



Dave Yost • Auditor of State

REGIONAL INCOME TAX AGENCY
CUYAHOGA COUNTY

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Dave Yost • Auditor of State

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

Regional Income Tax Agency
Cuyahoga County
10107 Brecksville Road
Brecksville, Ohio 44141

To the Board of Trustees:

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of the Regional Income Tax Agency (the Agency), Cuyahoga County, as of and for the year ended December 31, 2011, and have issued our report thereon dated May 24, 2012, wherein we noted that other auditors audited the basic financial statements of the Agency as of and for the year ended December 31, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Agency'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, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and timely corrected.

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 material weaknesses, as defined above.

Compliance and Other Matters

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

We intend this report solely for the information and use of management, the Finance committee, Board of Trustees, and others within the Agency. We intend it for no one other than these specified parties.

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

Dave Yost
Auditor of State

May 24, 2012



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEARS ENDED
DECEMBER 31, 2011 AND DECEMBER 31, 2010**

BRECKSVILLE, OHIO

Regional Income Tax Agency

A Political Subdivision of the State of Ohio

Comprehensive Annual Financial Report For the Years Ended December 31, 2011 and 2010

Issued by the Finance Department
Christy J. Price,
Deputy Executive Director, Chief Financial Officer

PREPARED BY THE FINANCE DEPARTMENT

Christy J. Price – Chief Financial Officer
Lori A. Starcher – Assistant Director of Finance
Patricia A. Johnson – Accountant
Sandra M. Majkrzak – Accounting Clerk

Regional Income Tax Agency

Comprehensive Annual Financial Report
For the Years Ended December 31, 2011 and 2010

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Introductory Section



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Fax: (440) 526-8013

May 24, 2012

The Board of Trustees
of the Regional Income Tax Agency
and Member Municipalities

The Regional Income Tax Agency (R.I.T.A. or the Agency) issues a Comprehensive Annual Financial Report (CAFR) in response to Ohio law (Ohio Administrative Code Section 117-2-03(B)). This regulation requires the Agency's audited financial reports, prepared on a GAAP (Generally Accepted Accounting Principles) basis, to be filed with the Auditor of State within six months of the close of each fiscal year. This report was published to fulfill that requirement for the fiscal year ended December 31, 2011.

The Agency's management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is maintained for this purpose. As the cost of internal control should not exceed the benefit, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Agency. All disclosures necessary to enable the reader to gain an understanding of the Agency's financial activities have been included.

The Ohio Auditor of State's office has issued an unqualified opinion on the Agency's financial statements for the year ended December 31, 2011. The Independent Accountants' Report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Accountants' Report and provides a narrative introduction, overview and analysis of the basic financial statements. The information contained in the MD&A complements this letter of transmittal and should be read in conjunction with the transmittal for a complete comprehension of the results of the 2011 operations.

Profile of the Agency

The Agency was established in 1971 to collect and distribute municipal income taxes. The Agency, created by the members of a Regional Council of Governments (RCOG) under Section 167 of the Ohio Revised Code, is subject to Ohio law in areas that include investments, purchasing and employee benefits. The Agency is guided by a nine member Board of Trustees, elected by the members of the RCOG for three year terms. The Trustees appoint an Executive Director who is responsible for the operations of the Agency.

For financial reporting purposes, the Agency's basic financial statements include the two funds for which the Agency is financially responsible. Following the GASB (Governmental Accounting Standards Board) definition of financial accountability there are no other entities that required incorporation into the financial statements.

Although not required under the Ohio Revised Code, an annual operating budget is adopted for management purposes. The Agency's budget is prepared on the accrual basis, by department, for personal services and other expenses; the debt service is budgeted for the Agency as a whole. The Board of Trustees approves the budget and authorizes the Executive Director to expend the funds per established purchasing restrictions.

The Executive Director has the authority to approve most expenses for goods and services up to \$10,000. The Board's Finance Committee approves all purchases from \$10,000 to \$24,999 with any expenditure of \$25,000 and greater needing full Board approval. The Trustees must also authorize any budget reallocation between departments or expense types, or for an increase in the total budget. There was one budget amendment in 2011.

Factors Affecting Financial Condition

Over the last four years the Agency was impacted by the nation's economic downturn. However, R.I.T.A. has recently experienced modest collection gains for its established members and coupled with the activity for the newest communities, 2011 collections was a record setting \$886 million. As always, regardless of the economic circumstances, the Agency remains committed to its mission of providing high quality, cost effective, municipal tax collections.

R.I.T.A. continues to grow. The Agency's membership base, which was 175 in December 2009, is now 207 municipalities as of January 1, 2012. Furthermore, there are many other municipalities that have expressed an interest in joining the Agency. The Agency's communities now extend across 61 counties in the State of Ohio.

The R.I.T.A. cost-sharing model is ideal for maintaining a low cost of collections. In 2011 the Agency again experienced excellent financial results. R.I.T.A.'s average cost of collections was 1.76% which means services cost only 1.76 cents for each dollar distributed to the members. One of the Agency's primary objectives is to maintain a low average cost which helps keep the Agency's services attractive to its members and in turn continues the Agency's solid economic footing.

Relevant Financial Policies

As briefly discussed above, the Agency's management is responsible for establishing and maintaining an internal control structure designed to ensure that the Agency's assets are protected from loss, theft or misuse. The internal control structure is to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management. All Agency internal controls are designed within the above framework. Accordingly, it is believed that the system of internal controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

The Agency has issued debt sparingly, preferring to finance major initiatives with current cash flow. However, the Agency did assume debt several years ago to fund the effort to update its technology (see Footnote Number Seven for further information). The assets obtained with the proceeds of the debt are depreciated over the useful lives of the items and the related expense is recognized in the proper accounting periods. The debt repayment schedules were initially structured in a manner to best match the depreciation with the principal payments. In March 2009, the Agency exercised an early redemption option for the Series 2000B Project bonds. The retired debt carried a 6% per annum interest rate along with an annual administrative fee of .03% the total of which was substantially higher than the investment rates available at that time. Again, Footnote Number Seven provides additional information. Future debt issuances are not expected to be needed as continuous updating of the Agency's technology is a part of the Agency's strategic plan.

Prior to distribution, all Agency cash is pooled for investment purposes to provide a maximum yield while protecting principal through conservative investment choices. The Agency's investment policy designates the type of investments that can be made and only permits investments which are in compliance with the Ohio Revised Code. Protection of the Agency's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), with eligible instruments pledged by the financial institution as security for repayment or through collateral pools established by the financial institutions to secure the repayment of all public monies deposited with the institutions. The Agency primarily invests in short-term, liquid instruments; there is also a core of funds available for investments with terms not to exceed two years.

The Agency is exposed to various risks of loss including theft, damage to or destruction of assets, errors and omissions, torts and legal judgments, and employee injuries. The Agency mitigates these risks by maintaining comprehensive general liability insurance, an overall umbrella policy as well as coverage for business interruption and property losses. The Agency provides health, dental and vision insurance to its employees through standard premium-based plans and obtains coverage through the State of Ohio Worker's Compensation program.

Major Initiatives

During the year the new RITAX computerized system was completed. The final transition culminated April 2011 when the old mainframe based system, LTAX, was decommissioned. As the Agency is now substantially paperless, all tax forms are imaged before they enter the production systems. These document images are then used for efficient handling of tax filings, beginning with data entry and continuing until the forms complete final processing. Multiple computer monitors allow employees to quickly access all needed electronic information and to seamlessly update databases. Real-time form editing applications assist the editors by highlighting the section(s) of the forms that are in question and need examination. The system then continues to highlight new areas for review until all issues are resolved. Furthermore, the Tax Authority Portal, which allows member municipal officials to access data/reports directly via the Agency's data warehouse, has been enhanced to allow easier navigation and expanded data retrieval.

In 2011 the use of eBusiness increased again over the prior year with taxpayers filing 43,532 (25%) more electronic forms and electronically paying an additional \$7.9 million (16%) over last year. As mentioned above, the RITAX systems will continue to be refined in order to maintain advanced capabilities. Key Agency goals are to increase productivity, decrease operating costs and maintain excellent service through the use of technology. The ongoing improvement of the Agency's systems is an important component in achieving these goals.

The Agency's successful efforts to obtain taxpayer information from the Internal Revenue Service (IRS) have proven to be very beneficial for the membership. R.I.T.A. is using the IRS data with an in-house, custom designed software program, FEDTAX, to electronically identify delinquent taxpayers, track the collection process and assess non-responsive accounts. During 2011, the Agency collected about \$4.9 million with the FEDTAX capabilities. The utilization of the IRS information is expanding and each month the payments received are greater than the amount collected in the previous period. The Agency will continue its focus in developing the various IRS data into tools to bring taxpayers into compliance.

Awards and Acknowledgements

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Regional Income Tax Agency for its CAFR for the fiscal year ended December 31, 2010. This was the twenty-sixth year that the Agency has achieved this prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one year period. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The 2011 CAFR was prepared with substantial assistance from Jennifer Carnahan, Patricia Johnson and Sandy Majkrzak of the Finance Department. We wish to thank them for all of their efforts. We also thank the Board of Trustees for their interest and support of this endeavor and for the manner in which they have directed the financial operations of the Regional Income Tax Agency.

