Comm Dev | 49 | - | (49) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH009CSE000802 | NAO Comm Dev | 1,791 | - | (1,791) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0015CSE000802 | NAO Comm Dev | 63 | - | (63) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0302CSE000900 | NAO Comm Dev | 62 | - | (62) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0307CSE000900 | NAO Comm Dev | 30 | - | (30) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0308CSE000900 | NAO Comm Dev | 163 | - | (163) | - |
| HOME-Shelter Plus Care | 410 | 14.238 | OH0362CSE001000 | NAO Comm Dev | 10 | - | (10) | - |
| Total for CFDA No. 14.238 | | | | | 5,179 | - | (5,179) | - |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|--|------|--------|------------------------|----------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| HOME | 411 | 14.239 | M-04-MC-39-0213 | Comm Dev | 154 | | \$ (154) | |
| HOME | 411 | 14.239 | M-05-MC-39-0213 | NAC | 75 | | (66) | (9) |
| HOME | 411 | 14.239 | M-06-MC-39-0213 | NAC | 33 | | (33) | |
| HOME | 411 | 14.239 | M-07-MC-39-0213 | NAC | 2,397 | | (2,396) | (1) |
| HOME | 411 | 14.239 | M-08-MC-39-0213 | NAC | 2,733 | | (2,733) | |
| HOME | 411 | 14.239 | M-09-MC-39-0213 | NAC | 1 | | (1) | |
| HOME | 411 | 14.239 | M-10-MC-39-0213 | NAC | 403 | 163 | (389) | (14) |
| HOME | 411 | 14.239 | M-11-MC-39-0213 | NAC | 78 | | (241) | |
| HOME | 411 | 14.239 | M-07-MC-39-0213 | NAC | | | (26,541) | |
| HOME | 411 | 14.239 | Outstanding CFDA Loans | NAC | 5,874 | 163 | (32,554) | (24) |
| Housing Opportunities For People With Aids | 465 | 14.241 | O-HH-10-F001 | NAO | 212 | | (212) | |
| Housing Opportunities For People With Aids | 465 | 14.241 | O-HH-11-F001 | NAO | 332 | | (332) | |
| Total for CFDA No. 14.241 | | | | | 544 | | (544) | |
| Empowerment Zone | 386 | 14.244 | EZ-99-04-0009 | NAO | | 104 | | |
| Total for CFDA No. 14.244 | | | | | | 104 | | |
| ARRA - Neighborhood Stabilization Program 2 | 502 | 14.256 | B-09-CN-OH-0033 | NAO | 5,769 | | (5,026) | |
| Total for CFDA No 14.256 | | | | | 5,769 | | (5,026) | |
| ARRA - Homeless Prevention & Rapid Re-Hsg Prog | 502 | 14.257 | S-09-MY-39-0003 | NAO | 2,326 | | (2,326) | |
| Total for CFDA No 14.257 | | | | | 2,326 | | (2,326) | |
| Unified Development Code Grant -10253 | 980 | 14.704 | CCPOHO019-10 | CP | 198 | | (198) | |
| Total for CFDA No. 14.704 | | | | | 198 | | (198) | |
| Lead Hazard Control Grant | 381 | 14.900 | OHLHB0360-07 | NAM | 49 | | (190) | |
| Lead Hazard Control Grant | 381 | 14.900 | OHLHD0217-10 | NAM | 424 | | (401) | |
| Cincinnati Lead Abatement Program | 387 | 14.900 | OHLHD0187-08 | NAO | 1,542 | | (1,798) | |
| Total for CFDA No. 14.900 | | | | | 2,015 | | (2,389) | |
| TOTAL DEPARTMENT OF HOUSING & URBAN DEVELOPMENT | | | | | 35,031 | 1,988 | (63,587) | (44) |
| <i>4 U.S. Department of the Interior</i> | | | | | | | | |
| <i>* Passed through Ohio Department of Natural Resources</i> | | | | | | | | |
| ODNR-Hooked on Fishing | 324 | 15.605 | | NAR | | | | (1) |
| (e.) Total for CFDA No. 15.605 | | | | | | | | (1) |
| TOTAL DEPARTMENT OF THE INTERIOR | | | | | | | | (1) |
| <i>5 U.S. Department of Justice</i> | | | | | | | | |
| <i>* Passed through Ohio Department of Youth Services</i> | | | | | | | | |
| Juvenile Accountability | 368 | 16.540 | 2009-JB-011-A242 | NAS | 16 | | (23) | |
| Juvenile Accountability | 368 | 16.540 | 2009-JB-012-A242-A | NAS | 24 | | (23) | |
| Total for CFDA No. 16.540 | | | | | 40 | | (46) | |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|---|------|--------|------------------|--------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| * Passed through Ohio Office of Criminal Justice Services | | | | | | | | |
| Domestic Violence Advocacy | 368 | 16.588 | 2008-WF-VA5-6553 | Police | - | - | - | - |
| Domestic Violence Advocacy | 368 | 16.588 | 2009-WF-VA5-6553 | Police | 13 | - | \$ (13) | (37) |
| Domestic Violence Advocacy | 368 | 16.588 | 2010-WF-VA5-6553 | Police | 50 | - | (50) | (50) |
| Total for CFDA No. 16.588 | | | | | | | | |
| * Passed through Ohio Office of Criminal Justice Services | | | | | | | | |
| Bulletproof Vests | 368 | 16.607 | 100415 | Police | - | - | (45) | (45) |
| Total for CFDA No. 16.607 | | | | | | | | |
| Bulletproof Vests | 368 | 16.609 | 2009-PS-PSN-362 | Police | 12 | - | (12) | (12) |
| Total for CFDA No. 16.609 | | | | | | | | |
| 2008 Enmark - RMS | 368 | 16.710 | 2008-CK-WX-0619 | Police | - | - | (7) | (7) |
| 2009 COPS Technology | 368 | 16.710 | 2009-CK-WX-0152 | Police | 671 | - | (671) | (671) |
| 2011 COPS Hiring | 368 | 16.710 | 2011-JL-WX-0024 | Police | 526 | - | (526) | (526) |
| ARRA - 2009 COPS Hiring Recovery Project | 502 | 16.710 | 2009-RJ-WX-0069 | Police | 4,525 | - | (4,525) | (4,525) |
| COPS Grant/Radios | 980 | 16.710 | 2009-CK-WX-0166 | RCC | 16 | - | (16) | (16) |
| Total for CFDA No. 16.710 | | | | | 5,738 | - | (5,745) | (5,745) |
| Justice Assistance Grant | 368 | 16.738 | 2004-JG-A02-6652 | Police | - | - | (18) | (18) |
| Justice Assistance Grant | 368 | 16.738 | 2004-JG-A02-6652 | Police | 17 | - | (29) | (29) |
| Justice Assistance Grant | 368 | 16.738 | 2010-JG-A02-6810 | Police | 37 | - | (37) | (37) |
| Justice Assistance Grant | 368 | 16.738 | 2009-JG-OPD-3746 | Police | 12 | - | (12) | (12) |
| Justice Assistance Grant | 375 | 16.738 | 2007-DJ-BX-1160 | Police | - | - | (247) | (247) |
| Justice Assistance Grant | 345 | 16.738 | 2008-DJ-BX-0307 | Police | - | 1 | (60) | (60) |
| Justice Assistance Grant | 365 | 16.738 | 2009-DJ-BX-0669 | Police | - | 7 | (47) | (47) |
| Justice Assistance Grant | 368 | 16.738 | 2010-DJ-BX-0003 | Police | 107 | - | (69) | (69) |
| Justice Assistance Grant | 478 | 16.738 | 2010-DJ-BX-0260 | Police | - | 9 | - | - |
| Justice Assistance Grant | 478 | 16.738 | 2011-DJ-BX-3278 | Police | 511 | 17 | (230) | (749) |
| (1.) Total for CFDA No. 16.738 | | | | | 684 | 17 | (749) | (749) |
| 2008 Enmark-Cameras | 368 | 16.753 | 2008-DD-BX-0175 | Police | 282 | - | (89) | (89) |
| Total for CFDA No. 16.753 | | | | | 282 | - | (89) | (89) |
| ARRA - SVAAA/VOCA | 368 | 16.801 | 2011-VAGENE757 | Police | 43 | - | (42) | (42) |
| ARRA - SVAAA/VOCA | 368 | 16.801 | 2012-VAGENE757 | Police | 8 | - | (11) | (11) |
| Total for CFDA No. 16.801 | | | | | 51 | - | (53) | (53) |
| ARRA - 2009 JAG Recovery | 502 | 16.803 | 2009-RA-A02-2094 | Police | 55 | 18 | (86) | (86) |
| ARRA - 2009 JAG Recovery | 502 | 16.803 | 2009-RA-ED1-2229 | Police | 92 | - | (91) | (91) |
| ARRA - 2009 JAG Recovery | 502 | 16.803 | 2009-RA-C01-2048 | Law | 25 | - | (25) | (25) |
| (1.) Total for CFDA No. 16.803 | | | | | 172 | 18 | (202) | (202) |
| ARRA - 2009 JAG Recovery Act | 501 | 16.804 | 2009-SB-B9-1187 | Police | - | 25 | (25) | (25) |
| (1.) Total for CFDA No. 16.804 | | | | | - | 25 | (25) | (25) |
| DOJ Equitable Sharing/Asset Forfeiture | 367 | 16.000 | | Police | 129 | 10 | (388) | (388) |
| Total for CFDA No. 16.000 | | | | | 129 | 10 | (388) | (388) |
| TOTAL DEPARTMENT OF JUSTICE | | | | | 7,158 | 70 | (7,384) | (7,384) |
| The Banks | 980 | 11.300 | 06-01-04945 | CP | 1,824 | - | (1,824) | (1,824) |
| TOTAL DEPARTMENT OF COMMERCE | | | | | 1,824 | - | (1,824) | (1,824) |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis)
For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|---|--------|--------|---------------------------|--------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| * Passed through Ohio Department of Transportation Uptown Wayfinding System '06 -03210 | 980 | 20.205 | PID 84636 ODOT | CP | \$ 92 | \$ - | \$ - | (92) |
| Gilbert Ave Greenway -02575 | 980 | 20.205 | PID 78010 ODOT | CP | - | - | (10) | - |
| Columbia Pwy Access Management -03096 | 980 | 20.205 | PID 11895 ODOT | CP | - | - | 67 | (1,015) |
| M.L. King/J-71 Interchange '06 -03221 | 980 | 20.205 | PID 77628 ODOT | CP | 276 | - | (263) | - |
| Hannilton Ave. Improv. Phase II '07 -03362 | 980 | 20.205 | PID 79689 ODOT | CP | 1,187 | - | (1,187) | - |
| Ohio River Trail-Willmer to Carrell -02915 | 980 | 20.205 | PID 75856 ODOT | CP | - | - | - | - |
| Uptown Wayfinding System '09 -03623 | 980 | 20.205 | PID 77628 ODOT | CP | 312 | - | (378) | - |
| Coleman Avenue Virginia to Leeper Improv. -10307 | 980 | 20.205 | PID 81845 | CP | 3,515 | - | (2,380) | - |
| Waldvogel Grants -11359 | 980 | 20.205 | PID 20082 | CP | 436 | - | (436) | - |
| ARRA - Ohio River Trail-Willmer to Carrell -09001 | 502 | 20.205 | PID 75856 ODOT | NAO | 1,008 | - | (136) | - |
| ARRA - Computerized Traffic Control System -09002 | 502 | 20.205 | PID 86247 | NAO | 6,826 | - | (4,817) | (1,015) |
| (*) Subtotal for ODOT - CFDA No. 20.205 | | | | | | | | |
| * Passed through Governor's Highway Safety Office Law Enforcement Overtime Program | 368 | 20.600 | GG-2010-31-00229-00 | NAS | - | - | - | - |
| Law Enforcement Overtime Program | 368 | 20.600 | GG-2011-31-00242-00 | NAS | 89 | - | (74) | - |
| Law Enforcement Overtime Program | 368 | 20.600 | HVEO-2010-31-00300-00 | NAS | 97 | - | (109) | - |
| Law Enforcement Overtime Program | 368 | 20.600 | HVEO-2010-31-00300-00 | NAS | 2 | - | - | - |
| (g.) Total for CFDA No. 20.600 | | | | | 188 | - | (183) | - |
| * Pass through City of Blue Ash, Ohio | 368 | 20.600 | OVTF-2011-31-00377-00 | NAS | 69 | - | (69) | - |
| * DUI | 368 | 20.600 | | Police | 69 | - | (69) | - |
| (g.) Total for CFDA No. 20.600 | | | | | 69 | - | (69) | - |
| Local Match Funds - FAA Project '04 -02978 | 980 | 20.106 | 3-39-0018-200 | CP | 65 | - | (65) | - |
| Total for CFDA No. 20.106 | | | | | 65 | - | (65) | - |
| TOTAL DEPARTMENT OF TRANSPORTATION | | | | | 7,148 | - | (5,134) | (1,015) |
| Green Cincinnati Plan | 436 | 66.041 | AF 83454001-0 | NAO | 217 | - | (217) | - |
| Total for CFDA No. 66.041 | | | | | 217 | - | (217) | - |
| ARRA - Solar Photovoltaic - Parks | 502 | 66.039 | ARRA-SEP-10-10DEEED000165 | NAO | 445 | - | (206) | - |
| ARRA - Solar Photovoltaic - DECC | 502 | 66.039 | ARRA-SEP-10-40DEEED000165 | NAO | 403 | - | (403) | - |
| ARRA - Solar Photovoltaic - Water Works | 502 | 66.039 | ARRA-SEP-10-10DEEED000165 | NAO | 770 | - | (729) | - |
| Total for CFDA No. 66.039 | | | | | 1,624 | - | (1,385) | - |
| USEPA BROWNFIELDS JOB TRAINING | 474 | 66.815 | JT-00R000407-0 | NAL | 81 | - | (81) | - |
| Total for CFDA No. 66.815 | | | | | 81 | - | (81) | - |
| OWDA Loan Project | 756 | 66.468 | FS390255-0010 | CP | 2,625 | - | (2,317) | - |
| OWDA Loan Project | 756 | 66.468 | FS390255-0008 | CP | 756 | - | (1,054) | - |
| Total for CFDA No. 66.468 | | | | | 3,381 | - | (3,371) | - |
| TOTAL ENVIRONMENTAL PROTECTION AGENCY | | | | | 5,303 | - | (5,054) | - |
| 8 Department of Homeland Security | | | | | | | | |
| * Passed through Hamilton County Emergency Mgt. Agency | | | | | | | | |
| 05 State Homeland Security Program | 97.073 | 97.073 | 05SHSGP | NAS | 122 | - | (122) | - |
| 08 Homeland Security Grant Program | 97.073 | 97.073 | 08SHSCP - HM | NAS | 1 | - | (1) | - |
| Total for CFDA No. 97.073 | | | | | 123 | - | (123) | - |
| * Passed through Ohio Dept. of Natural Resources | | | | | | | | |
| Paddle Safe Cincinnati | 324 | 97.012 | 11-05 | NAR | 10 | - | (6) | - |
| Paddle Safe Cincinnati | 324 | 97.012 | 2008-34 | NAR | 10 | - | (6) | - |
| Total for CFDA No. 97.012 | | | | | 10 | - | (6) | - |

CITY OF CINCINNATI, OHIO
Schedule of Expenditures of Federal Awards
(Non-GAAP Basis)

For the year ended December 31, 2011

| Grantor/Program Title | Fund | CFDA # | Grant # | Agency | Grant and Contract Revenue Received | Contributions and other Revenue | CFS Expenditures | Advances (Repayments) or Adjustments |
|---|---------|--------|------------------------|----------|-------------------------------------|---------------------------------|------------------|--------------------------------------|
| * Passed through Ohio Dept. of Public Safety | | | | | | | | |
| FEMA-Windstorm | 479 | 97.036 | FEMA 1805-DR-081-15000 | NAO | 248 | - | (249) | |
| FEMA 2011 Spring Rains | 461 | 97.036 | FEMA 4002-DR-081-15000 | Finance | 447 | - | (364) | |
| | | | | Finance | 695 | - | (613) | |
| Total for CFDA No. 97.036 | | | | | | | | |
| FY08 AFG Grant | 472 | 97.044 | EMW-2008-FD-12072 | Fire | - | - | (5) | |
| Fire Prevention & Safety Grant - FY10 | 472 | 97.044 | EMW-2010-FP-02021 | Fire | 13 | - | (13) | |
| Assistance to Firefighters Grant - FY09 | 472 | 97.044 | EMW-2009-FO-10718 | Fire | 584 | - | (584) | |
| Assistance to Firefighters Grant - FY10 | 472 | 97.044 | EMW-2010-FO-09685 | Fire | 274 | - | (274) | |
| | | | | Fire | 871 | - | (876) | |
| Total for CFDA No. 97.044 | | | | | | | | |
| 2007 Port Security-Cameras | 368 | 97.056 | 2007-GB-T7-0107 | Police | 11 | - | (17) | |
| FY07 Port Security Grant Program(PSGP) | 368/472 | 97.056 | 2007-GB-T7-K030 | Fire | 116 | - | (13) | |
| FY08Port Security Grant Program(PSGP) | 472 | 97.056 | 2008-GB-T7-K032 | Fire | 42 | - | (42) | |
| | | | | Fire | 169 | - | (72) | |
| Total for CFDA No. 97.056 | | | | | | | | |
| * Passed through Ohio Emergency Management Agency | | | | | | | | |
| FY05 UASI | 476 | 97.008 | 05UASI | Fire/Pol | 42 | - | (42) | |
| | | | | Fire/Pol | 42 | - | (42) | |
| Total for CFDA No. 97.008 | | | | | | | | |
| FY07 UASI | 476 | 97.067 | 0000006885 | Fire/Pol | 13 | - | (13) | |
| FY08 Urban Area Security Initiative | 476 | 97.067 | 2008-GE-T8-0025 | Fire/Pol | 122 | - | (122) | |
| Metropolitan Medical Response System FY07 | 393/454 | 97.067 | 0000007023 | Fire | - | - | (9) | |
| Metropolitan Medical Response System FY08 | 393/454 | 97.067 | 0000015779 | Fire | 311 | - | (301) | |
| Metropolitan Medical Response System FY09 | 454 | 97.067 | 0000022164 | Fire | 31 | - | (33) | |
| State Homeland Security Program | | 97.067 | 08 SHSP-LE | Fire | 477 | - | (478) | |
| (h.) Total for CFDA No. 97.067 | | | | | | | | |
| TOTAL DEPARTMENT OF HOMELAND SECURITY | | | | | 2,387 | - | (2,210) | - |
| 9 Dept of Energy | | | | | | | | |
| * Pass thru Ohio | | | | | | | | |
| ARRA - Alt. Fuels & Adv. Tech Vehicle Pilot 2010 | 502 | 81.041 | DE-EE0002566 | IMG | 110 | - | - | |
| ARRA - 2011 OATP | 502 | 81.041 | DE-EE0002566-S9111 | IMG | 46 | - | (133) | |
| | | | | IMG | 156 | - | (133) | |
| Total for CFDA No. 81.041 | | | | | | | | |
| ARRA -Energy Efficiency & Conservation Block Grant | 502 | 81.128 | DE-EE0000704 | EQ | 1,416 | - | (1,416) | |
| | | | | EQ | 1,416 | - | (1,416) | |
| Total for CFDA No. 81.128 | | | | | | | | |
| | | | | | 1,572 | - | (1,549) | - |
| TOTAL DEPARTMENT OF ENERGY | | | | | 67,618 | 2,091 | (91,721) | (1,060) |
| TOTAL FEDERAL GRANTS & SUBSIDIES (Non-GAAP Basis) | | | | | \$ 67,618 | \$ 2,091 | \$ (91,721) | \$ (1,060) |
| Less Amount Recognized as Contributed Capital | | | | | (10,866) | | | |
| Accounts Receivables NSP2 | | | | | (812) | | | |
| Less Accrual of Federal Grant & Subsidies at 12/31/10 | | | | | (1,880) | | | |
| Plus Accrual of Federal Grant & Subsidies at 12/31/11 | | | | | 2,166 | | | |
| Amount Recognized as Federal Grants & Subsidies (GAAP Basis) | | | | | <u>\$ 56,226</u> | | | |

* Indicates Federal monies passed through another agency to the City of Cincinnati.

* Total Community Development loans outstanding at December 31, 2011 totaled \$33,512,718.87 under CFDA 14.218, \$26,341,265.68 under CFDA 14.238, and 1,850,665.69 under CFDA 14.244.

CLUSTERS

- a. CCDF Cluster
- b. Aging Cluster
- c. Medicaid Cluster
- d. CDBG - Entitlement and (HUD-Administered) Small Cities Cluster
- e. Fish and Wildlife Cluster
- f. Highway Planning and Construction Cluster
- g. Highway Safety Cluster
- h. Homeland Security Cluster
- i. JAG Program Cluster

CITY OF CINCINNATI, OHIO
INFRASTRUCTURE INCOME TAX


In accordance with the provisions of Chapter 311 of the Cincinnati Municipal Code, an additional earnings tax of .1% shall be levied for costs related to constructing, equipping, maintaining and repair of the City's infrastructure. Such tax shall remain in effect as long as the City appropriates at least the base amount required and subsequently expends funds at a level (ninety percent of the annual base amount within three years) specified in Chapter 311, CMC.

The following data summarizes the results of the City's compliance with the infrastructure income tax requirements for 2011, 2010 and 2009.

(AMOUNTS IN THOUSANDS)

| | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|--------------------|--------------------|--------------------|
| Required Base Amount | \$62,300 | \$65,462 | \$64,750 |
| Actual Appropriated Amount | \$72,718 | \$70,550 | \$69,683 |
| Infrastructure Expenditures - As of December 31, 2011 | \$41,404 | \$53,981 | \$62,644 |
| Percentage of Expenditures to Base Amount | 66.4591% | 82.4616% | 96.7475% |

I hereby certify that the City of Cincinnati appropriated for 2011 an amount sufficient to meet the requirements for continuation of the Infrastructure Income Tax.


Reginald Zeno
Director of Finance

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STATISTICAL SECTION

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CITY OF CINCINNATI, OHIO

STATISTICAL SECTION

This section of the City of Cincinnati's comprehensive annual financial report provides detailed historical and economic information for users of the financial statements, notes to the financial statements, and required supplementary information for the purpose of assessing and evaluating the City's economic condition.

Financial Trends – This section provides information on the City's net position, changes to net position and fund balance for assessing the changes in financial position over time.

Revenue Capacity – This section provides information on the City's ability to generate revenue, specifically income tax (the major source of revenue for governmental activities) and property tax revenue.

Debt Capacity Information – This section provides information on the City's outstanding debt, debt limitations and the ability to leverage and pay future debt.

Demographic and Economic Information – This section provides information about the environment in which the City operates.

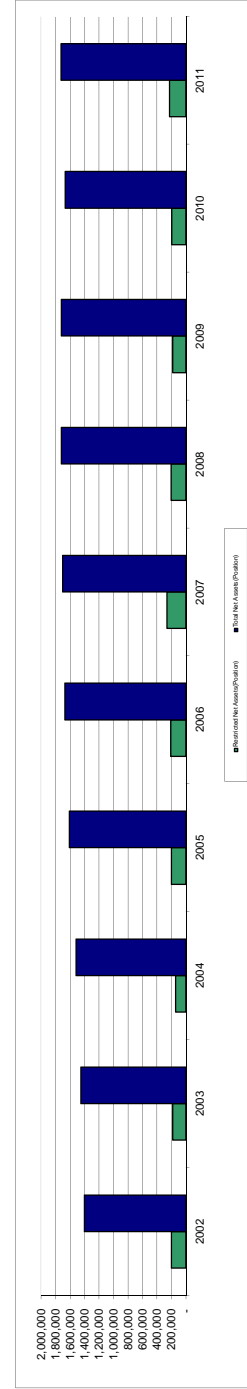
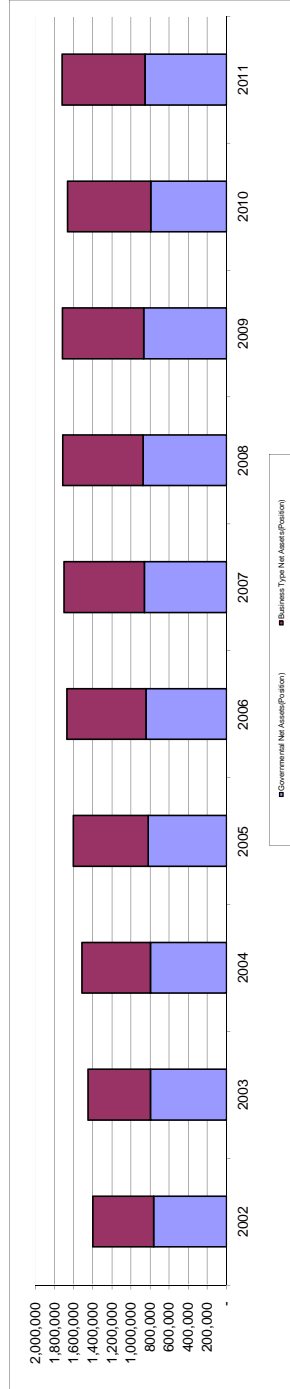
Operating Information – This section provides operating information related to the City's infrastructure, assets and services provided by function.

Sources: Unless otherwise noted, the information in these statistical schedules is from the comprehensive annual financial reports for the relevant years. The City implemented GASB 34 in 2002; schedules presenting government wide information include information beginning in that year.

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City of Cincinnati
Financial Trends Information
Schedule 1
Net Assets (Position) by Category
Last Ten Fiscal Years
(Amounts in Thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 490,028 | \$ 534,066 | \$ 612,373 | \$ 631,671 | \$ 646,232 | \$ 646,708 | \$ 646,883 | \$ 674,690 | \$ 714,580 | \$ 741,266 |
| Restricted | 197,516 | 176,263 | 141,202 | 151,260 | 158,416 | 176,785 | 162,774 | 133,750 | 160,955 | 203,698 |
| Unrestricted | 77,502 | 86,312 | 44,747 | 37,601 | 38,353 | 37,165 | 64,412 | 60,588 | (80,222) | (89,024) |
| Subtotal governmental activities net assets (position) | 765,046 | 796,641 | 798,322 | 820,532 | 845,001 | 862,658 | 873,069 | 869,028 | 785,313 | 855,940 |
| Business-Type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | 526,297 | 566,748 | 639,500 | 715,004 | 752,246 | 739,650 | 707,549 | 705,909 | 750,184 | 745,722 |
| Restricted | 3,435 | 4,452 | 3,004 | 48,974 | 51,409 | 84,453 | 42,929 | 47,438 | 36,687 | 23,010 |
| Unrestricted | 105,627 | 85,048 | 75,868 | 23,457 | 23,562 | 17,250 | 95,424 | 97,175 | 85,433 | 98,341 |
| Subtotal business-type activities net assets (position) | 635,359 | 656,248 | 718,372 | 787,435 | 827,217 | 841,353 | 845,902 | 850,522 | 872,204 | 867,073 |
| Primary Government | | | | | | | | | | |
| Invested in capital assets, net of related debt | 1,016,325 | 1,100,814 | 1,251,873 | 1,346,675 | 1,400,478 | 1,388,358 | 1,353,432 | 1,380,599 | 1,464,764 | 1,486,988 |
| Restricted | 200,951 | 180,715 | 144,206 | 200,934 | 209,825 | 261,238 | 205,703 | 181,188 | 197,542 | 236,708 |
| Unrestricted | 183,129 | 171,360 | 120,615 | 61,056 | 61,915 | 54,415 | 159,886 | 157,763 | 3,211 | 9,317 |
| Total primary government net assets (position) | \$ 1,400,405 | \$ 1,452,889 | \$ 1,516,694 | \$ 1,607,967 | \$ 1,672,218 | \$ 1,704,011 | \$ 1,716,971 | \$ 1,719,550 | \$ 1,667,517 | \$ 1,723,013 |



City of Cincinnati, Ohio
Financial Trends Information
Schedule 2
Changes in Net Assets(Position)
Last Nine Fiscal Years
(Amounts in Thousands)

| | Fiscal Year | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General Government | \$ 73,052 | \$ 84,702 | \$ 101,089 | \$ 91,650 | \$ 92,798 | \$ 98,413 | \$ 100,874 | \$ 107,959 | \$ 106,395 | \$ 78,682 |
| Community Development | 1,468 | 1,644 | 1,041 | 676 | 706 | 1,274 | 2,488 | 408 | 5,147 | 37 |
| Parks and Recreation | 5,922 | 6,217 | 6,726 | 5,915 | 6,939 | 7,103 | 6,833 | 7,314 | 7,451 | 7,059 |
| Public Safety | 8,141 | 7,634 | 9,281 | 12,562 | 16,410 | 12,083 | 16,404 | 14,230 | 14,789 | 19,331 |
| Transportation and Engineering | 447 | 393 | 1,278 | 1,189 | 1,247 | 1,185 | 1,583 | 85 | 1,956 | 1,360 |
| General Services | 3,926 | | | | | | | | | |
| Public Services | 1,106 | 1,858 | 2,066 | 2,212 | 1,976 | 2,256 | 3,078 | 5,735 | 2,588 | 36 |
| Public Health | 9,046 | 9,026 | 8,009 | 8,582 | 8,286 | 9,060 | 8,216 | 9,607 | 10,152 | 10,314 |
| Operating Grants and Contributions | 56,719 | 53,721 | 43,405 | 43,148 | 62,757 | 38,051 | 43,632 | 54,101 | 64,475 | 66,024 |
| Capital Grants and Contributions | 21,247 | 27,323 | 16,834 | 13,478 | 9,954 | 12,559 | 21,502 | 22,951 | 23,436 | 27,012 |
| Total governmental activities program revenue | 181,074 | 192,518 | 189,729 | 179,412 | 201,073 | 181,984 | 204,610 | 222,390 | 236,389 | 209,855 |
| Business-type activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Water Works | 88,192 | 87,538 | 90,877 | 98,689 | 101,057 | 117,494 | 119,228 | 115,377 | 123,443 | 119,434 |
| Parking Facilities | 7,576 | 7,885 | 8,969 | 8,827 | 8,196 | 8,567 | 8,814 | 8,860 | 9,520 | 10,385 |
| Convention Center | 3,347 | 2,994 | 2,841 | 1,776 | 3,676 | 6,209 | 6,440 | 5,236 | 6,764 | 7,513 |
| General Aviation | 1,595 | 1,867 | 1,901 | 1,786 | 1,669 | 1,887 | 2,029 | 1,932 | 2,039 | 2,044 |
| Municipal Golf | 5,966 | 5,811 | 6,080 | 5,949 | 6,129 | 6,457 | 6,414 | 6,458 | 6,069 | 5,270 |
| Stormwater Management | 7,335 | 7,348 | 7,224 | 7,063 | 7,230 | 8,713 | 8,692 | 8,756 | 8,919 | 8,412 |
| Capital Grants and Contributions | 14,641 | 12,190 | 43,028 | 61,017 | 32,711 | 5,140 | 5,293 | 9,971 | 32,217 | 3,543 |
| Total business-type activities program revenues | 128,652 | 125,633 | 160,920 | 185,107 | 160,668 | 154,467 | 156,910 | 156,590 | 188,971 | 156,601 |
| Total primary government program revenues | \$ 309,726 | \$ 318,151 | \$ 350,649 | \$ 364,519 | \$ 361,741 | \$ 336,451 | \$ 361,520 | \$ 378,980 | \$ 425,360 | \$ 366,456 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 102,323 | \$ 115,988 | \$ 119,686 | \$ 127,826 | \$ 139,436 | \$ 141,045 | \$ 139,727 | \$ 140,573 | \$ 178,047 | \$ 117,064 |
| Economic Development | | | | | 68 | | | | | |
| Community Development | 52,327 | 65,028 | 60,367 | 39,235 | 56,751 | 45,910 | 48,658 | 44,194 | 54,316 | 45,274 |
| Parks and Recreation | 34,647 | 35,496 | 37,033 | 39,438 | 40,848 | 42,069 | 44,616 | 42,345 | 51,298 | 42,419 |
| Public Safety | 182,135 | 192,370 | 205,338 | 218,576 | 224,724 | 235,945 | 247,924 | 253,413 | 254,720 | 242,159 |
| Transportation and Engineering | 24,042 | 25,378 | 30,529 | 26,472 | 37,271 | 37,734 | 37,965 | 42,361 | 46,805 | 34,121 |
| Transit Systems | | | | 37,712 | 41,950 | 43,814 | 45,389 | 46,537 | 40,398 | 41,746 |
| Enterprise Services | 51,171 | 35,558 | 37,038 | | | | | | | |
| Public Services | 40,036 | 44,662 | 46,477 | 48,125 | 47,268 | 53,166 | 60,227 | 48,987 | 60,920 | 57,415 |
| Public Health | 39,297 | 40,844 | 42,437 | 44,809 | 44,227 | 43,367 | 45,703 | 48,017 | 58,940 | 47,862 |
| Interest on long-term debt | 17,243 | 17,618 | 18,516 | 21,767 | 18,789 | 19,034 | 21,276 | 22,180 | 22,865 | 23,004 |
| Total governmental activities expenses | 543,221 | 572,942 | 597,421 | 603,960 | 651,332 | 662,084 | 691,485 | 688,607 | 768,309 | 651,064 |
| Business-type activities | | | | | | | | | | |
| Water Works | 78,039 | 84,142 | 88,095 | 99,895 | 99,177 | 108,314 | 113,804 | 117,007 | 132,531 | 119,423 |
| Parking Facilities | 7,127 | 7,416 | 6,845 | 8,637 | 9,118 | 10,397 | 9,969 | 8,831 | 9,605 | 8,807 |
| Convention Center | 7,715 | 7,117 | 7,057 | 6,809 | 10,359 | 14,588 | 18,372 | 14,605 | 15,424 | 15,484 |
| General Aviation | 1,937 | 2,083 | 1,922 | 2,032 | 2,160 | 2,319 | 2,753 | 2,529 | 2,864 | 2,729 |
| Municipal Golf | 5,634 | 6,282 | 5,820 | 6,266 | 6,179 | 6,428 | 6,369 | 6,141 | 6,258 | 7,313 |
| Stormwater Management | 4,652 | 5,829 | 5,722 | 5,739 | 7,226 | 8,258 | 8,452 | 9,998 | 8,927 | 11,157 |
| Total business-type activities expenses | 105,104 | 112,869 | 115,461 | 129,378 | 134,219 | 150,304 | 158,719 | 159,111 | 175,609 | 164,913 |
| Total primary government expenses | \$ 648,325 | \$ 685,811 | \$ 712,882 | \$ 733,338 | \$ 785,551 | \$ 812,388 | \$ 850,204 | \$ 847,718 | \$ 943,918 | \$ 815,977 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | \$ (362,147) | \$ (380,424) | \$ (407,692) | \$ (424,548) | \$ (450,259) | \$ (480,100) | \$ (486,875) | \$ (466,217) | \$ (531,920) | \$ (441,209) |
| Business-type activities | 23,548 | 12,764 | 45,459 | 55,729 | 26,449 | 4,163 | (1,809) | (2,521) | 13,362 | (8,312) |
| Total Primary Government Net Expense | (338,599) | (367,660) | (362,233) | (368,819) | (423,810) | (475,937) | (488,684) | (468,738) | (518,558) | (449,521) |

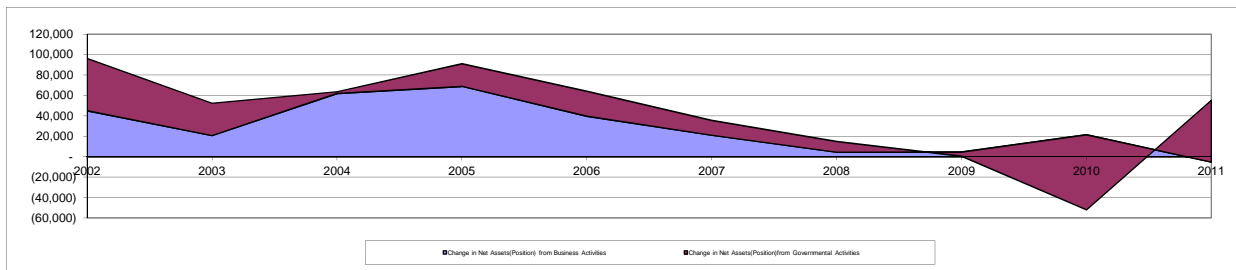
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City of Cincinnati, Ohio
Financial Trends Information
Schedule 2
Changes in Net Assets(Position)
Last Ten Fiscal Years
(Amounts in Thousands)