Respectfully submitted,



Rick Carbone
Executive Director



Christy Price
Deputy Director/Chief Financial Officer



Lori Starcher
Assistant Finance Director

Regional Income Tax Agency

Officers and Board Members

December 31, 2011

COUNCIL OF GOVERNMENTS

OFFICERS

- | | | |
|-----------|---|-------------------------------------------------------|
| President | - | Mayor Kathy Mulcahy, Village of Orange, Ohio |
| Secretary | - | Mayor Lynn Eisentrout, Village of Minerva Park, Ohio |
| Treasurer | - | Mayor Susan C. Renda, Village of Moreland Hills, Ohio |

BOARD OF TRUSTEES

OFFICERS

- | | | |
|---------------|---|-----------------------------------------------------------------------------------|
| Chairman | - | Prashant Shah, Finance Director/Tax Administrator – City of Westlake, Ohio |
| Vice Chairman | - | Karen Fegan, Finance Director/Tax Administrator – City of North Royalton, Ohio |
| Secretary | - | James Nicholson, Finance Director/Tax Administrator – City of New Albany, Ohio |
| Treasurer | - | Steven Presley, Finance Director/Tax Administrator – City of Bay Village, Ohio |

OTHER BOARD MEMBERS

- | | | |
|-----------------------|---|----------------------------------------------------------|
| Scott Gill | - | Tax Administrator, City of Upper Arlington, Ohio |
| Mayor Gary Gottschalk | - | Mayor, Village of Oakwood, Ohio |
| Beecher Hale | - | Finance Director, City of Bexley, Ohio |
| Jeff Knoblauch | - | Finance Director/Tax Administrator, City of Hudson, Ohio |
| Virginia Price | - | Finance Director, City of Brecksville, Ohio |

Regional Income Tax Agency

Management Officials

December 31, 2011

| | |
|------------------------------------------|-----------------------|
| Executive Director | Mr. Rick Carbone |
| Deputy Director/Chief Financial Officer | Mrs. Christy Price |
| Assistant Director of Finance | Mrs. Lori Starcher |
| Chief Operating Officer | Mr. Richard Barille |
| Chief Legal Officer/Compliance | Mrs. Amy Arrighi |
| Executive Assistant/Board Clerk | Mrs. Donna Thompson |
| Municipal Services Manager | Mr. Ralph Glatzhofer |
| Member Services Director | Mr. Gary Chips |
| Operations: | |
| Chief Tax Officer | Mr. Joe Zamiska |
| Director of Central/Southern Ohio Region | Ms. Lori Gischel |
| Manager, Business Compliance | Mrs. Alicia Kline |
| Manager, Customer Service | Mrs. Michele Janos |
| Manager, Federal Tax Information | Mr. William Nally |
| Manager, Legal/Subpoena | Mrs. Diane Maria |
| Manager, Processing/Production | Mr. Scott Dunford |
| Manager, Records Processing | Mrs. Jennifer McMurdo |
| Manager, Worthington Office | Mr. Steve Gandee |
| Manager, Youngstown Office | Mr. Michael Sommer |
| Information Services: | |
| Chief Information Officer | Mr. Tom Wojnarowski |
| IS Development Manager | Mr. Mike Kobe |
| Operations Manager | Mr. Robert Kelley |

Regional Income Tax Agency

Organizational Chart

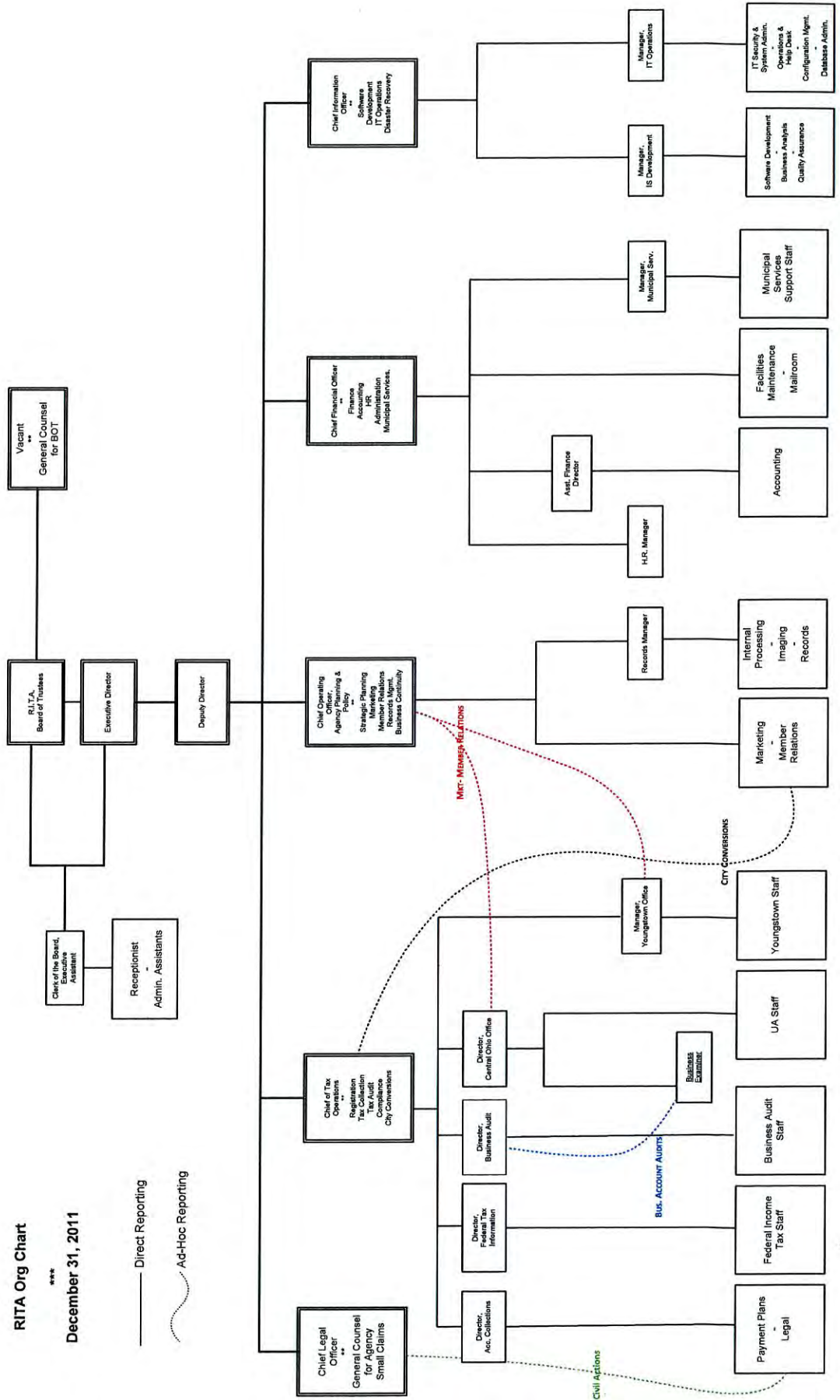
December 31, 2011

RITA Org Chart

December 31, 2011

— Direct Reporting

~ Ad-Hoc Reporting



Regional Income Tax Agency

GFOA Certificate

December 31, 2011

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

Presented to

**Regional Income Tax Agency
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

Financial Section



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Regional Income Tax Agency
Cuyahoga County
10107 Brecksville Road
Brecksville, Ohio 44141

To the Board of Trustees:

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Regional Income Tax Agency (the Agency), Cuyahoga County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express opinions on these financial statements based on our audit. The basic financial statements of the Agency as of and for the year ended December 31, 2010 were audited by other auditors whose report dated June 27, 2011, expressed an unqualified opinion on those statements and included an explanatory paragraph that described the change in the Agency's accounting principles discussed in Note 13 to the financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. The other auditors audited the basic financial statements of the Agency as of and for the year ended December 31, 2010 in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit, the 2011 financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the Regional Income Tax Agency, Cuyahoga County, Ohio, as of December 31, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2012, on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the Agency's basic financial statements taken as a whole. The introductory section, the financial section's *Statement of Changes in Assets and Liabilities – Agency Fund* and *Schedule of Revenues and Expenses – Budget and Actual*, and the statistical section information provides additional analysis and is not a required part of the basic financial statements. The financial section's *Statement of Changes in Assets and Liabilities – Agency Fund* and *Schedule of Revenues and Expenses – Budget and Actual*, are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. This statement and schedule was subject to the auditing procedures we and the other auditors applied to the basic financial statements. We and the other auditors also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Neither we nor the other auditors subjected the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on it.



Dave Yost
Auditor of State

May 24, 2012

REGIONAL INCOME TAX AGENCY

Management's Discussion and Analysis

(Unaudited)

The following discussion provides a summary overview of the financial activities of the Regional Income Tax Agency (the Agency) for the year ended December 31, 2011. This information should be read in conjunction with the letter of transmittal and basic financial statements included in this report.

Financial Highlights

- Despite the strain of the diminished statewide economy, total Agency collections increased from \$813 million to \$886 million. This growth in tax revenues is attributable to new municipalities and modest gains for established members.
- Overall expense decreased about \$1 million from last year. The areas of substantial reduction are:
 - Professional and Processing – expense dropped about \$128,000 due to the completion of the RITAX system and the related termination of technical contractor agreements;
 - Materials and Supplies – postage declined approximately \$250,000 primarily because postcards were mailed to taxpayers in lieu of sending tax forms; in addition, the year-end timing of the mailings changed;
 - Depreciation and Amortization – since 2009 expense was reduced about \$900,000 (\$380,000 in 2011 alone) due to the change in recognition of the extended asset lives for the Brecksville facility and the RITAX system components, and the end of depreciable life for various computer equipment.
- The impact from the cost reductions and the greater collections was a significant decrease in the average net cost of collections percentage from 2.02% in 2010, to 1.76% in 2011.
- As of December 31, 2011 assets exceeded liabilities by \$185,842 as compared to \$164,159 at the end of 2010. The change in net assets is strictly due to net income from the Municipal Services activities. Note that, unlike the refunds of excess Tax Collection Fees, the earnings from Municipal Services can be retained for use in the subsequent year.
- The decrease in Tax Collection Fees is mainly related to the reduction of expense noted above. The decrease in cost results in less operating funds (recorded as collection fees) needed from the membership.

Overview of the Basic Financial Statements

A fund is a grouping of related accounts utilized to maintain control over the resources used to perform specific activities. The Agency has two funds; one is proprietary (business-type activity) and the other fund is fiduciary.

The proprietary fund is an enterprise fund that primarily accounts for the Agency's tax collection services. The Agency provides these services to its members on a cost reimbursement basis with no margin or profit. During the year the operations are funded with advance fees from the municipalities. At year-end, costs are allocated to members based on transactions and amounts collected; the municipalities' individual fee refunds or fee payables are then computed. After settlement of the amounts owed/due, the net asset balance for the tax collections activity is brought to zero. The proprietary fund is also used to record the Municipal Services Department financial software support activities. This department can retain net income and any such amounts are available to fund customer support in the subsequent year.

REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

The fiduciary fund accounts for the members' tax receipts held by the Agency prior to distribution to the municipalities. The funds are invested in short-term instruments and all interest income is used to offset the members' costs for the tax collection services.

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements have three components: 1) proprietary fund statements, 2) fiduciary fund statement, and 3) notes to the basic financial statements. The proprietary fund statements consist of the Statements of Net Assets, the Statements of Revenues, Expenses and Changes in Net Assets and the Statements of Cash Flows. The fiduciary fund statement is the Statements of Fiduciary Net Assets. The CAFR also addresses other supplementary information in the Statistical Section.

The Statements of Net Assets present the Agency's financial position and report the resources owned by the Agency (assets), obligations owed by the Agency (liabilities) and Agency net assets (the difference between assets and liabilities). The Statements of Revenues, Expenses and Changes in Net Assets present a summary of how the Agency's net assets changed during the year. Revenue is reported when earned and expenses are reported when incurred. The Statements of Cash Flows provide information about the Agency's cash receipts and disbursements during the year. They summarize net changes in cash resulting from operating, investing and financing activities. The Notes to the Basic Financial Statements provide additional information that is essential for a full understanding of the Basic Financial Statements.