(Continued)

| | Fiscal Year | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|--------------------|------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| General Revenues and Other Changes in Net Assets(Position) | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Tax | | | | | | | | | | |
| Property taxes | \$ 64,051 | \$ 68,040 | \$ 67,614 | \$ 67,816 | \$ 79,996 | \$ 75,393 | \$ 75,062 | \$ 80,153 | \$ 51,509 | \$ 53,335 |
| Income taxes | 252,790 | 259,488 | 261,712 | 297,583 | 305,254 | 304,466 | 319,565 | 299,778 | 297,636 | 325,089 |
| Admission taxes | 3,446 | 4,075 | 3,890 | 3,691 | 4,494 | 4,309 | 4,570 | 4,028 | 4,174 | 4,450 |
| Shared taxes | 66,386 | 68,018 | 72,162 | 67,304 | 63,412 | 67,927 | 73,079 | 60,320 | 64,714 | 62,012 |
| Occupancy Tax | | 1,449 | 1,810 | 1,909 | 1,874 | 2,131 | 2,222 | 1,884 | 2,007 | 2,270 |
| Unrestricted Investment earnings | 46,277 | 11,199 | 11,252 | 12,234 | 20,344 | 20,311 | 19,363 | 14,461 | 10,861 | 9,407 |
| Miscellaneous | 249 | 52 | 105 | 206 | 55 | 127 | 699 | 1,350 | 27,380 | 31,844 |
| Special Item - Gain on Sale of Property | | | | | | 16,543 | | | | 14,000 |
| Loss on disposal of assets | (5,331) | | | | | | | | | |
| Transfers between governmental and business-type activities | (14,457) | (302) | (9,172) | (3,985) | (701) | 3,500 | 2,726 | 202 | (76) | (571) |
| Total governmental activities | 413,411 | 412,019 | 409,373 | 446,758 | 474,728 | 494,707 | 497,286 | 462,176 | 458,205 | 501,836 |
| Business-type activities: | | | | | | | | | | |
| Tax | | | | | | | | | | |
| Occupancy taxes | 1,662 | 1,019 | 1,092 | 1,230 | 1,046 | 1,274 | 1,287 | 1,187 | 1,234 | 1,394 |
| Unrestricted Investment earnings | 3,879 | 2,396 | 2,272 | 4,176 | 7,278 | 8,380 | 6,320 | 3,662 | 4,969 | 4,515 |
| Miscellaneous | 2,455 | 4,780 | 4,129 | 3,943 | 4,308 | 3,819 | 2,455 | 2,494 | 2,041 | 1,486 |
| Loss on disposal of assets | (870) | (372) | | | | | | | | |
| Special Item | | | | | | | (978) | - | - | (4,785) |
| Transfers between governmental and business-type activities | 14,457 | 302 | 9,172 | 3,985 | 701 | 3,500 | (2,726) | (202) | 76 | 571 |
| Total business-type activities | 21,583 | 8,125 | 16,665 | 13,334 | 13,333 | 16,973 | 6,358 | 7,141 | 8,320 | 3,181 |
| Total Primary Governmental Activities | 434,994 | 420,144 | 426,038 | 460,092 | 488,061 | 511,680 | 503,644 | 469,317 | 466,525 | 505,017 |
| Change in Net Assets (Position) | | | | | | | | | | |
| Governmental activities | \$ 51,264 | \$ 31,595 | \$ 1,681 | \$ 22,210 | \$ 24,469 | \$ 14,607 | \$ 10,411 | \$ (4,041) | \$ (73,715) | \$ 60,627 |
| Business-type activities | 45,131 | 20,889 | 62,124 | 69,063 | 39,782 | 21,136 | 4,549 | 4,620 | 21,682 | (5,131) |
| Total Primary Governmental Activities | \$ 96,395 | \$ 52,484 | \$ 63,805 | \$ 91,273 | \$ 64,251 | \$ 35,743 | \$ 14,960 | \$ 579 | \$ (52,033) | \$ 55,496 |

Note: In 2011, the Retirement beginning paying the prescription drug benefits for retirees directly instead of through the Self-Insured Medical Fund, resulting in a decrease in General Government Charges for Services, offset by a decrease in General Government Expenditures.



City of Cincinnati
Financial Trends Information
Schedule 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | | | | | | | | | | |
| Nonspendable | | | | | | | | | | |
| Reserved | \$ 12,263 | \$ 14,138 | \$ 12,894 | \$ 15,229 | \$ 13,712 | \$ 17,406 | \$ 13,226 | \$ 5,790 | \$ 3,726 | \$ 4,063 |
| Restricted | | | | | | | | | | |
| Unreserved | 53,078 | 51,339 | 48,539 | 55,994 | 57,392 | 56,068 | 53,471 | | | |
| Unrestricted: | | | | | | | | | | |
| Committed | | | | | | | | 12,885 | 8,295 | 5,287 |
| Assigned | | | | | | | | 36,106 | 27,316 | 24,975 |
| Unassigned | | | | | | | | 35,214 | 46,017 | 65,481 |
| Total General Fund | <u>65,341</u> | <u>65,477</u> | <u>61,433</u> | <u>71,223</u> | <u>71,104</u> | <u>73,464</u> | <u>66,697</u> | <u>89,995</u> | <u>85,354</u> | <u>99,806</u> |
| Capital Projects Fund | | | | | | | | | | |
| Nonspendable | | | | | | | | 17,213 | 15,962 | 898 |
| Reserved | 76,025 | 66,639 | 65,634 | 72,364 | 66,454 | 67,062 | 103,882 | 118,630 | 109,561 | 125,603 |
| Restricted | | | | | | | | | | |
| Unreserved | 112,658 | 97,142 | 87,925 | 94,921 | 94,446 | 109,614 | 105,996 | | | |
| Unrestricted: | | | | | | | | | | |
| Committed | | | | | | | | 15,764 | - | - |
| Assigned | | | | | | | | 31,550 | - | - |
| Unassigned | | | | | | | | | | |
| Total Capital Projects Fund | <u>188,683</u> | <u>163,781</u> | <u>153,559</u> | <u>167,285</u> | <u>160,900</u> | <u>176,666</u> | <u>209,878</u> | <u>183,157</u> | <u>125,523</u> | <u>126,501</u> |
| Debt Service Fund | | | | | | | | | | |
| Nonspendable | | | | | | | | | 10,000 | |
| Reserved | 36,971 | 53,534 | 44,240 | 44,780 | 51,256 | 55,545 | 65,660 | 73,137 | 50,548 | 81,090 |
| Restricted | | | | | | | | | | |
| Unreserved | | | | | | | 1,425 | | | |
| Unrestricted: | | | | | | | | | | |
| Committed | | | | | | | | | | |
| Assigned | | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| Total Debt Service Fund | <u>36,971</u> | <u>53,534</u> | <u>44,240</u> | <u>44,780</u> | <u>51,256</u> | <u>55,545</u> | <u>67,085</u> | <u>73,137</u> | <u>60,548</u> | <u>81,090</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | | | | | | | | | | |
| Reserved | 54,770 | 47,549 | 42,488 | 41,709 | 45,472 | 40,850 | 45,987 | 3,447 | 3,274 | 2,645 |
| Restricted | | | | | | | | | | |
| Unreserved | 12,431 | 19,918 | 23,789 | 31,275 | 31,898 | 36,644 | 35,684 | 52,111 | 98,085 | 117,086 |
| Unrestricted: | | | | | | | | | | |
| Committed | | | | | | | | | | |
| Assigned | | | | | | | | | 503 | 18,021 |
| Unassigned | | | | | | | | 24,587 | 18,447 | - |
| Total Other Governmental Funds | <u>67,201</u> | <u>67,467</u> | <u>66,277</u> | <u>72,984</u> | <u>77,370</u> | <u>77,494</u> | <u>81,671</u> | <u>78,564</u> | <u>120,309</u> | <u>(1,748)</u> |
| Total Fund Balance, Governmental Funds | <u>\$ 358,196</u> | <u>\$ 350,259</u> | <u>\$ 325,509</u> | <u>\$ 358,272</u> | <u>\$ 360,630</u> | <u>\$ 383,169</u> | <u>\$ 425,131</u> | <u>\$ 424,853</u> | <u>\$ 391,734</u> | <u>\$ 443,401</u> |
| Estimated Liability for Compensated Absences | \$ 6,985 | \$ 7,248 | \$ 7,433 | \$ 7,624 | \$ 7,923 | \$ 8,340 | \$ 8,683 | \$ 10,623 | \$ 1,065 | \$ 1,048 |

Notes: In 2004 a reserve of fund balance was created for the Estimated Liability for Compensated Absences. In prior years this amount has been included in the liability section of the financial statements. Prior years have been restated.
In 2009 GASB 54 was implemented which eliminated the reserved and unreserved classifications and replaced them with Nonspendable, Restricted and Unrestricted. Within the Unrestricted category three classifications of fund balance were created. They are Committed, Assigned and Unassigned.

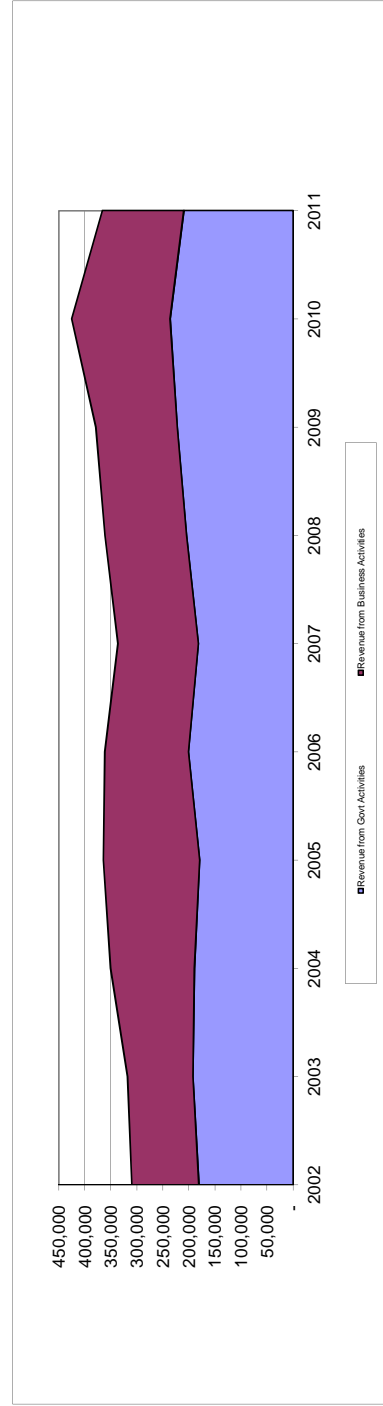
City of Cincinnati
Financial Trends Information
Schedule 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 317,356 | \$ 331,539 | \$ 339,750 | \$ 357,636 | \$ 384,108 | \$ 392,302 | \$ 398,520 | \$ 386,846 | \$ 359,559 | \$ 377,508 |
| Licenses and Permits | 9,483 | 9,331 | 10,449 | 10,449 | 10,917 | 11,516 | 11,302 | 12,045 | 11,218 | 11,313 |
| Use of Money and Property | 69,724 | 37,509 | 49,532 | 37,413 | 46,741 | 52,347 | 45,223 | 41,409 | 43,935 | 38,047 |
| Special Assessments | 3,987 | 3,762 | 3,918 | 4,183 | 4,048 | 4,257 | 4,327 | 4,383 | 5,416 | 4,993 |
| Intergovernmental Revenue | 73,332 | 75,209 | 72,095 | 75,976 | 72,800 | 69,001 | 77,737 | 71,514 | 75,139 | 71,506 |
| Federal Grants | 65,408 | 56,949 | 40,343 | 33,723 | 56,410 | 41,806 | 32,613 | 48,155 | 60,328 | 62,508 |
| State Grants and Subsidies | 8,757 | 6,853 | 8,933 | 3,283 | 7,545 | 4,429 | 22,584 | 10,461 | 14,738 | 17,824 |
| Charges for Current Services | 27,917 | 24,006 | 26,483 | 27,441 | 29,979 | 31,448 | 32,326 | 34,066 | 35,015 | 35,007 |
| Miscellaneous | 5,694 | 11,478 | 14,662 | 14,460 | 6,908 | 6,584 | 5,744 | 13,216 | 35,753 | 35,419 |
| Total Revenue | 581,658 | 556,036 | 565,560 | 564,564 | 614,456 | 613,690 | 630,376 | 622,095 | 641,101 | 654,125 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| General Government | 54,140 | 52,119 | 52,081 | 46,751 | 49,555 | 51,621 | 51,828 | 65,161 | 62,296 | 64,982 |
| Community Development | 15,030 | 46,978 | 27,128 | 10,283 | 9,575 | 8,934 | 13,087 | 11,418 | 10,553 | 8,386 |
| Parks and Recreation | 27,588 | 28,411 | 27,921 | 28,360 | 30,626 | 30,746 | 30,037 | 28,864 | 28,324 | 26,048 |
| Public Safety | 136,615 | 142,126 | 151,301 | 154,319 | 168,514 | 171,533 | 180,415 | 180,917 | 177,738 | 177,432 |
| Transportation and Engineering | 4,783 | 7,328 | 7,220 | 7,386 | 7,586 | 8,422 | 7,194 | 8,222 | 7,488 | 6,241 |
| Transit System | | | | 37,672 | 41,950 | 43,820 | 45,389 | 46,537 | 40,398 | 41,746 |
| General Services | 46,654 | 35,558 | 37,588 | - | 33,529 | 38,371 | 39,754 | 33,549 | 35,514 | 28,887 |
| Public Services | 33,261 | 35,358 | 34,776 | 33,724 | 34,752 | 33,461 | 32,235 | 34,275 | 33,898 | 30,203 |
| Public Health | 33,497 | 34,632 | 35,066 | 34,225 | 34,752 | 33,461 | 32,235 | 34,275 | 33,898 | 30,203 |
| Employee Benefits | 58,131 | 58,645 | 67,591 | 72,318 | 77,996 | 84,415 | 81,588 | 84,487 | 92,418 | 94,932 |
| Capital Outlay | 132,843 | 121,460 | 128,012 | 96,133 | 152,032 | 114,358 | 130,585 | 142,571 | 171,810 | 144,866 |
| Debt Services: | | | | | | | | | | |
| Principal Retirement | 47,148 | 55,385 | 48,914 | 35,514 | 50,581 | 53,079 | 34,398 | 41,852 | 38,338 | 40,869 |
| Interest | 17,402 | 17,457 | 18,599 | 18,054 | 18,878 | 19,298 | 21,006 | 21,878 | 22,878 | 22,670 |
| Police and Fire Prior Service Costs | | | | | | | | | | |
| Bond Issuance Cost | 377 | 707 | 342 | 679 | 389 | 1,059 | 1,403 | 1,070 | 556 | 850 |
| Total Expenditures | 607,469 | 636,164 | 636,529 | 575,418 | 675,963 | 659,117 | 668,919 | 700,801 | 722,209 | 688,112 |
| Excess/(Deficiency) of Revenues over/(under) Expenditures | (25,811) | (80,128) | (70,969) | (10,854) | (61,507) | (45,427) | (38,543) | (78,706) | (81,108) | (33,987) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| General Obligation Bonds and Notes Issued | 54,380 | 58,840 | 55,695 | 44,431 | 61,190 | 50,500 | 41,600 | 64,250 | 47,027 | 49,000 |
| Refunding Bonds Issued | | | 2,130 | 40,470 | 6,087 | 52,005 | 5,080 | 5,080 | 10,305 | 19,000 |
| Payment to Refunded Bonds Escrow Agent | | | (2,130) | (40,292) | | (54,308) | | (4,800) | (10,810) | (20,683) |
| State Loans Received | | | | | | 2,300 | | | | |
| Capital Lease Agreements | | 77 | | | | | | | | |
| Revenue Bonds Issued | 7,270 | 20,505 | | 1,021 | 720 | 9,995 | 35,280 | 12,770 | 1,661 | 21,000 |
| Premium on Bonds Issued | 413 | 821 | 3,213 | | | 1,133 | 1,133 | 1,279 | 3,869 | 3,869 |
| Discount on Revenue Bonds | | (70) | | | | (554) | | (31) | | (180) |
| State Loan | | | | | | | | | | |
| Other Transfers | | | | | | | | | | |
| Net Operating Interest Income | | | | | | | | | | |
| Operating Transfers In | 76,886 | 92,337 | 117,408 | 39,280 | 48,532 | 85,980 | 130,747 | 80,441 | 81,621 | 74,290 |
| Operating Transfers(Out) | (97,581) | (100,582) | (130,097) | (43,293) | (50,664) | (82,030) | (127,701) | (80,561) | (81,815) | (74,642) |
| Total Other Financing Sources(Uses) | 46,976 | 71,928 | 46,219 | 41,617 | 65,865 | 67,966 | 80,505 | 78,428 | 47,989 | 71,654 |
| Special Item | | | | | | | | | | 14,000 |
| Net change in fund balances | \$ 21,165 | \$ (8,200) | \$ (24,750) | \$ 30,763 | \$ 4,358 | \$ 22,539 | \$ 41,962 | \$ (278) | \$ (63,119) | \$ 51,667 |
| Capitalized Assets | \$ 70,321 | \$ 100,051 | \$ 57,471 | \$ 70,581 | \$ 73,029 | \$ 81,589 | \$ 89,910 | \$ 124,870 | \$ 108,294 | \$ 112,357 |
| Debt services as a Percentage of Noncapital Expenditures | 12.09% | 13.72% | 11.72% | 10.75% | 11.56% | 12.72% | 9.81% | 11.25% | 10.06% | 11.18% |

Note: Capitalized Asset amount is from Footnote 14, Governmental Asset Additions.