Financial Analysis of the Agency's Financial Position and Results of Operations

The following tables present summaries of the Agency's financial position and operations for 2011 as well as the 2010 and 2009 results.

The first table is a summary of the Agency's net assets, which condenses information on all of the Agency's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. However, take note that the primary purpose of the Agency is to provide tax collection services and, as previously noted, for these services the Agency operates on a cost basis only, with no margin or profit and no related net assets. Consequently, any change in the net asset amount is solely due to the fluctuations in the retained earnings from the Municipal Services User software support activities. This department provides low cost, financial system support to member municipalities.

The second table is the Statement of Revenues, Expenses and Changes in Net Assets, which presents a summary of the change in the Agency's net assets.

REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

Table 1
Net Assets

| | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|----------------------------------------------------|--------------------|--------------------|--------------------|
| Assets: | | | |
| Current Assets | \$ 23,907,760 | \$ 16,630,641 | \$ 17,378,013 |
| Capital Assets, Net | 10,833,143 | 11,579,153 | 12,619,570 |
| Other Noncurrent Assets | <u>3,263,794</u> | <u>5,937,788</u> | <u>5,991,595</u> |
| Total Assets | <u>38,004,697</u> | <u>34,147,582</u> | <u>35,989,178</u> |
| Liabilities: | | | |
| Current Liabilities | 22,633,454 | 18,164,108 | 18,591,396 |
| Long-term Liabilities | <u>15,185,401</u> | <u>15,819,315</u> | <u>17,264,775</u> |
| Total Liabilities | <u>37,818,855</u> | <u>33,983,423</u> | <u>35,856,171</u> |
| Net Assets: | | | |
| Invested in Capital Assets, Net of Related Debt | 2,640,523 | 1,935,170 | 1,805,643 |
| Restricted for: | | | |
| Debt Service | 1,961,876 | 1,961,876 | 1,961,876 |
| Capital Improvements | 710,029 | 3,330,214 | 3,330,214 |
| Unrestricted (Deficit) | <u>(5,126,586)</u> | <u>(7,063,101)</u> | <u>(6,964,726)</u> |
| Total Net Assets | <u>\$ 185,842</u> | <u>\$ 164,159</u> | <u>\$ 133,007</u> |

Overall, total assets grew due to the substantial rise in the retainer refund from about \$7 million last year to \$10.3 million for 2011. Also contributing is an increase in Cash and Cash Equivalents cash of approximately \$2.8 million.

The change in total liabilities is primarily due to the additional amount owed to the membership for the retainer refund noted above.

The Statement of Revenues, Expenses and Changes in Net Assets reports the proprietary fund operating income and costs, non-operating income and costs, and the change in net assets. This statement, shown in Table 2, reflects the results for 2011, 2010, and 2009.

REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

Table 2
Statements of Revenues, Expenses and Changes in Net Assets

| | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|-------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Operating Revenues: | | | |
| Tax Collection Fees | \$ 15,617,081 | \$ 16,465,159 | \$ 16,107,677 |
| Charges for Services and Other Revenues | <u>1,132,795</u> | <u>1,189,857</u> | <u>1,056,738</u> |
| Total Operating Revenues | <u>16,749,876</u> | <u>17,655,016</u> | <u>17,164,415</u> |
| Operating Expenses: | | | |
| Personal Services | 10,710,142 | 10,764,800 | 10,462,590 |
| Travel and Transportation | 69,056 | 97,691 | 103,224 |
| Office Rent and Maintenance | 174,042 | 211,622 | 159,975 |
| Equipment and Software Maintenance | 512,381 | 555,162 | 466,584 |
| Cost of Equipment Purchased For Members | 96,413 | 59,752 | 51,645 |
| Professional and Processing | 2,204,468 | 2,332,163 | 2,098,061 |
| Telephone and Utilities | 273,636 | 279,554 | 227,042 |
| Forms and Envelopes | 338,045 | 353,206 | 481,068 |
| Insurance | 44,549 | 33,769 | 33,217 |
| Miscellaneous Expenses | 17,972 | 22,573 | 15,901 |
| Material and Supplies | 762,942 | 1,024,884 | 881,303 |
| Depreciation and Amortization | <u>842,012</u> | <u>1,223,904</u> | <u>1,713,682</u> |
| Total Operating Expenses | <u>16,045,658</u> | <u>16,959,080</u> | <u>16,694,292</u> |
| Operating Income | <u>704,218</u> | <u>695,936</u> | <u>470,123</u> |
| Non – Operating Revenues (Expenses): | | | |
| Interest Income | 118,539 | 198,066 | 563,814 |
| Interest Expense | <u>(801,074)</u> | <u>(862,850)</u> | <u>(978,221)</u> |
| Total Non – Operating Revenues (Expenses) | <u>(682,535)</u> | <u>(664,784)</u> | <u>(414,407)</u> |
| Change in Net Assets | 21,683 | 31,152 | 55,716 |
| Net Assets, Beginning of Year | <u>164,159</u> | <u>133,007</u> | <u>77,291</u> |
| Net Assets, End of Year | \$ <u><u>185,842</u></u> | \$ <u><u>164,159</u></u> | \$ <u><u>133,007</u></u> |
| Total Revenues | | | |
| Operating Revenues | \$ 16,749,876 | \$ 17,655,016 | \$ 17,164,415 |
| Non – Operating Revenues | <u>118,539</u> | <u>198,066</u> | <u>563,814</u> |
| Total Revenues | \$ <u><u>16,868,415</u></u> | \$ <u><u>17,853,082</u></u> | \$ <u><u>17,728,229</u></u> |
| Total Expenses | | | |
| Operating Expenses | \$ 16,045,658 | \$ 16,959,080 | \$ 16,694,292 |
| Non – Operating Expenses | <u>801,074</u> | <u>862,850</u> | <u>978,221</u> |
| Total Expenses | \$ <u><u>16,846,732</u></u> | \$ <u><u>17,821,930</u></u> | \$ <u><u>17,672,513</u></u> |

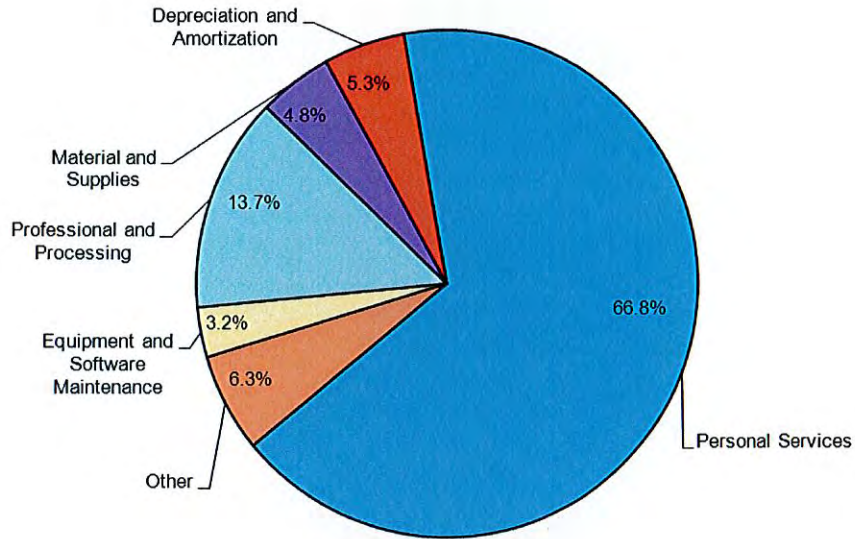
REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

- The Tax Collection Fees represent the portion of the member retainers used to fund the Agency's tax operations. As noted previously, the decrease in Tax Collection Fees is mainly related to the reduction of expense. When expense decreases less operating funds (recorded as collection fees) are needed.
- The Charges for Services and Other Revenues include income from the following:
 - Subpoena programs – The Agency field auditors travel to local city halls to assist individuals who are delinquent in filing tax returns and to obtain the related tax payments.
 - Small claim lawsuits – The Agency paralegals represent the municipalities in court to obtain judgments against taxpayers for unpaid taxes.
 - Support of accounting software – the Municipal Services department provides software and support services.
 - Miscellaneous fees/reimbursements – includes amounts charged for copies of records, charges for extraordinary services and reimbursements for employee time spent on special projects.
- The change in Interest Income is substantially due to the decrease in interest rates in 2011 and 2010.
- The Agency's substantial expenses are:
 - Personal Services – As the Agency is primarily a service organization, the bulk of the operating expenses are for personnel. This expense is comparable to the prior years presented.
 - Professional and Processing – This expense is largely for outside computer development/security services. As noted above, expense decreased due to the completion of the RITAX system.
 - Materials and Supplies – Mainly, postage costs were reduced by the mailing of postcards instead of tax forms.
 - Depreciation and Amortization – The Agency uses the accrual basis of accounting. As such, when assets are purchased the costs are recognized over the life of the resources. The useful lives are 5 to 40 years and depreciation is calculated using a mid-year conversion. The change in asset lives, as stated above, is the primary reason for the reduction in expense.

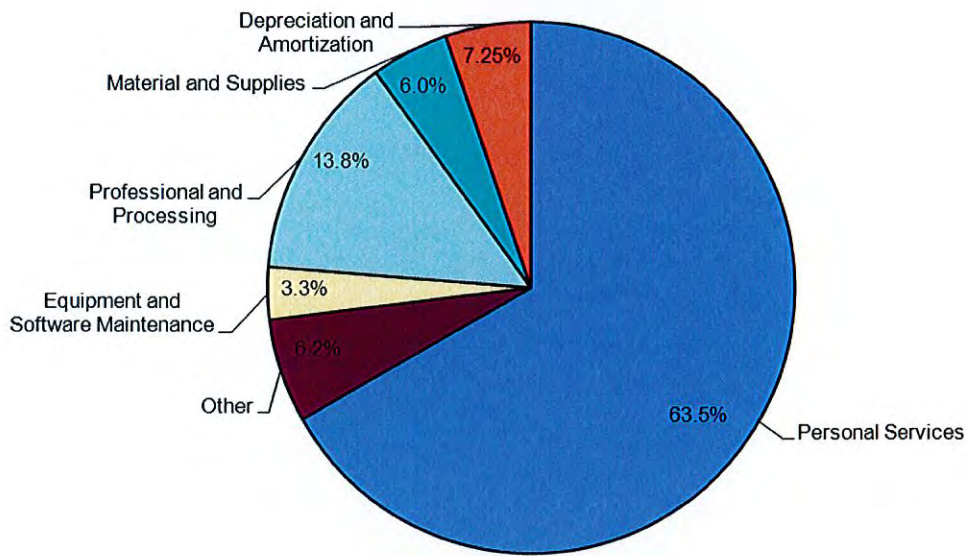
REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

Graphic interpretations of the Agency operating expenses for 2011 and 2010 are presented as follows:

Graph 1 – 2011 Total Agency Operating Expense



Graph 2 – 2010 Total Agency Operating Expense



REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

Capital Assets

The following Table indicates the capital asset activity for the years ended December 31, 2011 and 2010.