City of Cincinnati
Financial Trends Information
Schedule 5
Program Revenues by Function
Last Ten Fiscal Years
(Amounts in Thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Function/Program | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 77,750 | \$ 94,357 | \$ 106,815 | \$ 94,598 | \$ 100,473 | \$ 110,447 | \$ 103,886 | \$ 110,673 | \$ 111,773 | \$ 90,913 |
| Community Development | 46,610 | 37,877 | 28,716 | 32,316 | 39,478 | 25,617 | 25,404 | 31,580 | 43,336 | 36,005 |
| Parks and Recreation | 9,309 | 10,949 | 8,958 | 7,655 | 10,897 | 9,832 | 13,888 | 9,358 | 12,601 | 9,447 |
| Public Safety | 10,032 | 11,577 | 12,818 | 15,997 | 31,978 | 17,649 | 21,909 | 26,464 | 27,654 | 35,241 |
| Transportation and Engineering | 18,027 | 21,396 | 16,319 | 11,232 | 1,608 | 253 | 18,842 | 19,382 | 15,828 | 17,007 |
| Transit System | 3,926 | | | | | | | | | |
| Enterprise Services | 1,106 | 1,858 | 2,066 | 2,326 | 2,036 | 2,296 | 4,968 | 5,781 | 4,812 | 1,409 |
| Public Services | 14,314 | 14,504 | 14,037 | 15,288 | 14,603 | 15,890 | 15,713 | 19,152 | 20,385 | 19,833 |
| Public Health | | | | | | | | | | |
| Subtotal governmental activities program revenue | 181,074 | 192,518 | 189,729 | 179,412 | 201,073 | 181,984 | 204,610 | 222,390 | 236,389 | 209,855 |
| Business-type activities | | | | | | | | | | |
| Water Works | 98,729 | 96,199 | 95,940 | 113,153 | 106,703 | 122,429 | 122,327 | 125,081 | 126,482 | 122,738 |
| Parking Facilities | 7,576 | 7,891 | 8,969 | 8,827 | 8,218 | 8,610 | 8,822 | 8,868 | 9,520 | 10,535 |
| Convention Center | 7,272 | 6,051 | 40,613 | 48,064 | 29,101 | 6,209 | 7,505 | 5,236 | 6,764 | 7,513 |
| General Aviation | 1,774 | 2,324 | 2,076 | 2,051 | 1,987 | 1,983 | 2,103 | 2,191 | 2,042 | 2,133 |
| Municipal Golf | 5,966 | 5,811 | 6,080 | 5,949 | 7,429 | 6,511 | 6,776 | 6,458 | 6,367 | 5,270 |
| Stormwater Management | 7,335 | 7,357 | 7,242 | 7,063 | 7,230 | 8,725 | 9,377 | 8,756 | 37,796 | 8,412 |
| Subtotal business-type activities program revenues | 128,652 | 125,633 | 160,920 | 185,107 | 160,668 | 154,467 | 156,910 | 156,590 | 188,971 | 156,601 |
| Total primary government program revenues | \$ 309,726 | \$ 318,151 | \$ 350,649 | \$ 364,519 | \$ 361,741 | \$ 336,451 | \$ 361,520 | \$ 378,980 | \$ 425,360 | \$ 366,456 |



City of Cincinnati
Financial Trends Information
Schedule 6

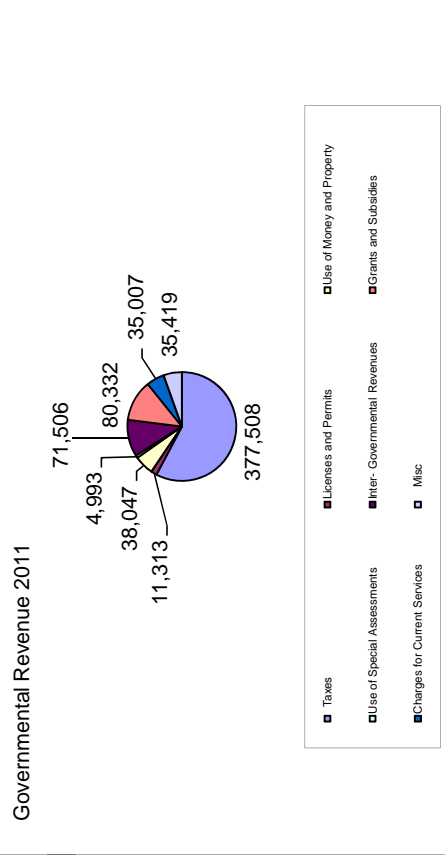
Total Revenue by Source, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

| Fiscal Year | Taxes | Licenses and Permits | Use of Money and Property | Special Assessments | Inter-Governmental Revenues | Grants and Subsidies | Charges for Current Services | Misc | Total |
|------------------|------------|----------------------|---------------------------|---------------------|-----------------------------|----------------------|------------------------------|----------|------------|
| 2002 | \$ 317,356 | \$ 9,483 | \$ 69,724 | \$ 3,987 | \$ 73,332 | \$ 65,408 | \$ 36,674 | \$ 5,718 | \$ 581,682 |
| 2003 | 331,539 | 9,331 | 37,509 | 3,762 | 75,209 | 63,202 | 24,006 | 11,478 | 556,036 |
| 2004 | 339,750 | 9,844 | 49,532 | 3,918 | 72,095 | 49,276 | 26,483 | 14,662 | 565,560 |
| 2005 | 357,636 | 10,449 | 37,413 | 4,183 | 75,976 | 37,006 | 27,441 | 14,460 | 564,564 |
| 2006 | 384,108 | 10,917 | 46,741 | 4,048 | 67,800 | 63,955 | 29,979 | 6,908 | 614,456 |
| 2007 | 392,302 | 11,516 | 52,347 | 4,257 | 69,001 | 46,235 | 31,448 | 6,584 | 613,690 |
| 2008 | 398,520 | 11,302 | 45,223 | 4,327 | 77,737 | 55,197 | 32,326 | 5,744 | 630,376 |
| 2009 | 386,846 | 12,045 | 41,409 | 4,383 | 71,514 | 58,616 | 34,066 | 13,216 | 622,095 |
| 2010 | 359,559 | 11,218 | 43,935 | 5,416 | 75,139 | 75,066 | 35,015 | 35,753 | 641,101 |
| 2011 | 377,508 | 11,313 | 38,047 | 4,993 | 71,506 | 80,332 | 35,007 | 35,419 | 654,125 |
| Change 2002-2011 | 19.0% | 19.3% | -45.4% | 25.2% | -2.5% | 22.8% | -4.5% | 519.4% | 12.5% |

City of Cincinnati
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(Amounts in Thousands)

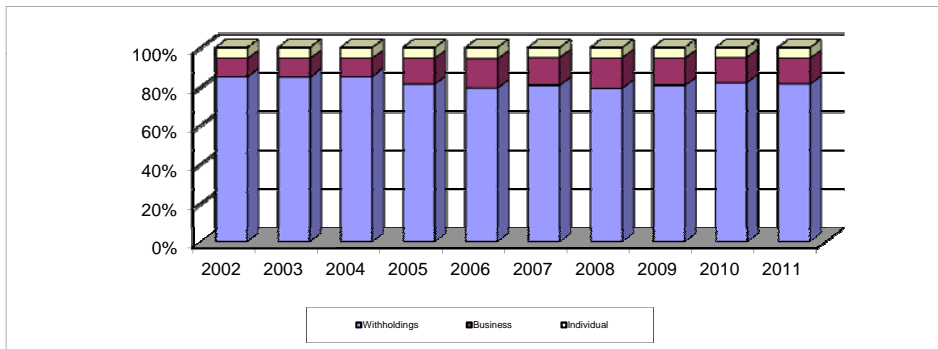
| Fiscal Year | Income Tax | Property Tax | Admissions Tax | Occupancy Tax | Tax Revenue |
|------------------|------------|--------------|----------------|---------------|-------------|
| 2002 | \$ 251,694 | \$ 62,216 | \$ 3,446 | \$ | \$ 317,356 |
| 2003 | 258,936 | 67,079 | 4,075 | 1,449 | 331,539 |
| 2004 | 267,331 | 66,694 | 3,915 | 1,810 | 339,750 |
| 2005 | 285,116 | 66,956 | 3,673 | 1,891 | 357,636 |
| 2006 | 298,603 | 79,138 | 4,493 | 1,874 | 384,108 |
| 2007 | 311,327 | 74,534 | 4,310 | 2,131 | 392,302 |
| 2008 | 317,532 | 74,196 | 4,570 | 2,222 | 398,520 |
| 2009 | 303,685 | 77,250 | 4,027 | 1,884 | 386,846 |
| 2010 | 302,307 | 51,070 | 4,175 | 2,007 | 359,559 |
| 2011 | 317,453 | 53,335 | 4,450 | 2,270 | 377,508 |
| Change 2002-2011 | 26.1% | -14.3% | 29.1% | 56.7% | 19.0% |

(1) Property Taxes include TIF service payments until 2010. TIF service payments are now in Miscellaneous Revenue.



**City of Cincinnati
Revenue Capacity
Schedule 1
Income Tax Revenue Base and Collections
Cash Basis
Last Ten Fiscal Years
(Amounts in Thousands)**

| Tax Year | Individual | % Total | Business | % Total | Withholding | % Total | Gross Receipts | Refunds | Net Receipts |
|----------|------------|---------|-----------|---------|-------------|---------|----------------|-----------|--------------|
| 2002 | \$ 14,295 | 5.5% | \$ 24,517 | 9.4% | \$ 223,295 | 85.2% | \$ 262,107 | \$ 10,024 | \$ 252,083 |
| 2003 | 14,654 | 5.4% | 25,676 | 9.5% | 228,875 | 85.0% | 269,205 | 11,227 | 257,978 |
| 2004 | 15,046 | 5.5% | 25,080 | 9.2% | 233,142 | 85.3% | 273,268 | 10,666 | 262,602 |
| 2005 | 16,226 | 5.5% | 38,407 | 13.0% | 240,200 | 81.5% | 294,833 | 9,184 | 285,649 |
| 2006 | 17,984 | 5.7% | 46,714 | 14.8% | 251,446 | 79.5% | 316,144 | 11,848 | 304,296 |
| 2007 | 16,206 | 5.1% | 44,812 | 14.0% | 258,136 | 80.9% | 319,154 | 13,155 | 305,999 |
| 2008 | 17,414 | 5.2% | 51,676 | 15.5% | 264,806 | 79.3% | 333,896 | 12,660 | 321,236 |
| 2009 | 16,789 | 5.3% | 43,743 | 13.8% | 257,088 | 80.9% | 317,620 | 14,608 | 303,012 |
| 2010 | 15,981 | 5.1% | 40,236 | 12.7% | 259,652 | 82.2% | 315,869 | 12,955 | 302,914 |
| 2011 | 17,855 | 5.4% | 42,898 | 13.0% | 268,318 | 81.6% | 329,071 | 12,721 | 316,350 |



Note: 1. The income tax rate is 2.1%.
 2. Minor differences between net receipts and Non-GAAP receipts are due to processing of City employee withholdings.
 Source: Cincinnati Income Tax Division

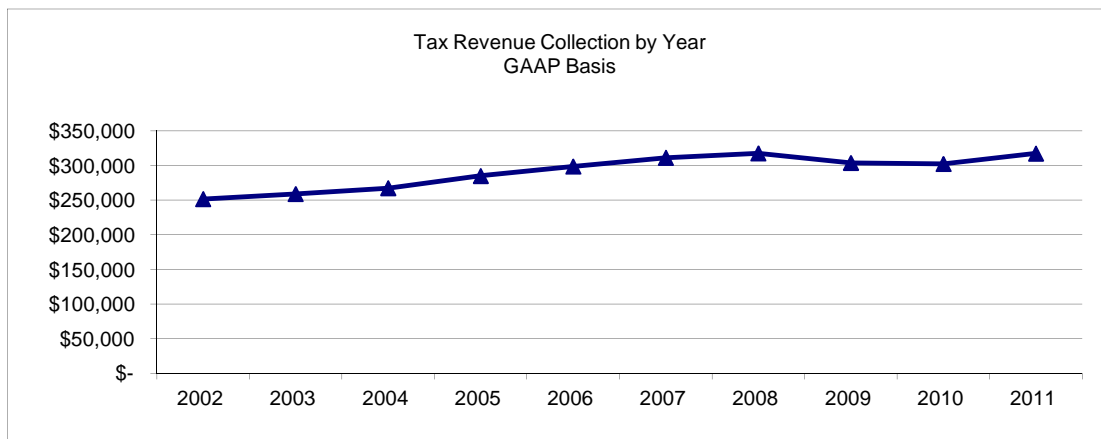
**City of Cincinnati
Revenue Capacity
Schedule 2
Income Tax Revenues
Last Ten Fiscal Years
(Amounts in Thousands)**

Non GAAP Budgetary Basis

| Year | General Fund | Transit Fund | Infrastructure Fund | Permanent Improvement Fund | Total | % Inc(Dec) PriorYr |
|------|--------------|--------------|---------------------|----------------------------|------------|--------------------|
| 2002 | \$ 185,259 | \$ 35,856 | \$ 11,952 | \$ 17,928 | \$ 250,995 | -1.77% |
| 2003 | 187,993 | 36,802 | 12,267 | 20,550 | 257,612 | 2.64% |
| 2004 | 193,411 | 37,434 | 12,478 | 18,717 | 262,040 | 1.72% |
| 2005 | 210,536 | 40,749 | 13,583 | 20,375 | 285,243 | 8.85% |
| 2006 | 219,000 | 43,149 | 14,383 | 25,512 | 302,044 | 5.89% |
| 2007 | 225,008 | 43,840 | 14,614 | 23,421 | 306,883 | 1.60% |
| 2008 | 231,758 | 45,821 | 15,274 | 27,898 | 320,751 | 4.52% |
| 2009 | 223,800 | 43,316 | 14,439 | 21,658 | 303,213 | -5.47% |
| 2010 | 222,497 | 43,064 | 14,355 | 21,532 | 301,448 | -0.58% |
| 2011 | 233,752 | 45,242 | 15,081 | 22,621 | 316,696 | 5.06% |

GAAP Basis

| Year | General Fund | Transit Fund | Infrastructure Fund | Permanent Improvement Fund | Total | % Inc(Dec) PriorYr |
|------|--------------|--------------|---------------------|----------------------------|------------|--------------------|
| 2002 | \$ 186,137 | \$ 36,026 | \$ 12,009 | \$ 17,522 | \$ 251,694 | -0.05% |
| 2003 | 188,971 | 36,991 | 12,330 | 20,644 | 258,936 | 2.88% |
| 2004 | 197,616 | 38,248 | 12,750 | 18,717 | 267,331 | 3.24% |
| 2005 | 210,415 | 40,726 | 13,575 | 20,364 | 285,080 | 6.64% |
| 2006 | 216,323 | 42,631 | 14,210 | 25,439 | 298,603 | 4.74% |
| 2007 | 226,704 | 44,168 | 14,723 | 25,732 | 311,327 | 4.26% |
| 2008 | 229,381 | 45,362 | 15,121 | 27,668 | 317,532 | 1.99% |
| 2009 | 222,942 | 43,150 | 14,383 | 23,210 | 303,685 | -4.36% |
| 2010 | 223,130 | 43,187 | 14,396 | 21,594 | 302,307 | -0.45% |
| 2011 | 234,311 | 45,350 | 15,117 | 22,675 | 317,453 | 5.01% |



**City of Cincinnati
Revenue Capacity
Schedule 3
Assessed Valuations and Estimated True Values
Last Ten Years**

| Year | <u>Assessed Valuations</u> | | | Total | Direct Tax Rate |
|------|----------------------------|-------------------------|----------------------------|------------------|-----------------|
| | Real Property | Public Utility Property | Tangible Personal Property | | |
| 2002 | \$ 4,379,262,050 | \$ 304,549,100 | \$ 644,918,170 | \$ 5,328,729,320 | 10.76 |
| 2003 | 4,871,308,460 | 319,863,560 | 535,538,450 | 5,726,710,470 | 10.63 |
| 2004 | 4,930,272,530 | 323,749,180 | 536,114,777 | 5,790,136,487 | 10.36 |
| 2005 | 4,836,981,760 | 319,434,990 | 542,827,280 | 5,699,244,030 | 10.34 |
| 2006 | 5,507,516,440 | 324,806,710 | 412,447,200 | 6,244,770,350 | 10.19 |
| 2007 | 5,522,872,120 | 312,711,570 | 337,541,870 | 6,173,125,560 | 9.93 |
| 2008 | 5,523,140,570 | 259,754,620 | 182,812,120 | 5,965,707,310 | 9.89 |
| 2009 | 5,647,647,630 | 258,279,260 | 28,684,610 | 5,934,611,500 | 9.89 |
| 2010 | 5,653,703,070 | 270,947,630 | 15,462,590 | 5,940,113,290 | 9.82 |
| 2011 | 5,548,127,850 | 279,408,310 | - | 5,827,536,160 | 10.07 |

The current assessed valuation for 2011 is computed at approximately the following percentages of estimated true value:

real property - 35%; public utilities, tangible personal property machinery and equipment, and inventory - various.

For real property, the estimated true values for the last ten years are computed as follows:

| Year | Estimated True Values | Year | Estimated True Values |
|------|-----------------------|------|-----------------------|
| 2002 | \$ 12,512,177,286 | 2007 | \$ 15,779,634,629 |
| 2003 | 13,918,024,171 | 2008 | 15,780,401,629 |
| 2004 | 14,086,492,943 | 2009 | 16,509,153,786 |
| 2005 | 13,819,947,886 | 2010 | 16,486,235,333 |
| 2006 | 15,735,761,257 | 2011 | 16,131,202,167 |

For public utility property and tangible personal property, the City is not able to calculate estimated true values for the last ten years because the tangible personal property components (machinery and equipment, and business inventory) have been assessed over the years at different percentages.

**City of Cincinnati
Revenue Capacity
Schedule 4
Property Tax Rates - Direct and Overlapping Governments
Last Ten Years**

| Year | Year | City Levy | | School Levy | County Levy | Total Levy | Residential Effective Millage | Commercial Effective Millage |
|----------|------|--------------|--------------|-------------|-------------|------------|-------------------------------|------------------------------|
| | | General Fund | Debt Service | | | | | |
| 2001 for | 2002 | 5.40 | 5.36 | 57.15 | 21.47 | 89.38 | 62.83 | 69.32 |
| 2002 for | 2003 | 5.27 | 5.36 | 56.25 | 21.87 | 88.75 | 58.94 | 66.70 |
| 2003 for | 2004 | 5.00 | 5.36 | 60.75 | 21.51 | 92.62 | 62.90 | 70.98 |
| 2004 for | 2005 | 4.98 | 5.36 | 60.83 | 21.06 | 92.23 | 64.21 | 71.87 |
| 2005 for | 2006 | 4.83 | 5.36 | 59.77 | 20.81 | 90.77 | 57.61 | 68.60 |
| 2006 for | 2007 | 4.57 | 5.36 | 59.37 | 20.18 | 89.48 | 56.94 | 67.99 |
| 2007 for | 2008 | 4.53 | 5.36 | 59.67 | 20.56 | 90.12 | 57.57 | 68.69 |
| 2008 for | 2009 | 4.53 | 5.36 | 67.95 | 20.63 | 98.47 | 65.70 | 76.08 |
| 2009 for | 2010 | 4.46 | 5.36 | 67.87 | 21.48 | 99.17 | 66.66 | 77.44 |
| 2010 for | 2011 | 4.60 | 5.47 | 68.54 | 21.48 | 100.09 | 67.82 | 79.88 |

Note: Rates are expressed as dollars of tax per thousand dollars of taxable valuation.

Source: Hamilton County Auditor's Office

**City of Cincinnati
Revenue Capacity
Schedule 5
Principal Property Taxpayers
Current Year and Nine Years Ago**

| Taxpayer | 2011 | | | 2002 | | |
|---------------------------------|------------------------|------|------------------------------------|------------------------|------|------------------------------------|
| | Taxable Assessed Value | Rank | Percentage of Total Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Assessed Value |
| Duke Energy (aka Cinergy) | 297,241,150 | 1 | 5.56% | 222,250,760 | 1 | 4.17% |
| City of Cincinnati | 123,531,960 | 2 | 2.31% | | | |
| The Procter and Gamble Co | 54,023,210 | 3 | 1.01% | 119,942,960 | 2 | 2.25% |
| Emery Realty Cincinnati Bell | | | | | | |
| Columbia Development | 20,448,030 | 7 | 0.38% | 74,240,730 | 3 | 1.39% |
| OTR | 21,525,000 | 6 | 0.40% | | | |
| Fifth Third Bank | 40,295,030 | 4 | 0.75% | 26,320,000 | 7 | 0.49% |
| Carew Realty Inc | 26,646,190 | 5 | 0.50% | | | |
| Regency Centers LP | 17,937,490 | 8 | 0.34% | 27,720,000 | 6 | 0.52% |
| Childrens Hospital | 16,021,990 | 9 | 0.30% | | | |
| Hertz Center | 14,000,000 | 10 | 0.26% | | | |
| Emery Realty | | | | 30,975,000 | 4 | 0.58% |
| Prudential Insurance | | | | 28,000,000 | 5 | 0.53% |
| Unova Industrial | | | | | | |
| Kroger Company | | | | 26,045,940 | 8 | 0.49% |
| Fifth Third Center | | | | 21,350,000 | 10 | 0.40% |
| Total | 631,670,050 | | 11.81% | 576,845,390 | | 10.82% |
| Total Assessed Value | 5,827,536,160 | | | | | |

Source: Hamilton County Auditors' Office

Note:

1. Assessed Valuation is based on both the personal and real property valuation of the largest property holder in the city.
2. The total assessed valuation figure is the 2011 valuation for 2012 real property tax collections.

**City of Cincinnati
Revenue Capacity
Schedule 6
Property Tax Levy and Collections
Last Ten Years
(in thousands)**

| Year | Net Tax Levy | Current Collections | Percentage of Current Collections to Net Levy | Prior Year Collections | Total Collections | Percentage of Total Collections to Net Levy |
|-------------|-------------------------|--------------------------------|--|-----------------------------------|------------------------------|--|
| 2002 | \$ 58,201 | \$ 54,858 | 94.26% | \$ 2,271 | \$ 57,129 | 98.16% |
| 2003 | 62,769 | 58,366 | 92.99% | 2,580 | 60,946 | 97.10% |
| 2004 | 61,664 | 56,720 | 91.98% | 2,740 | 59,460 | 96.43% |
| 2005 | 60,536 | 56,162 | 92.77% | 2,696 | 58,858 | 97.23% |
| 2006 | 64,591 | 59,744 | 92.50% | 3,279 | 63,023 | 97.57% |
| 2007 | 62,614 | 57,087 | 91.17% | 3,148 | 60,235 | 96.20% |
| 2008 | 60,231 | 55,389 | 91.96% | 2,978 | 58,367 | 96.91% |
| 2009 | 59,803 | 54,390 | 90.95% | 2,956 | 57,346 | 95.89% |
| 2010 | 58,408 | 52,764 | 90.34% | 2,769 | 55,533 | 95.08% |
| 2011 | 59,552 | 54,285 | 91.16% | 3,389 | 57,674 | 96.85% |

Note: Collections (2006 - 2011) have been reduced for State reimbursements of personal property tax that had been included in prior year amounts. These amounts are included in intergovernmental revenues.

City of Cincinnati
Revenue Capacity
Schedule 7
Water Works
Top Ten Retail Customer Data
For The Year Ended December 31, 2011

| RANK | NAME OF CUSTOMER | TOTAL CONSUMPTION, | | TOTAL OF GALLONS | PERCENT OF TOTAL CONSUMPTION, | | TOTAL CHARGES | | PERCENT OF TOTAL CHARGES |
|-----------------------------------|-----------------------------|------------------------|------------|------------------|-------------------------------|-------------|---------------|---------|--------------------------|
| | | HUNDREDS OF CUBIC FEET | THOUSANDS | | CONSUMPTION | CONSUMPTION | CHARGES | CHARGES | |
| 1 | University of Cincinnati | 746,933 | 558,706 | | 1.50% | \$ | 910,592 | 0.80% | |
| 2 | Western Water Co | 510,750 | 382,041 | | 1.02% | | 1,165,078 | 1.03% | |
| 3 | City of Reading | 498,485 | 372,867 | | 1.00% | | 861,017 | 0.76% | |
| 4 | Cognis Corporation | 444,759 | 332,680 | | 0.89% | | 656,989 | 0.58% | |
| 5 | Children's Hospital | 349,234 | 261,227 | | 0.70% | | 491,941 | 0.43% | |
| 6 | Coca Cola | 235,615 | 176,240 | | 0.47% | | 327,759 | 0.29% | |
| 7 | Metropolitan Sewer District | 227,415 | 170,106 | | 0.46% | | 315,225 | 0.28% | |
| 8 | Procter and Gamble | 222,060 | 166,101 | | 0.44% | | 312,580 | 0.28% | |
| 9 | Cinergy Solutions | 198,918 | 148,791 | | 0.40% | | 350,472 | 0.31% | |
| 10 | John Morrell Co | 162,480 | 121,535 | | 0.33% | | 286,570 | 0.25% | |
| Total - Top Ten Retail Customers: | | 3,596,649 | 2,690,294 | | 7.21% | \$ | 5,678,223 | 5.01% | |
| TOTAL - Top 75 Users | | 17,402,609 | 13,017,152 | | 34.87% | \$ | 26,252,459 | 23.18% | |
| TOTAL - System | | 49,908,211 | 37,331,342 | | 100.00% | \$ | 113,259,135 | 100.00% | |

**City of Cincinnati
Revenue Capacity
Schedule 8
Water Works
Historical and Projected Water System Pumpage**

| Year | Total Pumpage (MG's) | Average Day MGD | Maximum Day MGD | System's Rated Pumpage Capacity MGD | Maximum Daily Pumpage as % of Capacity |
|------|----------------------|-----------------|-----------------|-------------------------------------|--|
| 2002 | 49,679.150 | 136.1 | 217.8 | 261 | 83.45% |
| 2003 | 48,574.063 | 133.1 | 207.9 | 261 | 79.66% |
| 2004 | 49,005.613 | 134.3 | 176.8 | 261 | 67.74% |
| 2005 | 50,246.239 | 137.7 | 213.8 | 255 | 83.84% |
| 2006 | 47,990.075 | 131.5 | 211.5 | 260 | 81.35% |
| 2007 | 53,410.400 | 146.3 | 229.5 | 260 | 88.27% |
| 2008 | 49,566.720 | 135.4 | 220.6 | 260 | 84.85% |
| 2009 | 45,554.620 | 124.8 | 169.3 | 260 | 65.12% |
| 2010 | 47,328.971 | 129.7 | 188.6 | 260 | 72.54% |
| 2011 | 44,396.749 | 121.6 | 206.3 | 260 | 79.36% |

MG - Million Gallons

MGD - Million Gallons per Day

**City of Cincinnati
Revenue Capacity
Schedule 9
Water Works
Accounts Receivable**

| Year | Net Water Sales | Cash Collected During Year for Current & Prior Year's Sales | Percentage of Sales Collected |
|------|-----------------------|---|-------------------------------|
| 2002 | \$ 82,815,023 | \$ 82,260,162 | 99.33% |
| 2003 | 83,270,619 | 82,523,831 | 99.10% |
| 2004 | 86,574,584 | 84,906,679 | 98.07% |
| 2005 | 93,542,902 | 92,994,903 | 99.41% |
| 2006 | 93,746,893 | 92,171,945 | 98.32% |
| 2007 | 108,648,659 | 107,857,042 | 99.27% |
| 2008 | 110,122,765 | 109,451,016 | 99.39% |
| 2009 | 108,648,959 | 107,855,822 | 99.27% |
| 2010 | 113,698,642 | 112,744,685 | 99.16% |
| 2011 | 107,523,801 | 107,944,056 | 100.39% |
| | <u>\$ 988,592,847</u> | <u>\$ 980,710,141</u> | <u>99.20%</u> |

City of Cincinnati
Debt Capacity Information
Schedule 1
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Amount in Thousands)

| Fiscal Year | General Obligation Bonds | | General Obligation Notes | | Revenue Bonds | | Revenue Notes | | Capital Leases | | Total Outstanding Debt | Outstanding Debt per Capita (Actual) | % of Per Capita Personal Income | Debt to Net Asset Ratio | | |
|--|--------------------------|---------|--------------------------|--------|---------------|---------|---------------|--------|----------------|-----|------------------------|--------------------------------------|---------------------------------|-------------------------|------|------|
| | | | | | | | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | | | | | | | |
| 2002 | \$ | 273,473 | \$ | 21,497 | \$ | 18,522 | \$ | 9,732 | \$ | 171 | \$ | 323,395 | \$ | 976.17 | 3.1% | 2.37 |
| 2003 | | 296,530 | | 12,532 | | 38,140 | | | | 111 | | 347,313 | | 1,048.37 | 3.2% | 2.29 |
| 2004 | | 312,447 | | 5,697 | | 35,852 | | | | 88 | | 354,084 | | 1,068.80 | 3.1% | 2.25 |
| 2005 | | 320,278 | | 9,930 | | 33,449 | | 3,000 | | 60 | | 366,717 | | 1,155.52 | 3.2% | 2.24 |
| 2006 | | 340,640 | | 6,050 | | 30,595 | | 6,087 | | 28 | | 383,400 | | 1,208.09 | 3.2% | 2.20 |
| 2007 | | 352,955 | | 8,268 | | 38,115 | | 7,380 | | 471 | | 410,563 | | 1,235.70 | 3.2% | 2.10 |
| 2008 | | 363,120 | | 12,800 | | 70,825 | | 3,220 | | 247 | | 452,762 | | 1,361.86 | 3.5% | 1.93 |
| 2009 | | 389,680 | | 4,490 | | 80,140 | | 3,029 | | 501 | | 477,840 | | 1,437.29 | 3.8% | 1.82 |
| 2010 | | 401,597 | | 22,500 | | 77,000 | | 2,847 | | 460 | | 504,404 | | 1,698.66 | 4.3% | 1.58 |
| 2011 | | 411,574 | | 17,000 | | 95,715 | | 2,636 | | 353 | | 527,278 | | 1,775.69 | N/A | 1.62 |
| Business-Type Activities | | | | | | | | | | | | | | | | |
| 2002 | \$ | 74,967 | \$ | 9,100 | \$ | 89,885 | \$ | | \$ | 69 | \$ | 174,021 | \$ | 525.28 | 1.7% | 3.65 |
| 2003 | | 58,745 | | 24,510 | | 199,310 | | | | | | 282,565 | | 852.92 | 2.6% | 2.32 |
| 2004 | | 45,158 | | 12,000 | | 192,300 | | 975 | | | | 250,433 | | 755.93 | 2.2% | 2.87 |
| 2005 | | 33,567 | | 7,747 | | 295,645 | | 1,905 | | | | 338,864 | | 1,067.76 | 3.0% | 2.32 |
| 2006 | | 25,170 | | 7,874 | | 284,600 | | 3,114 | | | | 320,758 | | 1,010.70 | 2.7% | 2.58 |
| 2007 | | 17,635 | | | | 346,255 | | 12,868 | | 181 | | 376,939 | | 1,134.50 | 3.0% | 2.23 |
| 2008 | | 15,470 | | | | 332,635 | | 12,622 | | 268 | | 360,995 | | 1,085.84 | 2.8% | 2.34 |
| 2009 | | 13,155 | | 6,250 | | 415,965 | | 12,190 | | 284 | | 447,844 | | 1,347.07 | 3.5% | 1.90 |
| 2010 | | 20,068 | | | | 401,100 | | 8,271 | | 190 | | 429,629 | | 1,446.84 | 3.6% | 2.03 |
| 2011 | | 16,871 | | | | 448,865 | | 10,321 | | 120 | | 476,177 | | 1,603.60 | N/A | 1.82 |
| Total Primary Governmental Activities | | | | | | | | | | | | | | | | |
| 2002 | \$ | 348,440 | \$ | 30,597 | \$ | 108,407 | \$ | 9,732 | \$ | 240 | \$ | 497,416 | \$ | 1,501.45 | 4.7% | 2.70 |
| 2003 | | 355,275 | | 37,042 | | 237,450 | | - | | 111 | | 629,878 | | 1,901.29 | 5.9% | 2.87 |
| 2004 | | 357,605 | | 17,697 | | 228,152 | | 975 | | 88 | | 604,517 | | 1,824.74 | 5.4% | 2.51 |
| 2005 | | 353,845 | | 17,677 | | 329,094 | | 1,905 | | 60 | | 705,581 | | 2,223.28 | 6.2% | 2.28 |
| 2006 | | 365,810 | | 13,924 | | 315,195 | | 3,114 | | 28 | | 704,158 | | 2,218.79 | 5.9% | 2.37 |
| 2007 | | 370,590 | | 8,268 | | 384,370 | | 16,242 | | 652 | | 787,502 | | 2,370.19 | 6.2% | 2.16 |
| 2008 | | 378,590 | | 12,800 | | 403,460 | | 15,842 | | 515 | | 813,757 | | 2,447.70 | 6.3% | 2.11 |
| 2009 | | 402,835 | | 10,740 | | 496,105 | | 15,219 | | 785 | | 925,684 | | 2,784.36 | 7.3% | 1.86 |
| 2010 | | 421,665 | | 22,500 | | 478,100 | | 11,118 | | 650 | | 934,033 | | 3,145.50 | 7.9% | 1.79 |
| 2011 | | 428,445 | | 17,000 | | 544,580 | | 12,957 | | 473 | | 1,003,455 | | 3,379.28 | N/A | 1.71 |

City of Cincinnati
Debt Capacity Information
Schedule 2
Ratio of Net General Bonded Debt
To Assessed Value and Net Bonded Debt Per Capital
Last Ten Years

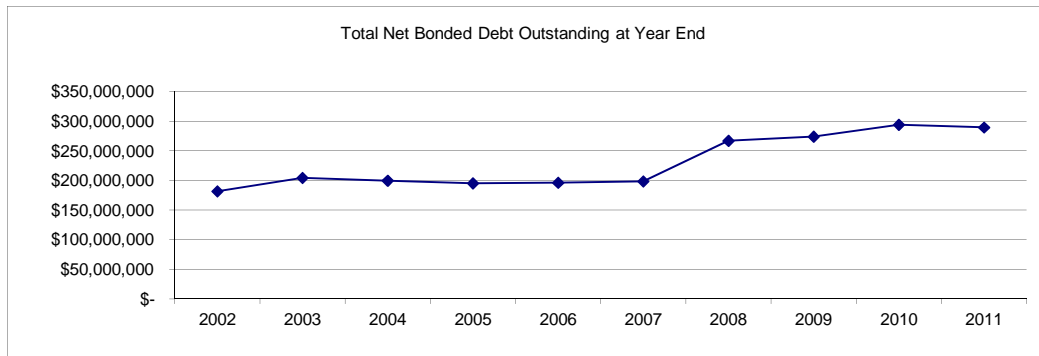
| Year | Net Bonded Debt (Note 1) | Assessed Value | Population (Note 2) | Ratio of Net Bonded Debt To Assessed Value | Net Bonded Debt per Capita |
|------|--------------------------|------------------|---------------------|--|----------------------------|
| 2002 | \$ 181,745,936 | \$ 5,328,729,320 | 331,290 | 3.41% | 549 |
| 2003 | 204,360,090 | 5,726,710,470 | 331,290 | 3.57% | 617 |
| 2004 | 199,851,276 | 5,790,136,487 | 331,290 | 3.45% | 603 |
| 2005 | 195,355,794 | 5,699,244,030 | 317,361 | 3.43% | 616 |
| 2006 | 196,217,743 | 6,244,770,350 | 317,361 | 3.14% | 618 |
| 2007 | 198,642,767 | 6,173,125,560 | 332,252 | 3.22% | 598 |
| 2008 | 267,007,624 | 5,937,230,230 | 332,458 | 4.50% | 803 |
| 2009 | 274,026,733 | 5,934,611,500 | 332,458 | 4.62% | 824 |
| 2010 | 294,180,000 | 5,940,113,290 | 296,943 | 4.95% | 991 |
| 2011 | 289,640,000 | 5,827,536,160 | 296,943 | 4.97% | 975 |

Note 1 - Includes only the net general obligation debt that is tax supported.
 Note 2 - The 2000 - 2010 figures are based on Bureau of the Census data.