Table 3

| | Balance 12/31/2010 | Additions | Retirements | Transfers | Balance 12/31/2011 |
|-------------------------------------------------|-----------------------|----------------|-------------|-------------|-----------------------|
| Nondepreciable Capital Assets: | | | | | |
| Land | \$ 171,918 | \$ - | \$ - | \$ - | \$ 171,918 |
| Capital Assets being Depreciated: | | | | | |
| Buildings and Improvements | 3,834,986 | - | - | - | 3,834,986 |
| Office Equipment and Software | 19,090,928 | 96,002 | (564,214) | - | 18,622,716 |
| Vehicles | 34,540 | - | - | - | 34,540 |
| Total Capital Assets being Depreciated | 22,960,454 | 96,002 | (564,214) | - | 22,492,242 |
| Less: Accumulated Depreciation and Amortization | (11,553,219) | (842,012) | 564,214 | - | (11,831,017) |
| Net Capital Assets being Depreciated | 11,407,235 | (746,010) | - | - | 10,661,225 |
| Total Capital Assets, net | \$ 11,579,153 | \$ (746,010) | \$ - | \$ - | \$ 10,833,143 |
| | | | | | |
| | Balance 12/31/2009 | Additions | Retirements | Transfers | Balance 12/31/2010 |
| Nondepreciable Capital Assets: | | | | | |
| Land | \$ 171,918 | \$ - | \$ - | \$ - | \$ 171,918 |
| Projects in Process | 4,889,857 | - | - | (4,889,857) | - |
| Total Nondepreciable Capital Assets | 5,061,775 | - | - | (4,889,857) | 171,918 |
| Capital Assets being Depreciated: | | | | | |
| Buildings and Improvements | 3,812,427 | 22,559 | - | - | 3,834,986 |
| Office Equipment and Software | 14,133,702 | 146,649 | (79,280) | 4,889,857 | 19,090,928 |
| Vehicles | 40,317 | 14,279 | (20,056) | - | 34,540 |
| Total Capital Assets being Depreciated | 17,986,446 | 183,487 | (99,336) | 4,889,857 | 22,960,454 |
| Less: Accumulated Depreciation and Amortization | (10,428,651) | (1,223,904) | 99,336 | - | (11,553,219) |
| Net Capital Assets being Depreciated | 7,557,795 | (1,040,417) | - | 4,889,857 | 11,407,235 |
| Total Capital Assets, Net | \$ 12,619,570 | \$ (1,040,417) | \$ - | \$ - | \$ 11,579,153 |

REGIONAL INCOME TAX AGENCY
Management's Discussion and Analysis
(Unaudited)

Long -Term Obligations

Details of the changes in long-term obligations for the year ended December 31, 2011 is as follows:

Table 4

| | Balance <u>12/31/2010</u> | <u>Additions</u> | <u>Retirements</u> | Balance <u>12/31/2011</u> | Amounts Due Within <u>One Year</u> |
|------------------------------------------|------------------------------|-------------------|-----------------------|------------------------------|------------------------------------------|
| Cleveland-Cuyahoga County Port Authority | | | | | |
| Capital Lease | \$ 16,540,242 | \$ - | \$ (1,410,423) | \$ 15,129,819 | \$ 1,256,996 |
| Unamortized Premium | 382,077 | - | (40,940) | 341,137 | 39,054 |
| Compensated Absences | <u>1,128,067</u> | <u>854,207</u> | <u>(835,476)</u> | <u>1,146,798</u> | <u>805,353</u> |
| Total Long-Term Obligations | \$ <u>18,050,386</u> | \$ <u>854,207</u> | \$ <u>(2,286,839)</u> | \$ <u>16,617,754</u> | \$ <u>2,101,403</u> |

Details of the changes in long-term obligations for the year ended December 31, 2010 was as follows:

| | Balance <u>12/31/2009</u> | <u>Additions</u> | <u>Retirements</u> | Balance <u>12/31/2010</u> | Amounts Due Within <u>One Year</u> |
|------------------------------------------|------------------------------|-------------------|-----------------------|------------------------------|------------------------------------------|
| Cleveland-Cuyahoga County Port Authority | | | | | |
| Capital Lease | \$ 17,667,269 | \$ - | \$ (1,127,027) | \$ 16,540,242 | \$ 1,410,423 |
| Unamortized Premium | 424,994 | - | (42,917) | 382,077 | 40,940 |
| Compensated Absences | <u>1,097,073</u> | <u>953,210</u> | <u>(922,216)</u> | <u>1,128,067</u> | <u>779,708</u> |
| Total Long-Term Obligations | \$ <u>19,189,336</u> | \$ <u>953,210</u> | \$ <u>(2,092,160)</u> | \$ <u>18,050,386</u> | \$ <u>2,231,071</u> |

The activities in 2011 and 2010 primarily reflect the repayment of the debt. Further details on the capital balances and transactions can be found in Notes Five, Six, and Seven.

The other significant proprietary financial report is the Statements of Cash Flows, which provides information about the Agency's cash receipts and disbursements during the year. It summarizes net changes in cash resulting from operating, investing and financing activities. The Notes to the Basic Financial Statements provide further information that is essential to a full understanding of the financial statements

Contacting the Agency's Financial Management

This financial report is designed to provide a general overview of the Agency's finances for all interested parties. Questions and requests for additional information regarding this report should be addressed to the Chief Financial Officer, Regional Income Tax Agency, 10107 Brecksville Road, Brecksville, Ohio 44141-3275 or by telephone at 440.526.0900.

Regional Income Tax Agency

Statements of Net Assets

December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|----------------------------------------------------|--------------------|--------------------|
| Assets: | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 10,842,547 | \$ 8,040,224 |
| Other Assets | 177,083 | 205,811 |
| Receivables: | | |
| Accounts | 46,611 | 188,853 |
| Due from Others | 12,841,466 | 8,162,873 |
| Interest | <u>53</u> | <u>32,880</u> |
| Total Current Assets | <u>23,907,760</u> | <u>16,630,641</u> |
| Noncurrent Assets: | | |
| Nondepreciable Capital Assets | 171,918 | 171,918 |
| Depreciable Capital Assets, Net | 10,661,225 | 11,407,235 |
| Restricted – Due from Trust | 2,671,905 | 5,292,090 |
| Deferred Loan Fees, Net | <u>591,889</u> | <u>645,698</u> |
| Total Noncurrent Assets | <u>14,096,937</u> | <u>17,516,941</u> |
| Total Assets | <u>38,004,697</u> | <u>34,147,582</u> |
| Liabilities: | | |
| Current Liabilities: | | |
| Accounts Payable | 431,087 | 419,113 |
| Accrued Wages and Benefits | 1,009,308 | 999,974 |
| Current Portion of Capital Lease | 1,296,050 | 1,451,363 |
| Other Liabilities | 191,548 | 127,829 |
| Due to Other Governments | 12,211,187 | 9,032,993 |
| Unearned Revenue | <u>7,494,274</u> | <u>6,132,836</u> |
| Total Current Liabilities | <u>22,633,454</u> | <u>18,164,108</u> |
| Noncurrent Liabilities: | | |
| Accrued Wages and Benefits | 341,445 | 348,359 |
| Capital Lease Obligation | 14,174,906 | 15,470,956 |
| Due to Members – Stabilization | <u>669,050</u> | <u>-</u> |
| Total Noncurrent Liabilities | <u>15,185,401</u> | <u>15,819,315</u> |
| Total Liabilities | <u>37,818,855</u> | <u>33,983,423</u> |
| Net Assets: | | |
| Invested in Capital Assets, Net of Related Debt | 2,640,523 | 1,935,170 |
| Restricted for: | | |
| Debt Service | 1,961,876 | 1,961,876 |
| Capital Improvements | 710,029 | 3,330,214 |
| Unrestricted (Deficit) | <u>(5,126,586)</u> | <u>(7,063,101)</u> |
| Total Net Assets | <u>\$ 185,842</u> | <u>\$ 164,159</u> |

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements of Revenues, Expenses and Changes in Net Assets

For the Years Ended December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|-------------------------------------------|-------------------|-------------------|
| Operating Revenues: | | |
| Tax Collection Fees | \$ 15,617,081 | \$ 16,465,159 |
| Charges for Services and Other Revenues | <u>1,132,795</u> | <u>1,189,857</u> |
| Total Operating Revenues | <u>16,749,876</u> | <u>17,655,016</u> |
| Operating Expenses: | | |
| Personal Services | 10,710,142 | 10,764,800 |
| Travel and Transportation | 69,056 | 97,691 |
| Office Rent and Maintenance | 174,042 | 211,622 |
| Equipment and Software Maintenance | 512,381 | 555,162 |
| Cost of Equipment Purchased For Members | 96,413 | 59,752 |
| Professional and Processing | 2,204,468 | 2,332,163 |
| Telephone and Utilities | 273,636 | 279,554 |
| Forms and Envelopes | 338,045 | 353,206 |
| Insurance | 44,549 | 33,769 |
| Miscellaneous Expenses | 17,972 | 22,573 |
| Material and Supplies | 762,942 | 1,024,884 |
| Depreciation and Amortization | <u>842,012</u> | <u>1,223,904</u> |
| Total Operating Expenses | <u>16,045,658</u> | <u>16,959,080</u> |
| Operating Income | <u>704,218</u> | <u>695,936</u> |
| Non – Operating Revenues (Expenses): | | |
| Interest Income | 118,539 | 198,066 |
| Interest Expense | <u>(801,074)</u> | <u>(862,850)</u> |
| Total Non – Operating Revenues (Expenses) | <u>(682,535)</u> | <u>(664,784)</u> |
| Change in Net Assets | 21,683 | 31,152 |
| Net Assets, Beginning of Year | <u>164,159</u> | <u>133,007</u> |
| Net Assets, End of Year | <u>\$ 185,842</u> | <u>\$ 164,159</u> |