City of Cincinnati
Debt Capacity Information
Schedule 3
Computation of Direct and Overlapping Debt
December 31, 2011

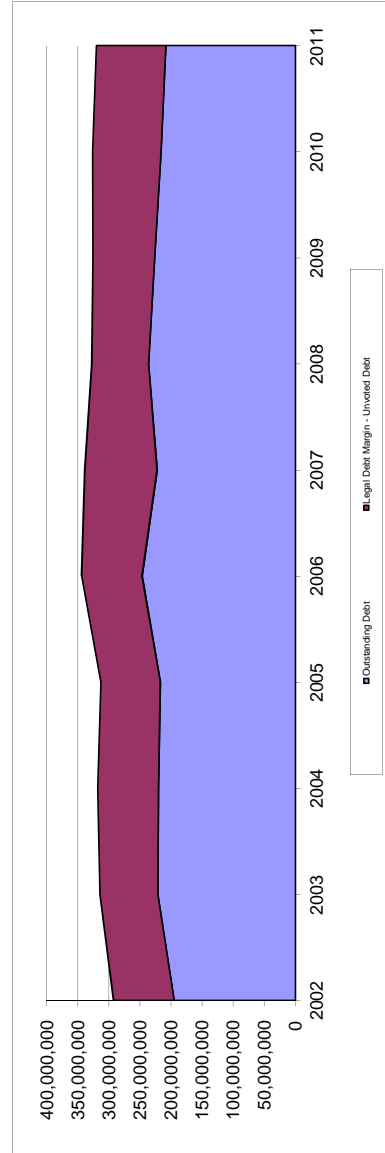
| | Assessed Valuation (a) | Net General Tax Supported Debt | Percent Overlapping | Net Tax Supported Overall Debt |
|--|------------------------|--------------------------------|---------------------|--------------------------------|
| <u>Direct:</u> | | | | |
| City of Cincinnati | \$ 5,827,536,160 | \$ 238,444,775 | 100 % | \$ 431,563,000 |
| <u>Overlapping:</u> | | | | |
| Board of Education - Cincinnati City School District | 6,597,339,770 | 694,540,000 (b) | 88% | 618,140,600 |
| Hamilton County | 19,967,203,780 | 87,872,188 (a) | 29% | 27,240,378 |
| Subtotal | | 782,412,188 | | 645,380,978 |
| Total | | \$ 1,020,856,963 | | \$ 1,076,943,978 |

(a) Source: Hamilton County Auditor's Office
 (b) Source: Cincinnati City School District
 (c) Percent Overlapping is calculated based on assessed value to total assessed value.



City of Cincinnati
Debt Capacity Information
Schedule 4
Legal Debt Margin
December 31

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Overall Debt Limitation - 10-1/2 % of Assessed Valuation | \$ 559,516,579 | \$ 601,304,599 | \$ 607,564,331 | \$ 598,420,623 | \$ 657,615,564 | \$ 648,178,184 | \$ 626,389,268 | \$ 623,134,208 | \$ 623,711,895 | \$ 611,891,297 |
| Net Debt Within 10-1/2% Limitation | 195,400,000 | 221,670,000 | 220,560,000 | 217,670,000 | 247,190,000 | 222,868,000 | 236,495,000 | 226,635,000 | 216,595,000 | 208,770,000 |
| Legal Debt Margin Within 10-1/2% Limitation | \$ 364,116,579 | \$ 379,634,599 | \$ 387,004,331 | \$ 380,750,623 | \$ 410,425,564 | \$ 425,310,184 | \$ 389,904,268 | \$ 396,499,208 | \$ 407,116,895 | \$ 403,121,297 |
| Net Debt Percentage of 10 1/2 % Limitation | 34.92% | 36.86% | 36.28% | 36.37% | 37.59% | 34.38% | 37.75% | 36.37% | 34.73% | 34.12% |
| Unvoted Debt Limitation - 5-1/2% of Assessed Valuation | \$ 293,080,113 | \$ 314,969,076 | \$ 318,457,507 | \$ 313,458,422 | \$ 344,465,295 | \$ 339,521,906 | \$ 328,113,902 | \$ 326,403,633 | \$ 326,706,231 | \$ 320,514,488 |
| Net Debt Within 5-1/2% Limitation | 195,400,000 | 221,670,000 | 220,560,000 | 217,670,000 | 247,190,000 | 222,868,000 | 236,495,000 | 226,635,000 | 216,595,000 | 208,770,000 |
| Legal Debt Margin Within 5-1/2% Limitation | \$ 97,680,113 | \$ 83,299,076 | \$ 97,897,507 | \$ 95,798,422 | \$ 97,275,295 | \$ 116,653,906 | \$ 91,618,902 | \$ 99,768,633 | \$ 110,111,231 | \$ 111,744,488 |
| Net Debt Percentage of 5 1/2 % Limitation | 66.67% | 70.38% | 69.26% | 69.44% | 71.76% | 65.64% | 72.08% | 69.43% | 66.30% | 65.14% |



City of Cincinnati
Debt Service Capacity
Schedule 5
Revenue Bonds Debt Service Coverage
Last Ten Fiscal Years

| Fiscal Year | Economic Development Financing Bonds | | | | | Water Works Bonds | | | | |
|-------------|--------------------------------------|------------|------------|--------------|----------|-------------------|--------------|--------------|--------------|----------|
| | Payment in Lieu of Taxes | Principal | Interest | Total | Coverage | Revenue | Principal | Interest | Total | Coverage |
| 2002 | \$ 1,967,377 | \$ 567,000 | \$ 967,075 | \$ 1,534,075 | 1.28 | \$ 93,034,000 | \$ 2,800,000 | \$ 4,759,000 | \$ 7,559,000 | 4.77 |
| 2003 | 2,651,448 | 887,000 | 1,160,626 | 2,047,626 | 1.29 | 93,597,000 | 2,935,000 | 4,621,000 | 7,556,000 | 4.56 |
| 2004 | 2,651,448 | 887,000 | 1,160,626 | 2,047,626 | 1.29 | 96,651,000 | 7,010,000 | 9,367,000 | 16,377,000 | 2.15 |
| 2005 | 4,848,086 | 2,288,000 | 1,995,000 | 4,283,000 | 1.13 | 105,797,000 | 7,240,000 | 11,174,000 | 18,414,000 | 2.35 |
| 2006 | 4,840,444 | 2,854,000 | 1,915,905 | 4,769,905 | 1.01 | 110,858,000 | 11,045,000 | 12,721,000 | 23,766,000 | 1.99 |
| 2007 | 4,796,765 | 2,475,000 | 1,782,231 | 4,257,231 | 1.13 | 127,995,000 | 11,475,000 | 13,082,000 | 24,557,000 | 2.23 |
| 2008 | 6,486,865 | 2,955,000 | 2,209,510 | 5,164,510 | 1.26 | 126,780,000 | 13,620,000 | 14,840,000 | 28,460,000 | 1.96 |
| 2009 | 9,953,193 | 3,070,000 | 2,050,209 | 5,120,209 | 1.94 | 120,397,000 | 14,000,000 | 15,797,000 | 29,797,000 | 1.60 |
| 2010 | 9,754,692 | 3,140,000 | 2,652,176 | 5,792,176 | 1.68 | 131,000,000 | 15,430,000 | 18,551,000 | 33,981,000 | 1.65 |
| 2011 | 11,402,482 | 2,285,000 | 3,886,719 | 6,171,719 | 1.85 | 120,682,000 | 17,980,000 | 21,419,365 | 39,399,365 | 1.25 |

Includes:

- Urban Renewal Revenue Bonds, Series 1990A - One Gateway Project
- Economic Development Revenue Bonds, Series 1996 - Cincinnati Development Group LLC - Fountain Square West Project
- Economic Development Revenue Bonds, Series 1998 - Convention Place Mall Project - RSJJ Investments Limited
- Economic Development Revenue Bonds, Series 2002 - Saks Fifth Avenue Inc. & Race Street Development LTD
- Economic Development Revenue Bonds, Series 2003 - Convergys Corporation Project
- Economic Development Revenue Bonds, Series 2007 - Convergys Corporation Project
- Economic Development Revenue Bonds, Series 2008A - The Keystone Project
- Economic Development Revenue Bonds, Series 2008B - Baldwin 300 Project
- Economic Development Revenue Bonds, Series 2009B - Columbia Square
- Economic Development Revenue Bonds, Series 2007 - Madison Circle
- Economic Development Revenue Bonds, Series 2009 - Graeters

**City of Cincinnati
Debt Capacity
Schedule 6
Water Works**

**Historical Financial Operations
(Amounts in Thousands)**

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|
| <u>Operating Revenue</u> | | | | | | | | | | |
| Total Operating Revenue | \$ 90,124 | \$ 91,556 | \$ 94,706 | \$ 102,272 | \$ 105,059 | \$ 121,244 | \$ 121,508 | \$ 117,441 | \$ 125,287 | \$ 120,682 |
| <u>Operating Expense:</u> | | | | | | | | | | |
| Personal Services | 31,292 | 31,741 | 34,703 | 36,805 | 37,600 | 39,575 | 41,041 | 42,827 | 58,805 | 47,129 |
| Contractual Services | 8,082 | 8,692 | 8,555 | 8,963 | 7,328 | 8,530 | 9,660 | 9,249 | 8,628 | 8,329 |
| Maintenance and Repair | 2,575 | 3,006 | 3,170 | 3,223 | 3,135 | 4,550 | 4,115 | 3,704 | 3,980 | 4,536 |
| Materials and Supplies | 5,992 | 6,256 | 5,389 | 5,651 | 6,105 | 7,451 | 7,869 | 8,475 | 8,007 | 8,976 |
| Utilities | 7,918 | 8,007 | 7,911 | 9,270 | 9,752 | 11,639 | 11,287 | 10,821 | 11,427 | 7,530 |
| Insurance | 230 | 264 | 205 | 234 | 201 | 169 | 114 | 117 | 121 | 121 |
| Taxes | | 1 | 1 | 46 | 48 | 2 | | 1 | 6 | 3 |
| Rent | 394 | 656 | 989 | 931 | 1,037 | 823 | 1,057 | 1,256 | 1,302 | 1,252 |
| Other | 470 | 482 | 507 | 470 | 412 | 354 | 823 | 620 | 630 | 328 |
| Depreciation and Amortization Expense | 15,630 | 15,597 | 16,950 | 19,516 | 21,471 | 21,934 | 22,705 | 24,161 | 24,206 | 24,832 |
| Amortization Mason Agreement | | | | | | 72 | 76 | | 84 | 88 |
| Bad Debt Expense | 48 | 60 | 63 | 66 | | | | | | |
| Total Operating Expense | 72,631 | 74,762 | 78,443 | 85,175 | 87,089 | 95,099 | 98,747 | 101,231 | 117,196 | 103,124 |
| Operating Income | \$ 17,493 | \$ 16,794 | \$ 16,263 | \$ 17,097 | \$ 17,970 | \$ 26,145 | \$ 22,761 | \$ 16,210 | \$ 8,091 | \$ 17,558 |
| <u>Non-Operating Revenue (Expenses):</u> | | | | | | | | | | |
| Capital Contribution | \$ 10,537 | \$ 8,661 | \$ 5,063 | \$ 14,464 | \$ 5,646 | \$ 4,935 | \$ 3,099 | \$ 9,704 | \$ 3,039 | \$ 3,304 |
| Gain (Loss) on Disposal of Fixed Assets | (24) | (323) | (828) | (351) | (628) | (52) | (1,338) | (1,621) | (1,320) | (829) |
| Transfers In | | | | | | | | | | 131 |
| Interest Revenue | 2,910 | 2,041 | 1,945 | 3,525 | 5,799 | 6,751 | 5,272 | 2,403 | 2,560 | 2,309 |
| Build America Bond Subsidy | | | | | | | | 553 | 1,701 | 1,701 |
| Interest Expense | (4,749) | (8,234) | (7,164) | (12,155) | (11,113) | (12,359) | (13,997) | (13,525) | (12,695) | (14,909) |
| Total Non-Operating Revenue (Expense): | 8,674 | 2,145 | (984) | 5,483 | (296) | (725) | (6,964) | (2,486) | (6,715) | (8,293) |
| Net Income | \$ 26,167 | \$ 18,939 | \$ 15,279 | \$ 22,580 | \$ 17,674 | \$ 25,420 | \$ 15,797 | \$ 13,724 | \$ 1,376 | \$ 9,265 |

City of Cincinnati
Debt Capacity
Schedule 7
Water Works
Projected Operating Results

| Description | 2012 \$ | 2013 \$ | 2014 \$ | 2015 \$ |
|--|-------------|-------------|-------------|-------------|
| Metered Water Sales | | | | |
| Revenue Under Existing Rates | 111,526,000 | 110,781,000 | 110,045,000 | 109,315,000 |
| Indicated Revenue Increases (a) | | | | |
| | Revenue | | | |
| Month - Year | Increase | | | |
| January 2011 | 0.00% | 0 | 0 | 0 |
| January 2012 | 8.50% | 8,295,000 | 9,416,000 | 9,354,000 |
| January 2013 | 7.25% | | 7,625,000 | 8,656,000 |
| January 2014 | 7.00% | | | 7,843,000 |
| January 2015 | 7.00% | | | 8,337,000 |
| January 2016 | 6.00% | | | |
| Total Increased Revenue | 8,295,000 | 17,041,000 | 25,853,000 | 35,132,000 |
| Total Metered Water Sales Revenue | 119,821,000 | 127,822,000 | 135,898,000 | 144,447,000 |
| Total Increased Revenue - CPI | 2,698,715 | 2,757,715 | 2,611,922 | 2,611,984 |
| Other Revenue | 1,492,730 | 2,995,075 | 3,339,413 | 3,583,324 |
| Direct Federal Cash Payment for Build America Bonds | 1,701,215 | 1,701,215 | 1,701,215 | 1,701,215 |
| Billing Services | 8,312,600 | 12,337,040 | 15,000,520 | 15,000,905 |
| Construction Reimbursement Charges | 342,633 | 342,633 | 342,633 | 342,633 |
| Interest Income (b) | 1,649,000 | 1,526,000 | 1,567,000 | 1,620,000 |
| Total Revenue | 136,017,893 | 149,481,678 | 160,460,703 | 169,307,061 |
| Operating & Maintenance Expense (c) | 79,429,059 | 85,638,259 | 91,059,840 | 96,092,558 |
| Net Revenue Available for Debt Service | 56,588,834 | 63,843,419 | 69,400,863 | 73,214,503 |
| Series 2001 Revenue Bond Debt Service | 0 | 0 | 0 | 0 |
| Series 2003 Revenue Bond Debt Service | 0 | 0 | 0 | 0 |
| Series 2005A Revenue Bond Debt Service | 5,022,438 | 4,925,938 | 32,938 | 32,938 |
| Series 2007A Revenue Bond Debt Service | 10,137,150 | 15,195,750 | 15,551,500 | 15,632,650 |
| Series 2007B Revenue Bond Debt Service | 5,162,123 | 5,165,348 | 5,164,313 | 5,164,438 |
| Series 2009A Revenue Bond Debt Service | 7,928,100 | 2,867,950 | 2,508,550 | 10,532,550 |
| Series 2009B BAB Debt Service | 4,860,614 | 4,860,614 | 4,860,614 | 4,860,614 |
| Series 2011A Revenue Bond Debt Service | 5,383,888 | 5,387,200 | 10,150,550 | 5,147,300 |
| Series 2012A Revenue Bond Debt Service | 1,315,575 | 3,928,500 | 4,268,350 | 4,267,100 |
| Future Senior Lien Revenue Bond Debt Service (d) | 0 | 0 | 977,500 | 3,995,625 |
| Total Senior Lien Revenue Bond Debt Service | 39,809,888 | 42,331,300 | 43,514,315 | 49,633,215 |
| Series 2005B Revenue Bond Conversion Debt Service | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Total Junior Lien Revenue Bond Debt Service | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Subordinate General Obligation Bond Debt Service (e) | 2,243,600 | 2,159,600 | 1,875,600 | 0 |
| Total Junior Lien Revenue Bond Debt Service | 2,243,600 | 2,159,600 | 1,875,600 | 0 |
| State of Ohio Issue 2 Money (\$1M/20Yrs/0%)-2003 | 50,000 | 50,000 | 50,000 | 50,000 |
| State of Ohio Issue 2 Money (\$980K/20Yrs/0%)-2004 | 49,000 | 49,000 | 49,000 | 49,000 |
| State of Ohio Issue 2 Money (\$1.15M/20Yrs/0%)-2005 | 57,500 | 57,500 | 57,500 | 57,500 |
| State of Ohio Issue 2 Money (1.25M/20Yrs/0%)-2011 | 62,494 | 62,494 | 62,494 | 62,494 |
| Ohio EPA Water Supply Revolving Loan (\$1.7M/20Yrs/3.25%)-2006 | 116,096 | 116,096 | 116,096 | 116,096 |
| Ohio EPA Water Supply Revolving Loan (\$4M/20Yrs/3.25%)-2006 | 268,251 | 268,251 | 268,251 | 268,251 |
| Ohio EPA Water Supply Revolving Loan (\$2.98M/20Yrs/2%)-2011 | 278,458 | 278,458 | 278,458 | 278,458 |
| Ohio EPA Water Supply Revolving Loan (\$2.3M/20Yrs/2.0%)-2012 | 0 | 117,103 | 117,103 | 117,103 |
| Ohio EPA Water Supply Revolving Loan (\$3.6M/20Yrs/2.0%)-2012 | 0 | 0 | 178,948 | 178,948 |
| Ohio EPA Water Supply Revolving Loan (\$6.1M/20Yrs/2.0%)-2014 | 0 | 0 | 373,190 | 373,190 |
| Other Financing Requirements | 881,799 | 998,902 | 1,551,040 | 1,551,040 |
| Revenues Available for Transfer to Water System Reserve Fund | 12,153,547 | 16,853,617 | 20,959,908 | 20,530,248 |
| Working Capital Balance | | | | |
| Prior Year Revenue Fund Working Capital Balance | 18,910,700 | 25,162,852 | 28,767,975 | 33,805,647 |
| Revenue Transfer To Water System Reserve Fund | 5,901,395 | 13,248,493 | 15,922,237 | 20,146,671 |
| Revenues Available for Transfer | 12,153,547 | 16,853,617 | 20,959,908 | 20,530,248 |
| End of Year Working Capital Balance | 25,162,852 | 28,767,975 | 33,805,647 | 34,189,224 |
| Working Capital Balance Requirement (f) | 11,914,359 | 12,845,739 | 13,658,976 | 14,413,884 |
| Revenues Transferred the Next Fiscal Year | 13,248,493 | 15,922,237 | 20,146,671 | 19,775,340 |
| Water System Reserve Fund | | | | |
| Beginning of Year Balance | 38,895,806 | 30,779,691 | 27,168,081 | 27,766,682 |
| Deposits | 5,901,395 | 13,248,493 | 15,922,237 | 20,146,671 |
| Transfer to Water Works Capital Improvement Fund | 14,017,510 | 16,860,103 | 15,323,635 | 17,561,828 |
| End of Year Balance | 30,779,691 | 27,168,081 | 27,766,682 | 30,351,525 |
| Debt Service Coverage | | | | |
| Senior Lien Revenue Bond Debt Service Coverage | 142% | 151% | 159% | 148% |
| Total Bond Debt Service Coverage | 127% | 136% | 143% | 139% |

(a) Reflects the effect of a 12.5% bill proration and billing lag on the level of revenues to be received in the first year of each revenue adjustment.

(b) Does not include interest earnings from construction fund which will be used to fund future projects and reduce additional borrowing.

(c) Inflation factors used in calculations are 2.6-6.0% increases for Non-Personnel Costs and 3% increases in Personnel Costs

(d) Estimated Future Issues assuming revenue bonds (25 years bonds) as follows:

| Year | Proceeds Required | Debt Service Reserve/ Bond Issuance Costs | Total Issue | Interest Rate |
|------|-------------------|--|-------------|---------------|
| 2014 | \$35.93M | \$3.625M | \$39.55M | 5.00% |
| 2015 | \$44.87M | \$7.140MM | \$49.40M | 5.00% |
| 2016 | \$40.98M | \$7.000MM | \$45.11M | 5.00% |

(e) General Obligation Bond debt issued for Water System Improvements.

(f) It has been the policy of the Utility to maintain a working capital reserve equal to 15% of the prior fiscal year's O&M Expenses.

City of Cincinnati
Debt Capacity
Schedule 8
Water Works
Senior Bonds and Senior Subordinated Debt Service Requirements

| Year | Debt Service Series 2011A | Debt Service Build America Bonds Series 2009B* | Debt Service Series 2009A | Debt Service Series 2007B | Debt Service Series 2007A | Debt Service Series 2005A | Debt Service Series 2005B | Debt Service GO Debt |
|------|---------------------------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------|
| 2012 | \$ 5,383,888 | \$ 3,159,399 | \$ 7,928,100 | \$ 5,162,123 | \$ 10,137,150 | \$ 5,022,438 | \$ 1,500,000 | \$ 2,243,600 |
| 2013 | 5,387,200 | 3,159,399 | 2,867,950 | 5,165,348 | 15,195,750 | 4,925,938 | 1,500,000 | 2,159,600 |
| 2014 | 10,150,550 | 3,159,399 | 2,508,550 | 5,164,313 | 15,551,500 | 32,938 | 1,500,000 | 1,875,600 |
| 2015 | 5,147,300 | 3,159,399 | 10,532,550 | 5,164,438 | 15,632,650 | 32,938 | 1,500,000 | |
| 2016 | 5,146,900 | 3,159,399 | 10,925,150 | 5,162,400 | 15,148,650 | 32,938 | 1,500,000 | |
| 2017 | 5,147,700 | 3,159,399 | 10,293,750 | 5,165,600 | 15,875,250 | 32,938 | 1,500,000 | |
| 2018 | 5,149,450 | 3,159,399 | 10,193,500 | 5,165,000 | 15,876,000 | 32,938 | 1,500,000 | |
| 2019 | 5,147,450 | 3,159,399 | 10,291,250 | 5,160,750 | 15,876,500 | 32,938 | 1,500,000 | |
| 2020 | 11,494,375 | 3,159,399 | 3,759,000 | 5,165,500 | 15,871,875 | 32,938 | 1,500,000 | |
| 2021 | 11,585,500 | 6,884,399 | | 5,163,500 | 15,875,475 | 32,938 | 1,500,000 | |
| 2022 | 4,698,750 | 6,953,894 | | 5,164,750 | 7,855,725 | 807,938 | 7,275,000 | |
| 2023 | 4,493,750 | 7,026,381 | | 5,163,750 | 8,067,400 | | 8,961,250 | |
| 2024 | 4,495,000 | 7,106,511 | | 5,165,250 | | | 8,898,750 | |
| 2025 | 4,490,500 | 7,188,759 | | 5,163,750 | | | 8,820,000 | |
| 2026 | 4,495,250 | 7,290,875 | | 5,164,000 | | | | |
| 2027 | 4,493,500 | 7,400,607 | | 5,165,500 | | | | |
| 2028 | 4,490,250 | 7,517,117 | | 5,162,750 | | | | |
| 2029 | 4,490,250 | 7,639,564 | | 5,165,500 | | | | |
| 2030 | 4,493,000 | 7,772,110 | | 5,163,000 | | | | |
| 2031 | 4,493,000 | 7,908,704 | | 5,165,000 | | | | |
| 2032 | 4,492,500 | 8,058,508 | | 5,163,000 | | | | |
| 2033 | 4,491,500 | 8,215,261 | | 5,160,750 | | | | |
| 2034 | 4,491,750 | 8,387,915 | | | | | | |
| 2035 | 4,492,750 | | | | | | | |
| 2036 | 4,494,000 | | | | | | | |
| | <u>\$ 137,336,063</u> | <u>\$ 133,785,193</u> | <u>\$ 69,299,800</u> | <u>\$ 108,442,972</u> | <u>\$ 166,963,925</u> | <u>\$ 11,019,818</u> | <u>\$ 48,955,000</u> | <u>\$ 6,278,800</u> |

*Represents gross debt on Build America Bonds - Subsidy equal to 35% of interest paid treated as revenue for coverage calculations.

City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 1
Population Statistics
Last Ten Calendar Years

| Year | Population | | | | Per Capita Personal Income | | | | Civilian Labor Force Estimates | | | | % Unemployed | |
|------|---------------|------------|----------------|-----------------|----------------------------|--------|----------------|-----------------|--------------------------------|-----------|----------------|-----------------|--------------|------------|
| | United States | Ohio | Cincinnati MSA | Hamilton County | United States | Ohio | Cincinnati MSA | Hamilton County | United States | Ohio | Cincinnati MSA | Hamilton County | | Cincinnati |
| 2002 | 287,726,647 | 11,410,582 | 2,049,629 | 848,120 | 30,838 | 29,197 | 31,766 | 35,385 | 144,863,000 | 5,838,100 | 1,057,000 | 423,900 | 159,900 | 5.2 |
| 2003 | 290,210,914 | 11,430,306 | 2,065,531 | 847,161 | 31,530 | 29,846 | 32,303 | 36,069 | 146,510,000 | 5,860,000 | 1,071,300 | 423,100 | 156,300 | 5.4 |
| 2004 | 292,892,127 | 11,445,095 | 2,082,796 | 846,254 | 33,157 | 30,765 | 33,933 | 38,258 | 147,401,000 | 5,862,800 | 1,081,800 | 420,400 | 154,900 | 5.4 |
| 2005 | 295,753,151 | 11,475,262 | 2,102,422 | 847,182 | 35,424 | 32,429 | 35,774 | 40,037 | 149,320,000 | 5,889,500 | 1,094,500 | 419,000 | 153,000 | 5.3 |
| 2006 | 298,593,212 | 11,492,495 | 2,122,711 | 847,656 | 37,698 | 33,991 | 37,431 | 42,369 | 151,428,000 | 5,942,100 | 1,109,600 | 425,700 | 164,100 | 5.2 |
| 2007 | 301,579,895 | 11,520,815 | 2,148,315 | 855,928 | 39,392 | 35,174 | 38,434 | 43,035 | 153,124,000 | 5,976,700 | 1,121,300 | 436,400 | 164,300 | 5.0 |
| 2008 | 304,374,846 | 11,528,072 | 2,158,643 | 853,508 | 40,166 | 35,889 | 39,066 | 43,918 | 154,287,000 | 5,971,900 | 1,127,500 | 438,200 | 164,800 | 5.8 |
| 2009 | 307,006,550 | 11,542,645 | 2,171,896 | 855,062 | 39,635 | 35,408 | 37,967 | 42,393 | 154,205,800 | 5,970,000 | 1,133,000 | 438,800 | 163,600 | 9.3 |
| 2010 | 309,330,219 | 11,537,968 | 2,132,415 | 801,948 | 39,937 | 36,162 | 39,673 | 45,852 | 153,893,000 | 5,935,250 | 1,130,200 | 438,500 | 163,800 | 9.0 |
| 2011 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 153,617,000 | 5,806,000 | 1,099,600 | 406,900 | 143,800 | 7.8 |

Personal Income (in millions)

| Year | Personal Income (in millions) | | | |
|------|-------------------------------|---------|----------------|-----------------|
| | United States | Ohio | Cincinnati MSA | Hamilton County |
| 2002 | 9,054,781 | 340,664 | 66,798 | 30,727 |
| 2003 | 9,369,072 | 350,892 | 68,834 | 31,468 |
| 2004 | 9,928,790 | 361,854 | 72,512 | 33,147 |
| 2005 | 10,476,669 | 372,132 | 75,148 | 33,918 |
| 2006 | 11,256,516 | 390,645 | 79,456 | 35,914 |
| 2007 | 11,879,836 | 405,236 | 82,567 | 36,835 |
| 2008 | 12,225,589 | 413,732 | 84,329 | 37,484 |
| 2009 | 12,168,161 | 408,707 | 82,460 | 32,068 |
| 2010 | 12,353,577 | 417,234 | 84,600 | 36,770 |
| 2011 | N/A | N/A | N/A | N/A |

Source: Ohio Department of Job and Family Services (mi.state.oh.us/)
 US Dept of Commerce, Bureau of Economic Commerce (www.bea.gov)
 N/A = Not Available

City of Cincinnati
Demographic and Economic Information
Schedule 2
Ten Largest Employees
In Cincinnati Primary Metropolitan Statistical Area
Current Year and Nine Years Ago

| Employer | 2011 | | | 2002 | | |
|--|----------------------------|-------------|---------------------------------------|----------------------------|-------------|---------------------------------------|
| | Number of Employees | Rank | Percentage of Total Employment | Number of Employees | Rank | Percentage of Total Employment |
| The Kroger Co | 19,000 | 1 | 0.09% | 12,000 | 4 | 1.39% |
| University of Cincinnati | 15,374 | 2 | 0.73% | 14,000 | 1 | 1.62% |
| The Procter and Gamble Co | 12,500 | 3 | 0.60% | 13,700 | 2 | 1.58% |
| Children's Hospital Medical Center | 12,332 | 4 | 0.59% | | | |
| Tri-Health Inc | 10,197 | 5 | 0.49% | 6,800 | 10 | 0.79% |
| Mercy Health Partners | 8,817 | 6 | 0.42% | 7,200 | 7 | 0.83% |
| Archdiocese of Cincinnati | 7,500 | 7 | 0.36% | 7,400 | 6 | 0.85% |
| GE Aviation | 7,400 | 8 | 0.35% | | | |
| Walmart Stores | 7,300 | 9 | 0.35% | | | |
| St. Elizabeth Medical Center | 7,063 | 10 | 0.34% | | | |
| GE Aviation | | | | | | |
| St. Elizabeth Medical Center | | | | | | |
| U.S. Postal Service | | | | | | |
| Hamilton County | | | | | | |
| Internal Revenue Service | | | | | | |
| ABX Air Inc. | | | | | | |
| General Electric Aircraft | | | | 7,500 | 5 | 0.87% |
| Toyota Motor Manufacturing | | | | | | |
| Cincinnati Public Schools | | | | 7,100 | 8 | 0.82% |
| City of Cincinnati | | | | | | |
| Fifth Third Bank | | | | | | |
| U S Government | | | | 7,100 | 9 | 0.82% |
| Health Alliance | | | | 13,500 | 3 | 1.56% |
| Cinergy | | | | | | |
| Cincinnati Bell Telephone | | | | | | |
| Cincinnati Milacron | | | | | | |
| City of Cincinnati | | | | | | |
| Total | 107,483 | | 4.32% | 96,300 | | 11.13% |
| Total Metropolitan Statistical Area | 1,017,900 | | | 865,600 | | |

Sources: Bureau of Employment Services, State of Ohio

City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 3
Construction and Property Values

| Year | New Residential Construction (1) | | New Non-Residential Construction (1) | | All Total Construction (1) | |
|------|----------------------------------|-------------------------------|--------------------------------------|-------------------------------|----------------------------|-------------------------------|
| | Number of Permits | Estimated Cost (in thousands) | Number of Permits | Estimated Cost (in thousands) | Number of Permits | Estimated Cost (in thousands) |
| 2002 | 198 | 44,323 | 65 | 52,432 | 8,726 | 559,529 |
| 2003 | 154 | 36,200 | 78 | 67,496 | 8,146 | 333,396 |
| 2004 | 187 | 26,488 | 55 | 97,719 | 7,950 | 486,905 |
| 2005 | 237 | 50,032 | 51 | 119,405 | 8,396 | 510,003 |
| 2006 | 231 | 75,536 | 53 | 93,812 | 8,545 | 547,934 |
| 2007 | 150 | 36,540 | 55 | 124,961 | 8,780 | 487,176 |
| 2008 | 72 | 13,252 | 66 | 243,388 | 8,196 | 431,373 |
| 2009 | 44 | 10,642 | 60 | 264,896 | 8,139 | 603,416 |
| 2010 | 85 | 14,304 | 76 | 217,069 | 8,958 | 594,199 |
| 2011 | 87 | 18,810 | 46 | 135,911 | 9,291 | 536,047 |

| Year | Property Value (2) | |
|------|----------------------------|--------------------------------|
| | Residential (in thousands) | Non-Residential (in thousands) |
| 2002 | 7,190,165 | 5,322,012 |
| 2003 | 8,135,933 | 6,695,987 |
| 2004 | 8,154,379 | 6,857,111 |
| 2005 | 8,191,224 | 6,541,396 |
| 2006 | 9,890,166 | 6,773,615 |
| 2007 | 9,880,248 | 5,899,386 |
| 2008 | 9,944,823 | 5,835,579 |
| 2009 | 10,091,512 | 6,044,623 |
| 2010 | 10,019,140 | 6,134,297 |
| 2011 | 9,937,060 | 5,914,734 |

Source: (1) The City's Department of Buildings and Inspections' records

**City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 4
Salaries of Principal Officials**

| <u>Position</u> | <u>Salary</u> |
|------------------------------|-----------------------|
| Mayor | \$121,291 |
| Councilmember | \$60,646 |
| City Manager | \$232,081 |
| Commissioner of Health | \$119,127 - \$160,821 |
| Deputy City Manager | \$119,127 - \$160,821 |
| City Solicitor | \$119,127 - \$160,821 |
| Various Department Directors | \$101,956 - \$137,640 |

MAYOR and CITY COUNCIL

The mayor is elected for a four-year term by the voters of Cincinnati. The legislature of the City is a nine-member council elected at large on a partisan basis for two-year terms. The vice-mayor is chosen by the mayor from the councilmembers. A list of the council incumbents and the term each is presently serving appears on page (xiii). The mayor selects the city manager, but the mayor's nominee must be approved by a majority of the council. The city manager appoints the deputy city manager and the department directors.

**City of Cincinnati, Ohio
Demographic and Economic Information
Schedule 5
Surety Bond Coverage**

A faithful performance blanket bond coverage of \$5,000,000 is maintained for all City employees.