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements of Cash Flows

For the Years Ended December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|-----------------------------------------------------------|----------------------|---------------------|
| Cash Flows from Operating Activities: | | |
| Cash Receipts: | | |
| From Member Municipalities | \$ 23,811,269 | \$ 24,480,443 |
| From Stabilization Funding | 669,050 | - |
| Cash Payments: | | |
| To Suppliers for Goods and Services | (4,389,084) | (4,941,674) |
| To Employees for Services | (7,955,854) | (8,381,363) |
| For Employee Benefits | (2,751,868) | (3,017,432) |
| For Retainer Refund | (7,025,284) | (6,229,963) |
| Net Cash Provided by Operating Activities | <u>2,358,229</u> | <u>1,910,011</u> |
| Cash Flows from Noncapital Financing Activities: | | |
| Funding of Other Assets – Due from Trust | <u>2,620,185</u> | <u>-</u> |
| Cash Flows from Capital and Related Financing Activities: | | |
| Acquisition of Capital Assets | (96,002) | (183,487) |
| Principal Payments on Capital Lease Obligations | (1,410,423) | (1,127,027) |
| Interest Payments on Capital Lease Obligations | (788,205) | (851,960) |
| Net Cash Used by Capital and Related Financing Activities | <u>(2,294,630)</u> | <u>(2,162,474)</u> |
| Cash Flows from Investing Activities: | | |
| Interest on Cash and Cash Equivalents | <u>118,539</u> | <u>198,066</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 2,802,323 | (54,397) |
| Cash and Cash Equivalents, Beginning of Year | <u>8,040,224</u> | <u>8,094,621</u> |
| Cash and Cash Equivalents, End of Year | \$ <u>10,842,547</u> | \$ <u>8,040,224</u> |

Continued

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements of Cash Flows (Continued)

For the Years Ended December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|--------------------------------------------------------------------------------------------|---------------------|---------------------|
| Reconciliation of Operating Income to Net Cash from Operating Activities: | | |
| Operating Income | \$ 704,218 | \$ 695,936 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities: | | |
| Depreciation and amortization | 842,012 | 1,223,904 |
| Changes in Assets and Liabilities: | | |
| Other Assets | 28,728 | 46,780 |
| Trade Accounts Receivable | 142,242 | (93,922) |
| Due from Others | (4,678,593) | 771,873 |
| Interest Receivable | 32,827 | (31,756) |
| Accounts Payable | 11,974 | (42,376) |
| Accrued Wages and Benefits | 2,420 | (633,995) |
| Other Liabilities | 63,719 | 24,298 |
| Due to Other Governments | 3,178,194 | 986,638 |
| Unearned Revenue | 1,361,438 | (1,037,369) |
| Due to Members – Stabilization | 669,050 | - |
| Net Cash Provided by Operating Activities | \$ <u>2,358,229</u> | \$ <u>1,910,011</u> |
| Supplemental Schedule of Non-Cash Investing, Capital and Related Financing Activities: | | |
| Amortization of Deferred Loan Fees Classified as Interest Expense | \$ <u>53,809</u> | \$ <u>53,807</u> |
| Amortization of Premium on Capital Lease Classified as Interest Expense | \$ <u>(40,940)</u> | \$ <u>(42,917)</u> |

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Statements of Fiduciary Net Assets

December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|--------------------------------------------|-----------------------|-----------------------|
| Assets: | | |
| Cash and Cash Equivalents | \$ 64,930,446 | \$ 63,465,904 |
| Receivables: | | |
| Interest | 13 | 17,234 |
| Income Taxes of Member Municipalities, Net | <u>249,838,358</u> | <u>205,599,616</u> |
| Total Assets | <u>\$ 314,768,817</u> | <u>\$ 269,082,754</u> |
| Liabilities: | | |
| Refunds Payable | \$ 2,841,676 | \$ 1,252,538 |
| Due to Others | 12,841,466 | 8,162,873 |
| Due to Other Governments | <u>299,085,675</u> | <u>259,667,343</u> |
| Total Liabilities | <u>\$ 314,768,817</u> | <u>\$ 269,082,754</u> |

See Accompanying Notes to the Basic Financial Statements

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 1: Reporting Entity

The Regional Income Tax Agency (the Agency) is an independent entity that provides efficient collections of municipal income taxes for the member municipalities (the Members) of a Regional Council of Governments formed under Section 167 of the Ohio Revised Code. The Members elect a nine position Board of Trustees to oversee the Agency operations. The Agency has a fiduciary responsibility to collect municipal income taxes for its Members at the rates levied and then distribute the municipal income taxes (less related net expenses and refunds) to its Members. Distributions of tax collections to Members are based upon information provided by taxpayers on tax returns and other supporting data.

For financial reporting purposes, the Agency's financial statements include all funds for which the Agency is financially accountable. Financial accountability, as defined by the Governmental Accounting Standards Board (GASB), exists if the Agency appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific burdens on, the Agency. The Agency may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the Agency. Also taken into consideration are any other organizations for which the nature and significance of their relationship with the Agency are such that exclusion would cause the financial statements to be misleading or incomplete. Based on these criteria, there were no other organizations that require incorporation into the financial statements.

Note 2: Summary of Significant Accounting Policies

The following summarizes the significant accounting policies applied in the preparation of the basic financial statements.

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Agency also applies Financial Accounting Standards Board Codification, Statements and Interpretations issued after November 30, 1989, to its proprietary activities, provided they do not conflict with or contradict GASB pronouncements. The Agency has adopted authoritative guidance by the Financial Accounting Standards Board (FASB) which established the FASB Accounting Standards Codification (ASC) as the single source of authoritative accounting principles generally accepted in the United States of America. The Agency has modified its disclosures in this report to comply with the requirements. Accordingly, references to authoritative accounting principles after the effective date will reference the codification and not the previous accounting guidance. The adoption of the guidance did not have a material effect on the Agency's basic financial statements. The most significant of the Agency's accounting policies are described below.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 2: Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

The Agency's basic financial statements consist of Statements of Net Assets, Statements of Revenues, Expenses and Changes in Net Assets, Statements of Cash Flows, and Statements of Fiduciary Net Assets.

The Agency uses a single enterprise fund and an agency fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of the change in net assets, financial position and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users.

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the entity under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the entity's own programs; the Agency has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency's only agency fund is used to account for tax collections held by the Agency as an agent for the Members.

B. Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the Statements of Net Assets, except for the agency fund. The Statements of Revenues, Expenses and Changes in Net Assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statements of Cash Flows provide information about how the Agency finances and meets the cash flow needs of its enterprise activities.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Agency's basic financial statements are prepared using the accrual basis of accounting.

Revenue is recorded on the accrual basis when the exchange takes place. Expenses are recognized at the time they are incurred. However, under GASB Statement No. 33, it is necessary to calculate unearned revenue when recording an estimated receivable that the Agency will withhold from its members when collecting the taxes on current year earnings. Unearned revenue in the amount of \$7,494,274 at December 31, 2011 and \$6,132,836 at December 31, 2010 has not been recorded as revenue for the following reasons (1) the transactions have not yet been processed, therefore, the money has not yet been earned; and (2) if it were to be recorded as revenue, it would be included in the retainer refund calculation and money that has not yet been collected by the Agency would be prematurely refunded to the Members.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 2: Summary of Significant Accounting Policies (continued)

D. Cash and Cash Equivalents

During fiscal years 2011 and 2010, the Agency invested in the State Treasury Asset Reserve of Ohio (STAROhio), certificates of deposit and repurchase agreements.

Investments are reported at fair value which is based on quoted market prices. Nonnegotiable certificates of deposit are reported at cost.

The STAROhio investment pool managed by the State Treasurer's Office, allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could have been sold for on December 31, 2011 and December 31, 2010.

For purposes of the Statements of Cash Flows and for presentation on the Statements of Net Assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the Agency are considered to be cash equivalents. Instruments with an initial maturity of more than three months are reported as investments.

E. Allowance for Doubtful Accounts

Income taxes of member municipalities receivable is shown net of a \$3,346,588 allowance for doubtful accounts at December 31, 2011 and \$1,590,797 at December 31, 2010. The allowance reflects management's best estimate of the amounts that will not be collected. This is based on an assessment of aged receivables and historical collection rates.

F. Capital Assets and Depreciation

All capital assets are recorded at historical cost. The Agency maintains a capitalization threshold of \$500. Depreciation is charged to operations over the assets' estimated useful lives using the straight-line method, with one half year's depreciation in the year of acquisition. Estimated useful lives are as follows:

| | |
|-------------------------------|---------------|
| Buildings and Improvements | 16 – 40 years |
| Office Equipment and Software | 5 – 25 years |
| Vehicles | 5 years |

G. Deferred Loan Fees

The Agency has capitalized the cost of obtaining capital lease financing. Amortization is taken using the straight-line method over the term of the related capital lease obligation. The straight-line method of amortization is not materially different from the effective-interest method. Deferred loan fees of \$591,889 are shown net of \$345,921 of accumulated amortization at December 31, 2011. Deferred loan fees of \$645,698 are shown net of \$292,112 of accumulated amortization at December 31, 2010.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 2: Summary of Significant Accounting Policies (continued)

H. Allocation of Expenses to Members

The Agency allocates to Members net operating expenses, after reduction for interest income, charges for services and other revenues. The Members' allocation is based upon the average of the percentage of each Member's transactions to total Agency transactions and the percentage of each Member's collections to total Agency collections.

I. Capital Lease Commitment Premium

The capital lease premium is deferred and amortized over the term of the lease using the effective interest method. The premium is presented as an increase of the face amount of the capital lease payable.

J. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The Agency records a liability for all accumulated unused vacation time when earned for all eligible employees.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the Agency has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the Agency's termination policy.

K. Unearned Revenue

Unearned revenue represents tax collection fees accrued that will be earned in subsequent periods as the tax receivables are collected.

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets (net of accumulated depreciation), reduced by the outstanding balances of any borrowings (net of unexpended proceeds) used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Agency or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. The Agency's restricted net assets are comprised of assets due from trust. The Agency applies restricted resources when an expense is incurred for which both restricted and unrestricted net assets are available. As of December 31, 2011 and 2010, the Agency had no net assets restricted by enabling legislation in the Statements of Net Assets.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 2: Summary of Significant Accounting Policies (continued)

L. Net Assets (continued)

| | <u>2011</u> | <u>2010</u> |
|-------------------------------------------------------|----------------------|----------------------|
| Invested in Capital Assets, Net of Related Debt: | | |
| Capital Assets | \$ <u>10,833,143</u> | \$ <u>11,579,153</u> |
| Capital Lease | 15,470,956 | 16,922,319 |
| Unspent proceeds | (2,671,905) | (5,292,090) |
| Proceeds spent on non-capital items | <u>(4,606,431)</u> | <u>(1,986,246)</u> |
| Net Capital Lease | <u>8,192,620</u> | <u>9,643,983</u> |
| Total Invested in Capital Assets, Net of Related Debt | \$ <u>2,640,523</u> | \$ <u>1,935,170</u> |

M. Revenues and Expenses

Operating revenues and expenses result from providing tax collection services, extraordinary services and goods to the members. Operating expenses consist of the cost of these services, including administrative expenses and depreciation on capital assets. Non-operating revenues and expenses are all revenues and expenses not meeting the definition of operating revenues and expenses. Non-operating revenues and expenses include revenues and expenses from capital and related financing activities and investing activities.

N. Use of Estimates

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

O. Subsequent Events

In preparing these financial statements, the Agency has evaluated events and transactions for potential recognition or disclosure through May 24, 2012, the date the financial statements were available to be issued.

P. Comparative Data/Reclassifications

Comparative data for the prior year are presented in order to provide an understanding of the changes in financial position and operations. Certain reclassifications have been made to the 2010 financial statements in order to conform to the 2011 presentation.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 3: Deposits and Investments

State of Ohio statutes classify funds held by the Agency into three categories.

Active deposits are amounts necessary to meet current cash needs. Such monies are maintained either in commercial accounts payable or withdrawable on demand accounts, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are monies identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim monies may be deposited or invested in the following securities:

1. Bonds, notes or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest therein.
2. Bonds, notes, debentures or other obligations or securities issued by any federal government agency.
3. Deposits with financial institutions and savings and loan associations, collateralized, as required by law.
4. State Treasurer's investment pool (STAROhio).
5. Bonds and other obligations of the State of Ohio.
6. Repurchase agreements fully collateralized with securities listed in 1 and 2 above.

Investments in mortgage backed securities, principal only or interest only or strips, reverse repurchase agreements and derivatives are forbidden. The use of leverage and short selling are also prohibited. Repurchase agreements are limited to maximum maturities of thirty days. A maximum of 18 million dollars can be invested over a longer period not to exceed two years with the exception of the debt reserve funds established under the agreements with the Cleveland-Cuyahoga County Port Authority. The debt reserve funds may be invested for the maximum time allowed under the Ohio Revised Code. All other funds shall be invested for a period not to exceed 45 days.

Deposits

Custodial credit risk is the risk that, in the event of bank failure, the Agency's deposits may be lost. Protection of the Agency's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC or may pledge a pool of government securities that have a face value that is at least 110 percent of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by two percent and be

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 3: Deposits and Investments (continued)

marked to market daily. State law does not require security for public deposits and investments to be maintained in the Agency's name.

At December 31, 2011, the carrying amount of the Agency's deposits was \$53,669,038 and the bank balance was \$55,479,214. Of the bank balance, \$635,279 was covered by FDIC insurance and the remaining \$54,843,935 was covered by specific collateral held in the Agency's name. At year end, the Agency had \$400 of undeposited cash on hand.

At December 31, 2010, the carrying amount of the Agency's deposits was \$50,797,460 and the bank balance was \$53,844,005. Of the bank balance, \$734,023 was covered by FDIC insurance and \$53,109,982 was covered by specific collateral held in the Agency's name. At year end, the Agency had \$400 of undeposited cash on hand.

Investments

Investments are reported at fair value. As of December 31, 2011, the Agency had the following investments:

| | <u>Fair Value</u> | <u>Weighted Average Maturity (days)</u> |
|-----------------------|----------------------|---------------------------------------------|
| Repurchase Agreements | \$ 13,838,527 | 1 |
| STAROhio | <u>8,265,028</u> | 1 |
| Portfolio Total | <u>\$ 22,103,555</u> | |

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

| | <u>Fair Value</u> | <u>Weighted Average Maturity (days)</u> |
|-------------------------|----------------------|---------------------------------------------|
| Certificate of Deposits | \$ 11,000,000 | 86 |
| Repurchase Agreements | 5,717,835 | 1 |
| STAROhio | <u>3,990,433</u> | 1 |
| Portfolio Total | <u>\$ 20,708,268</u> | |

Safety of principal is an investment objective of the Agency. The Agency's policy states that each transaction shall seek to first ensure that capital losses are avoided, whether they are from securities, defaults or erosion of market value. The Agency seeks to attain market rates of return on its investments, consistent with constraints imposed by its safety objectives, cash flow considerations and state laws that restrict the placement of certain public funds.

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Agency mitigates risk by timing investment maturities to match operating cash requirements. In addition, due to the bi-monthly cash distribution schedule, investments must be of a relatively short duration.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 3: Deposits and Investments (continued)

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Agency will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investments may only be made through institutions that are members of the National Association of Securities Dealers. The Board of Trustees reviews and approves these institutions.

Credit Risk is addressed by the Agency's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified by issuer. All investments by the Agency are registered and carry a AAA rating by Standard & Poor's.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of investment in a single issuer. The Agency's investment policy requires that the repurchase agreements cannot exceed ten percent (10%) of the capital of the issuing institution or seventy-five percent (75%) of the Agency investment portfolio with the exception that the Agency is authorized to invest one-hundred percent (100%) of its portfolio in repurchase agreements or other investment vehicles with the State Treasurer's investment pool (STAROhio).

The following is the Agency's allocation as of December 31, 2011:

| <u>Investment Issue</u> | <u>Percentage of Investments</u> |
|------------------------------|----------------------------------|
| Key Bank | 57.37% |
| STAROhio | 37.39 |
| Charter One Bank | 4.82 |
| The Huntington National Bank | 0.42 |

The following is the Agency's allocation as of December 31, 2010:

| <u>Investment Issue</u> | <u>Percentage of Investments</u> |
|------------------------------|----------------------------------|
| Key Bank | 51.00% |
| The Huntington National Bank | 24.00 |
| STAROhio | 20.00 |
| Charter One Bank | 5.00 |

Note 4: Receivables

Accounts receivable included on the Statements of Net Assets at December 31, 2011 and 2010 consists primarily of subpoena fees receivable and miscellaneous service receivables due from Members. Management considers all receivables fully collectible.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 5: Capital Assets

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

| | Balance 12/31/2010 | Additions | Retirements | Transfers | Balance 12/31/2011 |
|-----------------------------------------------------|-----------------------|---------------------|------------------|-------------|-----------------------|
| Nondepreciable Capital Assets: | | | | | |
| Land | \$ 171,918 | \$ - | \$ - | \$ - | \$ 171,918 |
| Capital Assets being Depreciated: | | | | | |
| Buildings and Improvements | 3,834,986 | - | - | - | 3,834,986 |
| Office Equipment and Software | 19,090,928 | 96,002 | (564,214) | - | 18,622,716 |
| Vehicles | 34,540 | - | - | - | 34,540 |
| Total Capital Assets being Depreciated | <u>22,960,454</u> | <u>96,002</u> | <u>(564,214)</u> | <u>-</u> | <u>22,492,242</u> |
| Less Accumulated Depreciation and Amortization for: | | | | | |
| Buildings and Improvements | (2,381,657) | (38,012) | - | - | (2,419,669) |
| Office Equipment and Software | (9,160,033) | (797,092) | 564,214 | - | (9,392,911) |
| Vehicles | (11,529) | (6,908) | - | - | (18,437) |
| Total Accumulated Depreciation and Amortization | <u>(11,553,219)</u> | <u>(842,012)</u> | <u>564,214</u> | <u>-</u> | <u>(11,831,017)</u> |
| Net Capital Assets being Depreciated | <u>11,407,235</u> | <u>(746,010)</u> | <u>-</u> | <u>-</u> | <u>10,661,225</u> |
| Total Capital Assets, Net | <u>\$ 11,579,153</u> | <u>\$ (746,010)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 10,833,143</u> |

Capital asset activity for the year ended December 31, 2010, was as follows:

| | Balance 12/31/2009 | Additions | Retirements | Transfers | Balance 12/31/2010 |
|-----------------------------------------------------|-----------------------|-----------------------|-----------------|--------------------|-----------------------|
| Nondepreciable Capital Assets: | | | | | |
| Land | \$ 171,918 | \$ - | \$ - | \$ - | \$ 171,918 |
| Projects in Process | 4,889,857 | - | - | (4,889,857) | - |
| Total Nondepreciable Capital Assets | <u>5,061,775</u> | <u>-</u> | <u>-</u> | <u>(4,889,857)</u> | <u>171,918</u> |
| Capital Assets being Depreciated: | | | | | |
| Buildings and Improvements | 3,812,427 | 22,559 | - | - | 3,834,986 |
| Office Equipment and Software | 14,133,702 | 146,649 | (79,280) | 4,889,857 | 19,090,928 |
| Vehicles | 40,317 | 14,279 | (20,056) | - | 34,540 |
| Total Capital Assets being Depreciated | <u>17,986,446</u> | <u>183,487</u> | <u>(99,336)</u> | <u>4,889,857</u> | <u>22,960,454</u> |
| Less Accumulated Depreciation and Amortization for: | | | | | |
| Buildings and Improvements | (2,285,783) | (95,874) | - | - | (2,381,657) |
| Office Equipment and Software | (8,116,763) | (1,122,550) | 79,280 | - | (9,160,033) |
| Vehicles | (26,105) | (5,480) | 20,056 | - | (11,529) |
| Total Accumulated Depreciation and Amortization | <u>(10,428,651)</u> | <u>(1,223,904)</u> | <u>99,336</u> | <u>-</u> | <u>(11,553,219)</u> |
| Net Capital Assets being Depreciated | <u>7,557,795</u> | <u>(1,040,417)</u> | <u>-</u> | <u>4,889,857</u> | <u>11,407,235</u> |
| Total Capital Assets, Net | <u>\$ 12,619,570</u> | <u>\$ (1,040,417)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 11,579,153</u> |

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 6: Long-Term Obligations

Changes in the Agency's long-term obligations for the year ended December 31, 2011 are as follows:

| | Balance <u>12/31/2010</u> | Additions | Retirements | Balance <u>12/31/2011</u> | Amounts Due Within One Year |
|--------------------------------------------------------|------------------------------|-------------------|-----------------------|------------------------------|-----------------------------------|
| Cleveland-Cuyahoga County Port Authority Capital Lease | \$ 16,540,242 | \$ - | \$ (1,410,423) | \$ 15,129,819 | \$ 1,256,996 |
| Unamortized Premium | 382,077 | - | (40,940) | 341,137 | 39,054 |
| Compensated Absences | <u>1,128,067</u> | <u>854,207</u> | <u>(835,476)</u> | <u>1,146,798</u> | <u>805,353</u> |
| Total Long-Term Obligations | \$ <u>18,050,386</u> | \$ <u>854,207</u> | \$ <u>(2,286,839)</u> | \$ <u>16,617,754</u> | \$ <u>2,101,403</u> |

Changes in the Agency's long-term obligations for the year ended December 31, 2010 are as follows:

| | Balance <u>12/31/2009</u> | Additions | Retirements | Balance <u>12/31/2010</u> | Amounts Due Within One Year |
|--------------------------------------------------------|------------------------------|-------------------|-----------------------|------------------------------|-----------------------------------|
| Cleveland-Cuyahoga County Port Authority Capital Lease | \$ 17,667,269 | \$ - | \$ (1,127,027) | \$ 16,540,242 | \$ 1,410,423 |
| Unamortized Premium | 424,994 | - | (42,917) | 382,077 | 40,940 |
| Compensated Absences | <u>1,097,073</u> | <u>953,210</u> | <u>(922,216)</u> | <u>1,128,067</u> | <u>779,708</u> |
| Total Long-Term Obligations | \$ <u>19,189,336</u> | \$ <u>953,210</u> | \$ <u>(2,092,160)</u> | \$ <u>18,050,386</u> | \$ <u>2,231,071</u> |

Note 7: Capital Lease Commitment

Effective December 19, 2000, the Members entered into a capital lease agreement with the Cleveland-Cuyahoga County Port Authority (the Authority). The Members leased the Series 2000B Project from the Authority. The Series 2000B Project provided funds for the acquisition and installation of personal property consisting of an HVAC system, computer equipment, computer software and certain other furnishings and equipment to be located and used at the Agency. In March 2009 the Agency elected to exercise an early redemption option for the Series 2000B Project bonds.