Cincinnati-Middletown MSA
Demographic and Economic Information
Schedule 6
Annual Employment Average by Industry
(in thousands)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|
| Goods-Producing Industries | 179.2 | 176.6 | 176.5 | 175.7 | 174.2 | 172.1 | 160.8 | 147.7 | 146.4 | 149.7 |
| Natural Resources, Mining and Construction | 49.2 | 49.6 | 52.4 | 52.4 | 52.6 | 50.6 | 45.0 | 44.0 | 36.1 | 36.9 |
| Construction of Buildings | 11.3 | 12.3 | 12.7 | 12.8 | 12.6 | 12.1 | 9.7 | 9.4 | 7.7 | 7.6 |
| Specialty Trade Contractors | 31.5 | 31.5 | 34.0 | 33.7 | 34.2 | 32.6 | 29.6 | 26.6 | 22.5 | 22.6 |
| Manufacturing | 130.0 | 127.0 | 124.2 | 123.3 | 121.7 | 121.5 | 115.8 | 103.7 | 110.3 | 112.8 |
| Durable Goods | 75.4 | 72.7 | 71.9 | 71.9 | 71.8 | 72.1 | 69.2 | 57.8 | 65.3 | 69.6 |
| Primary Metals | 7.9 | 8.0 | 8.0 | 7.5 | 6.5 | 6.8 | 6.2 | 4.8 | 5.9 | 7.0 |
| Transportation Equipment | 18.2 | 17.1 | 17.1 | 18.2 | 19.5 | 19.8 | 19.1 | 17.1 | 18.2 | 17.5 |
| Motor Vehicle Parts | 8.6 | 8.0 | 7.8 | 8.4 | 8.8 | 8.7 | 7.8 | 6.6 | 6.6 | 6.7 |
| Aerospace Products and Parts | 8.9 | 8.3 | 8.3 | 8.7 | 9.4 | 9.5 | 9.8 | 9.7 | 9.2 | 9.5 |
| Nondurable Goods | 54.7 | 54.4 | 52.3 | 51.4 | 49.9 | 49.4 | 46.6 | 45.9 | 45.0 | 43.2 |
| Chemical Manufacturing | 12.4 | 12.4 | 11.0 | 11.1 | 11.2 | 11.1 | 11.2 | 10.9 | 11.5 | 11.0 |
| Service-Providing Industries | 829.5 | 839.5 | 848.8 | 859.6 | 864.2 | 873.0 | 877.4 | 858.6 | 841.3 | 853.0 |
| Trade, Transportation, and Utilities | 213.7 | 210.9 | 210.3 | 211.0 | 209.6 | 212.8 | 215.4 | 205.3 | 196.4 | 202.4 |
| Wholesale Trade | 58.3 | 57.2 | 56.7 | 58.0 | 59.2 | 61.0 | 60.4 | 55.4 | 52.3 | 57.6 |
| Merchant Wholesalers, Durable Goods | 26.8 | 26.8 | 26.9 | 27.8 | 28.7 | 28.8 | 28.3 | 26.0 | 22.9 | 26.0 |
| Merchant Wholesalers, Non-Durable Goods | 22.1 | 22.3 | 22.3 | 22.5 | 23.2 | 23.8 | 23.6 | 23.6 | 22.8 | 22.0 |
| Retail Trade | 112.6 | 110.6 | 110.8 | 109.4 | 109.2 | 109.7 | 111.5 | 109.5 | 104.5 | 103.8 |
| Food and Beverage Stores | 19.8 | 20.8 | 20.3 | 20.3 | 20.8 | 21.4 | 21.8 | 22.0 | 19.8 | 20.3 |
| Grocery Stores | 17.2 | 17.5 | 17.2 | 17.4 | 17.9 | 18.6 | 18.9 | 18.7 | 17.1 | 17.8 |
| Health and Personal Care Stores | 7.4 | 7.8 | 7.6 | 7.4 | 7.3 | 7.4 | 7.3 | 7.1 | 6.8 | 6.6 |
| Clothing and Clothing Accessories Stores | 7.8 | 8.4 | 9.3 | 9.3 | 9.4 | 8.8 | 9.7 | 8.7 | 10.2 | 9.4 |
| General Merchandise Stores | 22.1 | 22.4 | 22.1 | 21.6 | 22.0 | 22.7 | 25.0 | 23.6 | 22.6 | 21.6 |
| Transportation, Warehousing and Utilities | 42.8 | 43.1 | 42.8 | 43.6 | 41.1 | 42.0 | 43.5 | 40.4 | 39.6 | 41.0 |
| Transportation and Warehousing | 37.6 | 39.0 | 39.6 | 40.4 | 38.0 | 38.9 | 39.8 | 38.1 | 34.9 | 37.9 |
| Air Transportation | 9.8 | 10.3 | 10.4 | 10.0 | 8.6 | 8.0 | 7.0 | 6.2 | 5.4 | 4.5 |
| Information | 17.8 | 16.2 | 16.0 | 15.8 | 15.7 | 15.6 | 15.3 | 14.4 | 14.0 | 13.9 |
| Telecommunications | 6.1 | 5.6 | 5.7 | 5.4 | N/A | N/A | N/A | N/A | N/A | N/A |
| Financial Activities | 64.1 | 66.0 | 65.0 | 65.6 | 65.3 | 65.6 | 64.4 | 62.1 | 58.4 | 58.5 |
| Finance and Insurance | 48.9 | 51.5 | 50.8 | 51.5 | 51.6 | 52.3 | 52.2 | 49.2 | 49.9 | 50.0 |
| Credit Intermediation and Related Activities | 20.1 | 21.3 | 21.1 | 21.5 | 20.8 | 20.5 | 21.3 | 20.1 | 20.6 | 20.4 |
| Insurance Carriers and Related Activities | 21.8 | 23.5 | 22.9 | 22.9 | 23.2 | 23.8 | 24.2 | 23.7 | 23.5 | 23.7 |
| Professional and Business Services | 139.6 | 144.1 | 147.0 | 152.3 | 156.0 | 154.8 | 155.6 | 154.0 | 149.7 | 153.5 |
| Professional and Technical Services | 49.7 | 50.9 | 50.7 | 52.2 | 53.6 | 54.7 | 56.0 | 55.2 | 54.0 | 57.3 |
| Management of Companies and Enterprises | 29.9 | 30.8 | 30.7 | 31.6 | 32.7 | 33.5 | 36.6 | 36.4 | 38.0 | 40.0 |
| Administrative, Support, and Waste Services | 60.0 | 62.4 | 65.6 | 68.5 | 69.7 | 66.7 | 63.0 | 62.4 | 57.7 | 56.2 |
| Employment Services | 26.9 | 29.8 | 33.3 | 35.4 | 36.4 | 34.1 | 30.2 | 28.2 | 24.3 | 24.9 |
| Services to Buildings and Dwellings | 12.8 | 13.1 | 12.8 | 13.4 | 13.4 | 13.6 | 12.5 | 11.9 | 12.2 | 12.5 |
| Educational and Health Services | 124.7 | 127.2 | 131.1 | 134.6 | 137.4 | 141.3 | 147.3 | 148.6 | 151.9 | 153.2 |
| Educational Services | 11.9 | 12.8 | 13.7 | 14.2 | 14.4 | 14.6 | 15.8 | 15.8 | 16.6 | 16.7 |
| Health Care and Social Assistance | 112.7 | 114.4 | 117.4 | 120.4 | 123.1 | 126.7 | 131.5 | 132.8 | 135.3 | 136.5 |
| Hospitals | 35.9 | 37.2 | 38.3 | 39.4 | 40.7 | 41.3 | 44.1 | 46.5 | 46.2 | 46.0 |
| Leisure and Hospitality | 98.2 | 99.9 | 103.2 | 105.4 | 105.2 | 106.9 | 101.9 | 99.7 | 97.0 | 98.8 |
| Arts, Entertainment and Recreation | 17.9 | 18.3 | 18.9 | 18.9 | 18.3 | 18.8 | 16.4 | 15.9 | 15.6 | 14.4 |
| Accommodation and Food Services | 80.3 | 81.6 | 84.3 | 86.6 | 86.9 | 88.0 | 85.5 | 83.8 | 81.4 | 84.4 |
| Other Services | 40.9 | 42.1 | 42.9 | 42.8 | 42.5 | 43.2 | 43.1 | 42.0 | 40.9 | 42.2 |
| Government | 130.6 | 133.1 | 133.2 | 132.2 | 132.5 | 132.9 | 134.4 | 132.6 | 133.0 | 130.5 |
| Federal Government | 18.4 | 17.8 | 17.6 | 17.6 | 17.7 | 17.4 | 16.9 | 16.5 | 16.6 | 16.5 |
| State Government | 26.0 | 26.7 | 27.1 | 27.4 | 27.1 | 27.5 | 29.0 | 29.4 | 28.6 | 28.4 |
| State Government Education | 21.0 | 21.5 | 21.9 | 22.2 | 21.9 | 22.3 | 24.0 | 24.6 | 23.2 | 24.7 |
| Local Government | 86.2 | 88.6 | 88.4 | 87.1 | 87.7 | 88.1 | 88.5 | 86.7 | 87.8 | 85.6 |
| Local Government Education | 48.4 | 49.8 | 49.9 | 49.0 | 49.4 | 49.0 | 50.8 | 51.5 | 51.1 | 50.0 |
| Total | 1008.6 | 1016.1 | 1025.3 | 1035.3 | 1038.4 | 1045.1 | 1038.2 | 1006.3 | 987.7 | 1002.7 |
| Unemployment Rate | 4.9 | 5.1 | 5.1 | 5.4 | 5.2 | 5.0 | 5.8 | 9.9 | 9.0 | 7.8 |

Note: The Cincinnati-Middletown areas included Brown, Butler, Clermont, Hamilton and Warren Counties in Ohio; Dearborn, Franklin and Ohio Counties in Indiana; Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in Kentucky.

Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information

City of Cincinnati
Operating Information
Schedule 1
Full Time Equivalent Positions by Function/Program
Last Ten Fiscal Years

| Function/Program | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| General Government | 444 | 451 | 582 | 542 | 547 | 497 | 400 | 446 | 447 | 425 |
| Community Development | 77 | 76 | 60 | 56 | 52 | 61 | 140 | 73 | 70 | 66 |
| Enterprise Services | 296 | 228 | 75 | 72 | 73 | 66 | 61 | 63 | 62 | 57 |
| Parks and Recreation | 335 | 333 | 310 | 314 | 311 | 311 | 302 | 290 | 298 | 282 |
| Public Safety | | | | | | | | | | |
| Police | 1,312 | 1,326 | 1,365 | 1,322 | 1,333 | 1,342 | 1,356 | 1,335 | 1,324 | 1,253 |
| Fire | 860 | 847 | 860 | 855 | 870 | 885 | 905 | 890 | 844 | 806 |
| Transportation and Engineering | 148 | 171 | 168 | 159 | 163 | 151 | 152 | 154 | 144 | 143 |
| Public Services | 456 | 464 | 438 | 437 | 464 | 425 | 416 | 402 | 367 | 334 |
| Public Health | 485 | 492 | 470 | 452 | 451 | 414 | 426 | 421 | 404 | 369 |
| MSD | 624 | 595 | 571 | 563 | 559 | 526 | 532 | 587 | 599 | 608 |
| Enterprise | | | | | | | | | | |
| Water Works | 573 | 592 | 589 | 570 | 569 | 542 | 541 | 561 | 552 | 533 |
| Parking Facility | 64 | 58 | 56 | 55 | 51 | 44 | 41 | 40 | 35 | 28 |
| Convention Center | 39 | 32 | 31 | 29 | 1 | 1 | | | | |
| General Aviation | 12 | 13 | 11 | 13 | 13 | 13 | 13 | 13 | 13 | 11 |
| Municipal Golf | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Stormwater Management | 15 | 21 | 15 | 16 | 11 | 12 | 31 | 16 | 15 | 13 |
| | 5,742 | 5,701 | 5,603 | 5,457 | 5,470 | 5,292 | 5,318 | 5,293 | 5,176 | 4,930 |

Source: Cincinnati Human Resource Information System

City of Cincinnati
Operating Information
Schedule 2
Operating Indicators by Function/Program
Last Ten Fiscal Years

| Function/Program | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| General Government | | | | | | | | | | |
| Litigations | | | | | | | | | | |
| Total Cases | 195 | 207 | 152 | 121 | 342 | 383 | 117 | 106 | 103 | 128 |
| Open Cases | 43 | 38 | 65 | 83 | 223 | 295 | 79 | 98 | 123 | 155 |
| Community Development | | | | | | | | | | |
| Housing Units | 2,098 | 1,630 | 2,465 | 2,110 | 2,239 | 2,052 | 1,581 | 1,834 | 1,450 | 1,735 |
| Job Created/Retained through Income Tax Credits | 1,994 | 1,531 | 575 | 570 | 273 | 319 | 65 | 149 | 1 | 0 |
| Enterprise Zone Agreement | 5 | 10 | 5 | 1 | 2 | 5 | 0 | 0 | 0 | 0 |
| Police | | | | | | | | | | |
| Service Calls | 288,242 | 295,387 | 292,826 | 291,468 | 303,670 | 273,652 | 287,268 | 275,424 | 263,196 | 276,407 |
| Arrests | 42,497 | 47,007 | 47,830 | 48,757 | 47,474 | 41,510 | 41,542 | 36,768 | 37,529 | 37,207 |
| Reports Filed | 47,639 | 46,923 | 44,798 | 43,427 | 26,850 | 24,678 | 24,743 | 38,700 | 36,179 | 38,573 |
| Fire | | | | | | | | | | |
| Incidences (Fires, EMS) | 65,428 | 65,451 | 65,423 | 65,206 | 65,866 | 67,435 | 68,973 | 72,128 | 70,889 | 73,531 |
| Parks | | | | | | | | | | |
| Annual Visitors | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 |
| Nature Education Programs | 1,500 | 1,300 | 1,300 | 1,300 | 1,000 | 1,000 | 1,000 | 1,168 | 1,375 | 1,382 |
| Volunteer Hours | 30,000 | 32,800 | 33,700 | 33,700 | 62,900 | 87,737 | 87,737 | 93,439 | 59,046 | 56,340 |
| Park Reservations | 660 | 675 | 690 | 690 | 1,300 | 1,350 | 1,350 | 732 | 958 | 976 |
| Visitor Center Phone Calls | 17,900 | 18,000 | 21,000 | 21,000 | 24,600 | 26,350 | 26,350 | 16,848 | 15,000 | 15,211 |
| Health | | | | | | | | | | |
| Patients | 47,712 | 48,787 | 46,237 | 48,961 | 37,077 | 34,688 | 41,674 | 37,375 | 37,319 | 32,176 |
| Visits | 135,296 | 138,833 | 134,637 | 137,105 | 125,971 | 123,445 | 119,846 | 153,548 | 151,505 | 137,866 |
| Inspections | 29,337 | 35,098 | 29,203 | 26,317 | 24,312 | 31,244 | 17,635 | 19,751 | 20,798 | 22,812 |
| Birth and Death Certificates | 94,033 | 86,938 | 83,213 | 84,314 | 82,876 | 78,187 | 68,568 | 66,990 | 63,349 | 55,483 |
| Sanitation | | | | | | | | | | |
| Total solid waste collected and disposed | 11,500 | 116,500 | 114,377 | 115,000 | 106,463 | 103,504 | 100,045 | 99,946 | 99,203 | 95,571 |
| Water Works | | | | | | | | | | |
| Water Delivered to Water Mains (Gallons) | 49,679,150,000 | 48,574,063,000 | 49,005,613,000 | 50,246,239,000 | 47,990,075,000 | 53,410,396,000 | 49,566,715,000 | 45,554,623,000 | 47,328,971,000 | 44,396,749,000 |
| Total Water Consumption (Gallons) | 41,198,056,000 | 39,700,260,000 | 41,206,219,000 | 42,128,497,000 | 40,061,250,000 | 44,161,654,000 | 41,510,868,000 | 37,844,460,000 | 39,300,198,000 | 37,331,342,000 |
| Percent of Unmetered Water | 17% | 18% | 16% | 16% | 17% | 17% | 16% | 17% | 17% | 16% |
| Average Daily Delivery (Gallons) | 136,107,000 | 133,080,000 | 134,038,000 | 137,661,000 | 131,480,000 | 146,330,000 | 135,428,000 | 124,807,000 | 129,668,000 | 121,635,000 |
| Maximum Daily Pumpage (Gallons) | 217,882,000 | 207,864,000 | 176,763,000 | 213,827,000 | 211,468,000 | 229,517,000 | 220,568,000 | 169,260,000 | 200,712,000 | 206,325,000 |
| Minimum Daily Pumpage (Gallons) | 101,296,000 | 98,580,000 | 106,310,000 | 108,872,000 | 102,592,000 | 106,102,000 | 99,924,000 | 95,420,000 | 95,904,000 | 95,848,000 |

N/A = Not Available

City of Cincinnati
Operating Information
Schedule 3
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years

| <u>Function/Program</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Fire | | | | | | | | | | |
| Fire Stations | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| Paramedic Units | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 6 | 6 | 12 |
| Life Support Ambulances | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 8 | 8 | 0 |
| Aircraft Rescue | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Transportation and Engineering | | | | | | | | | | |
| Streets (lane miles) | 2,820 | 2,840 | 2,840 | 2,840 | 2,840 | 2,840 | 2,840 | 3,050 | 3,050 | 3,000 |
| Sidewalks (miles) | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 |
| Street Signs | 150,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Bridges | 71 | 71 | 66 | 68 | 68 | 63 | 62 | 62 | 62 | 65 |
| Retaining Walls (miles) | 48 | 49 | 49 | 51 | 51 | 52 | 52 | 52 | 52 | 50 |
| Public Recreation | | | | | | | | | | |
| Parks | | | | | | | | | | |
| Acreage | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Regional Parks | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Neighborhood parks | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 |
| Preserves and Nature areas | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 |
| Nature Education Centers | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Playgrounds | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| Hiking Trails (miles) | 50 | 50 | 50 | 65 | 65 | 65 | 65 | 65 | 65 | 65 |
| Plant Species - Krohn Conservatory | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Park Facilities & Structures | 121 | 121 | 121 | 121 | 121 | 121 | 121 | 121 | 121 | 121 |
| Street Trees | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Recreation | | | | | | | | | | |
| Acreage | 2,300 | 2,300 | 2,300 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 |
| Recreation and Senior Centers | 45 | 40 | 40 | 40 | 40 | 38 | 38 | 38 | 38 | 32 |
| Play Areas | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 |
| Swimming Pools | 41 | 40 | 40 | 40 | 40 | 38 | 38 | 38 | 22 | 33 |
| Spray Grounds | | | | | | | | | 6 | 6 |
| Tennis Courts | 122 | 122 | 122 | 122 | 122 | 122 | 122 | 122 | 122 | 103 |
| Public Services | | | | | | | | | | |
| Traffic Engineering | | | | | | | | | | |
| Traffic Signs | 705 | 725 | 725 | 739 | 745 | 758 | 749 | 757 | 757 | 765 |
| Street Lights | 31,500 | 31,500 | 31,500 | 32,000 | 32,000 | 32,000 | 28,706 | 12,000 | 12,000 | 12,200 |
| Public Health | | | | | | | | | | |
| Health Centers | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Water Works | | | | | | | | | | |
| Total Assets (in thousands) | \$ 642,501 | \$ 759,982 | \$ 751,109 | \$ 877,497 | \$ 877,914 | \$ 970,706 | \$ 979,428 | \$ 1,080,499 | \$ 1,081,596 | 1,144,127 |
| Water Customer Accounts | 235,556 | 236,945 | 238,460 | 239,630 | 240,472 | 241,040 | 241,416 | 241,500 | 241,704 | 241,714 |
| Miles of Water Main in the System | 2,992 | 3,012 | 3,058 | 3,079 | 3,102 | 3,109 | 3,121 | 3,128 | 3,133 | 3,316 |
| Municipal Golf | | | | | | | | | | |
| Golf Courses | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| General Aviation | | | | | | | | | | |
| Acreage | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 870 | 1,353 | 1,353 | 1,353 | 1,353 |
| Convention Center | | | | | | | | | | |
| Meeting Rooms | | 41 | 41 | N/A | 37 | 37 | 37 | 37 | 37 | 36 |
| Exhibit Space (Square Feet) | 162,000 | 162,000 | 162,000 | 162,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 | 195,000 |
| Meeting/Ballroom Space (Square Feet) | 82,000 | 82,000 | 82,000 | 82,000 | 102,000 | 102,000 | 102,000 | 102,000 | 102,000 | 102,000 |
| Parking Facilities | | | | | | | | | | |
| Parking Lots/Garages | 9 | 10 | 10 | 15 | 14 | 14 | 14 | 14 | 14 | 14 |
| Parking Meters | 6,200 | 6,400 | 6,400 | 5,700 | 5,700 | 5,400 | 5,400 | 5,400 | 5,400 | 5,400 |
| Stormwater Management | | | | | | | | | | |
| Miles of Storm Sewers | 315 | 315 | 315 | 315 | 315 | 350 | 350 | 350 | 350 | 350 |

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the year ended December 31, 2011

PREPARED BY:

Accounts and Audits

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SPECIAL ACKNOWLEDGEMENT FOR CONTRIBUTIONS FROM:

Water Works

Janet Klenk, David McKenrick

Retirement

Ron Wilson

Treasury

Nicole Lee

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the City of Cincinnati Printing Services



Dave Yost • Auditor of State

CITY OF CINCINNATI

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 27, 2012**