On December 1, 2001, the Members entered into a lease agreement with National City Leasing Corporation (NCLC) to provide funds for the acquisition and installation of personal property consisting of computer equipment, computer software and certain other furnishings and equipment to be located and used at the Agency. The NCLC lease agreement was refinanced on January 31, 2003 and 2004 and on December 30, 2004, the Agency obtained Series 2004 permanent bond financing for this obligation with the Authority.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 7: Capital Lease Commitment (continued)

The replacement capital lease agreement signed by the Agency generated proceeds of \$21,662,747. This exceeded the par amount of \$20,990,000, resulting in a premium of \$672,747. From the proceeds, \$20,724,937 was placed in trust to refinance the NCLC capital lease in January 2005 and to establish new bond reserve and retirement funds, while \$937,810 was capitalized as deferred loan fees. The leased personal property includes the HVAC system, other improvements and furnishings of the project site, and the development, furnishing, and installing of certain computer hardware and software and acts as security for the capital lease. The initial lease term was December 30, 2004 to December 31, 2005; however, the Agency exercised its options and extended the maturity date to December 31, 2009. The lessee can renew the lease for consecutive one-year periods, except that the final renewal term will mature on November 15, 2022. The Agency intends to renew the lease through the maturity date and this is stated in the lease. The lease includes a \$10 bargain purchase option; therefore, management has recorded the obligation as a capital lease. The lease has an imputed interest rate of 4.726%.

Future minimum lease payments under the Series 2004 lease agreement are as follows:

| | |
|------------------------------------------------|----------------------|
| 2012 | \$ 1,945,244 |
| 2013 | 2,064,804 |
| 2014 | 1,944,229 |
| 2015 | 1,665,792 |
| 2016 | 1,668,292 |
| 2017-2021 | 8,382,430 |
| 2022 | <u>1,554,752</u> |
| Future minimum lease payments | 19,225,543 |
| Less amount representing interest | <u>4,095,724</u> |
| Present value of future minimum lease payments | \$ <u>15,129,819</u> |

The Series 2004 capital lease agreement contains various covenants, including a minimum amount of annual income tax collections. If the minimum collection amount is not met, the lease could be subject to a special mandatory redemption.

Proceeds in the amount of \$2,671,905 and \$5,292,090 from capital lease arrangements are held in trust at December 31, 2011 and 2010, respectively. These proceeds held in trust consist of bond reserve and project funds. Project funds are distributed as project costs are incurred. Project costs in the amount of \$16,515,698 have been placed into service as of December 31, 2011. Accumulated depreciation of \$5,218,309 at December 31, 2011 and \$4,539,220 at December 31, 2010 has been recorded for the assets placed into service.

The Agency has utilized capital lease proceeds to implement a new, multi-dimensional tax information system. The operational systems include an Imaging and Document Workflow system, a Telephone Interactive Voice Recognition Unit, a Customer Relationship Management system, a Virtual Private Network, a Datawarehouse, an eProcess system, an eBusiness system, a Data Entry system and an Editing system.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 8: Tax Collection Fees

During each year, the Agency withholds, as its tax collection fee, a portion of the taxes, penalties and interest collected. At year end, the amount withheld in excess of operating expenses less other revenues is determined and recorded as amounts Due to Other Governments. In the subsequent year, this excess is distributed to the Members. At December 31, 2011 and 2010, the amount due to other governments is calculated as follows:

| | <u>2011</u> | <u>2010</u> |
|-------------------------------------------------------|----------------------|---------------------|
| Amounts withheld for tax collection fees | \$ 27,828,270 | \$ 25,498,152 |
| Charges for services and other revenues | 574,152 | 675,944 |
| Net interest income | <u>118,135</u> | <u>197,588</u> |
| Subtotal | 28,520,557 | 26,371,684 |
| Operating expenses and interest expense | <u>16,309,370</u> | <u>17,338,691</u> |
| Excess of amounts withheld (due to other governments) | \$ <u>12,211,187</u> | \$ <u>9,032,993</u> |

Note 9: Compensated Absences

The Agency's employees accumulate vacation leave and unlimited sick leave based upon hours worked and years of service. Upon retirement or death, employees are paid 25 percent of accumulated sick leave, not to exceed 250 hours. Sick leave in excess of the 250 hour maximum is not paid upon retirement or death, but will be paid only upon illness while in the employment of the Agency.

During the first seven years of employment, employees can earn 10 days of vacation leave per year. During the next six years of employment, employees can earn 15 days per year. After 13 years of employment, an employee can earn 20 days and after 21 years of service, employees can earn 25 days per year. Employees may accrue, and be paid upon termination of employment with the Agency, up to a maximum of 20 days in the first seven years of employment, 30 days during the next seven years of employment, 40 days in the subsequent eight years and 50 days thereafter.

Note 10: Pension Plans – Ohio Public Employees Retirement System

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

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 10: Pension Plans – Ohio Public Employees Retirement System (continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/carfr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

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. The Agency contributed 14 percent of covered payroll and employees contributed 10 percent of covered payroll.

The Agency's required contributions for pension obligations to the Traditional, Combined, and Member-Directed Plans for the years ended December 31, 2011, 2010, and 2009 were \$1,103,538, \$1,202,094, and \$1,074,383, respectively, equal to the required contributions for each year. The full amount has been contributed for all three years.

Note 11: Post-employment Benefits – Ohio Public Employees Retirement System

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

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

In order to qualify for post-retirement health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interest parties may obtain a copy by visiting <https://www.opers.org/investments/carfr.shtml>, writing to OPERS, 277 East Town Street, Columbus, OH, 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 11: Postemployment Benefits – Ohio Public Employees Retirement System (continued)

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, the Agency contributed at a rate of 14.0 percent of covered payroll, the maximum employer contribution rate permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of the post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent during calendar year 2011. The portion of the employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Agency's contributions for health care for the years ended December 31, 2011, 2010, and 2009 were \$315,281, \$403,506, and \$360,686, respectively. The full amount has been contributed for 2011, 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

Note 12: Risk Management

The Agency is exposed to various risks of loss including employee health care costs, errors and omissions, torts and legal judgments, and damage and destruction of assets.

The Agency carries \$2,000,000 of comprehensive general liability insurance coverage, a \$5,000,000 umbrella policy, as well as insurance coverage for the Agency business interruption and property losses. Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year. Workers' compensation coverage is provided by the State of Ohio. The Agency pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. The Agency also provides insurance coverage to provide employee health, dental and life insurance benefits provided by a commercial insurance carrier.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 13: Change in Accounting Principles

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* establishes fund balance classifications based primarily on the extent to which a government is bound by constraints on the use of resources reported in its governmental funds. The implementation of this Statement did not affect the presentation of the financial statements of the Agency.

GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer OPEB plans (that is, agent employers). The implementation of this Statement did not affect the presentation of the financial statements of the Agency.

GASB Statement No. 59, *Financial Instruments Omnibus*, updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools. The implementation of this Statement did not affect the presentation of the financial statements of the Agency.

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, addresses how to account for and report service concession arrangements, which are a type of public-private or public-public partnerships. The implementation of this Statement did not affect the presentation of the financial statements of the Agency.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, modifies certain requirements for the financial reporting of component units and equity interests in legally separate organizations. The implementation of this Statement did not affect the presentation of the financial statements of the Agency.

Note 14: Stabilization Fund

In December 2011, the Board of Trustees adopted a policy establishing a stabilization fund. This policy segregates certain unrestricted funds that can only be used for specific purposes as imposed by a formal action of the Board. At a minimum, the Board will annually review the balance and determine an amount, if any, to designate to the Stabilization Fund.

Note 15: Fair Value Measurements

In accordance with the "Fair Value Measurements" topic of the FASB ASC, the Agency uses a three-level fair value hierarchy that categorizes assets and liabilities measured at fair value based on the observability of the inputs utilized in the valuation. This hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own valuation assumptions. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset and are based on the best available information, which has been internally developed.

Regional Income Tax Agency

Notes to the Basic Financial Statements

December 31, 2011 and 2010

Note 15: Fair Value Measurements (continued)

In accordance with the “Fair Value Measurements” topic of the FASB ASC, the Agency has elected to not apply the provisions of topic 820, as discussed in paragraph 820-10-15-1A of the FASB ASC, to non-financial assets and liabilities, except for those items that are recognized or disclosed at fair value in an entity’s financial statements on a recurring basis.

Financial assets consisted of the following for 2011 and 2010:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>12/31/2011</u> |
|-----------------------------|----------------------|----------------|----------------|----------------------|
| STAROhio | \$ 2,954,165 | \$ - | \$ - | \$ 2,954,165 |
| Sweep/Money Market Accounts | <u>7,645,849</u> | <u>-</u> | <u>-</u> | <u>7,645,849</u> |
| | \$ <u>10,600,014</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>10,600,014</u> |
| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>12/31/2010</u> |
| Certificates of deposit | \$ 4,781,428 | \$ - | \$ - | \$ 4,781,428 |
| STAROhio | 1,907,997 | - | - | 1,907,997 |
| Sweep/Money Market Accounts | <u>963,002</u> | <u>-</u> | <u>-</u> | <u>963,002</u> |
| | \$ <u>7,652,427</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>7,652,427</u> |

Regional Income Tax Agency

Statement of Changes in Assets and Liabilities – Agency Fund

For the Year Ended December 31, 2011

| | Balance at January 1, 2011 | Additions | Deductions | Balance at December 31, 2011 |
|-----------------------------------------------|----------------------------------|-------------------------|---------------------------|------------------------------------|
| Assets: | | | | |
| Cash and Cash Equivalents | \$ 63,465,904 | \$ 891,217,160 | \$ (889,752,618) | \$ 64,930,446 |
| Receivables: | | | | |
| Interest | 17,234 | 13 | (17,234) | 13 |
| Income Taxes of Member Municipalities, Net | <u>205,599,616</u> | <u>249,838,358</u> | <u>(205,599,616)</u> | <u>249,838,358</u> |
| Total Assets | <u>\$ 269,082,754</u> | <u>\$ 1,141,055,531</u> | <u>\$ (1,095,369,468)</u> | <u>\$ 314,768,817</u> |
| Liabilities: | | | | |
| Refunds Payable | \$ 1,252,538 | \$ 19,211,127 | \$ (17,621,989) | \$ 2,841,676 |
| Due to Others | 8,162,873 | 27,170,484 | (22,491,891) | 12,841,466 |
| Due to Other Governments | <u>259,667,343</u> | <u>918,964,687</u> | <u>(879,546,355)</u> | <u>299,085,675</u> |
| Total Liabilities | <u>\$ 269,082,754</u> | <u>\$ 965,346,298</u> | <u>\$ (919,660,235)</u> | <u>\$ 314,768,817</u> |

Regional Income Tax Agency

Schedule of Revenues and Expenses – Budget and Actual (GAAP Basis)

For the Year Ended December 31, 2011

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|----------------------|----------------------------|-------------------------|-------------------|-------------------------------------------------------------------|
| Revenues: | | | | |
| Charges for Services | \$ 24,852,060 | \$ 24,852,060 | \$ 16,749,876 | \$ (8,102,184) |
| Interest Income | <u>120,600</u> | <u>120,600</u> | <u>118,539</u> | <u>(2,061)</u> |
| Total Revenues | <u>24,972,660</u> | <u>24,972,660</u> | <u>16,868,415</u> | <u>(8,104,245)</u> |
| Expenses: | | | | |
| Personal Services | 11,864,830 | 11,849,640 | 10,710,142 | 1,139,498 |
| Other | <u>7,442,210</u> | <u>7,854,890</u> | <u>6,136,590</u> | <u>1,718,300</u> |
| Total Expenses | <u>19,307,040</u> | <u>19,704,530</u> | <u>16,846,732</u> | <u>2,857,798</u> |
| Net Income (Loss) | \$ <u>5,665,620</u> | \$ <u>5,268,130</u> | \$ <u>21,683</u> | \$ <u>(5,246,447)</u> |

Note: Although not required by law, an annual operating budget is adopted for management purposes.

The accompanying notes are an integral part of this Schedule

Regional Income Tax Agency

Note to the Supplementary Information

December 31, 2011

Budgetary Process

Although not required under the Ohio Revised Code, an annual operating budget, which lapses at the end of each year, is adopted for management purposes. The budget is adopted for the proprietary fund on the same accounting basis used to reflect actual revenues and expenses. The Executive Director is authorized to expend the budget amounts; however, any change between the departments, line items or in the total amount budgeted for a particular fund requires the approval of the Board of Trustees of the Agency.

Statistical Section

(Unaudited)

Statistical Section

This portion of the Agency's Comprehensive Annual Financial Report presents detailed information in a context for further understanding of the information in the financial statements, note disclosures and required supplementary information.

Financial Trends – This schedule contains trend information to assist the reader in understanding how the Agency has performed financially over time.

Revenues – These schedules contain information on the Agency's revenues.

Operating Information – These schedules contain information on Agency operations.

Debt Capacity – This schedule shows the Agency's Ratio of Debt.

Economic and Demographic Information – These schedules offer economic and demographic indicators for each municipality.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Regional Income Tax Agency

Changes in Net Assets – Last Eight Years

| | 2011 | 2010 | 2009 | 2008 |
|------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Operating Revenues: | | | | |
| Tax Collection Fees | \$ 15,617,081 | \$ 16,465,159 | \$ 16,107,677 | \$ 14,194,871 |
| Charges for Services and Other Revenues | <u>1,132,795</u> | <u>1,189,857</u> | <u>1,056,738</u> | <u>1,150,867</u> |
| Total Operating Revenues | <u>16,749,876</u> | <u>17,655,016</u> | <u>17,164,415</u> | <u>15,345,738</u> |
| Operating Expenses: | | | | |
| Personal Services | 10,170,142 | 10,764,800 | 10,462,590 | 9,571,278 |
| Travel and Transportation | 69,056 | 97,691 | 103,224 | 146,517 |
| Office Rent and Maintenance | 174,042 | 211,622 | 159,975 | 177,911 |
| Equipment and Software Maintenance | 512,381 | 555,162 | 466,584 | 626,042 |
| Cost of Equipment Purchased For Members | 96,413 | 59,752 | 51,645 | 48,190 |
| Professional and Processing | 2,204,468 | 2,332,163 | 2,098,061 | 2,086,816 |
| Telephone and Utilities | 273,636 | 279,554 | 227,042 | 270,164 |
| Forms and Envelopes | 338,045 | 353,206 | 481,068 | 328,118 |
| Insurance | 44,549 | 33,769 | 33,217 | 33,152 |
| Miscellaneous Expenses | 17,972 | 22,573 | 15,901 | 18,583 |
| Material and Supplies | 762,942 | 1,024,884 | 881,303 | 840,033 |
| Depreciation and Amortization | 842,012 | 1,223,904 | 1,713,682 | 1,615,859 |
| Total Operating Expenses | <u>16,045,658</u> | <u>16,959,080</u> | <u>16,694,292</u> | <u>15,762,663</u> |
| Operating Income (Loss) | <u>704,218</u> | <u>695,936</u> | <u>470,123</u> | <u>(416,925)</u> |
| Non – Operating Revenues (Expenses) | | | | |
| Interest Income | 118,539 | 198,066 | 563,814 | 1,489,327 |
| Interest Expense | (801,074) | (862,850) | (978,221) | (949,069) |
| Loss on Disposal of Capital Assets | - | - | - | (62,134) |
| Total Non – Operating Revenues (Expenses) | <u>(682,535)</u> | <u>(664,784)</u> | <u>(414,407)</u> | <u>478,124</u> |
| Change in Net Assets | 21,683 | 31,152 | 55,716 | 61,199 |
| Net Assets, Beginning of Year | <u>164,159</u> | <u>133,007</u> | <u>77,291</u> | <u>16,092</u> |
| Net Assets, End of Year | <u>185,842</u> | <u>164,159</u> | <u>133,007</u> | <u>77,291</u> |
| Net Assets, End of Year: Invested in Capital Assets, Net of Related Debt Restricted for: | \$ 2,640,523 | \$ 1,935,170 | \$ 1,805,643 | \$ 845,411 |
| Debt Service | 1,961,876 | 1,961,876 | 1,961,876 | 2,580,809 |
| Capital Improvements | 710,029 | 3,330,214 | 3,330,214 | 3,324,527 |
| Unrestricted (Deficit) | <u>(5,126,586)</u> | <u>(7,063,101)</u> | <u>(6,964,726)</u> | <u>(6,673,456)</u> |
| Total Nets Assets | <u>185,842</u> | <u>164,159</u> | <u>133,007</u> | <u>77,291</u> |

Continued

Regional Income Tax Agency

Changes in Net Assets – Last Eight Years (continued)

| | 2007 | 2006 | 2005 | 2004 |
|-------------------------------------------------|--------------------|--------------------|--------------------|-------------------|
| Operating Revenues: | | | | |
| Tax Collection Fees | \$ 12,469,945 | \$ 11,462,953 | \$ 11,645,263 | \$ 12,249,244 |
| Charges for Services and Other Revenues | 1,116,104 | 1,119,612 | 999,360 | 805,442 |
| Total Operating Revenues | <u>13,586,049</u> | <u>12,582,565</u> | <u>12,644,623</u> | <u>13,054,686</u> |
| Operating Expenses: | | | | |
| Personal Services | 9,110,476 | 8,627,597 | 8,208,534 | 8,729,464 |
| Travel and Transportation | 96,603 | 115,773 | 85,355 | 118,154 |
| Office Rent and Maintenance | 136,779 | 98,901 | 94,366 | 94,040 |
| Equipment and Software Maintenance | 522,178 | 640,165 | 616,605 | 653,344 |
| Cost of Equipment Purchased For Members | 178,886 | 150,146 | 86,498 | 368 |
| Professional and Processing | 2,227,898 | 1,799,750 | 1,488,940 | 1,441,458 |
| Telephone and Utilities | 189,233 | 165,493 | 190,713 | 215,945 |
| Forms and Envelopes | 343,119 | 312,327 | 306,546 | 173,307 |
| Insurance | 35,768 | 50,944 | 48,391 | 49,094 |
| Miscellaneous Expenses | 15,838 | 18,211 | 18,576 | 20,265 |
| Material and Supplies | 785,500 | 706,357 | 636,192 | 683,129 |
| Depreciation and Amortization | 1,582,404 | 1,267,507 | 1,098,343 | 913,650 |
| Total Operating Expenses | <u>15,224,682</u> | <u>13,953,171</u> | <u>12,879,059</u> | <u>13,092,218</u> |
| Operating Income (Loss) | <u>(1,638,633)</u> | <u>(1,370,606)</u> | <u>(234,436)</u> | <u>(37,532)</u> |
| Non – Operating Revenues (Expenses) | | | | |
| Interest Income | 2,503,203 | 2,226,645 | 1,247,878 | 418,272 |
| Interest Expense | (847,142) | (929,298) | (1,084,795) | (405,076) |
| Loss on Disposal of Capital Assets | (52,417) | (26,734) | (16) | (712) |
| Total Non – Operating Revenues (Expenses) | <u>1,603,644</u> | <u>1,270,613</u> | <u>163,067</u> | <u>12,484</u> |
| Change in Net Assets | <u>(34,989)</u> | <u>(99,993)</u> | <u>(71,369)</u> | <u>(25,048)</u> |
| Net Assets, Beginning of Year | <u>51,081</u> | <u>151,074</u> | <u>222,443</u> | <u>247,491</u> |
| Net Assets, End of Year | <u>\$ 16,092</u> | <u>\$ 51,081</u> | <u>\$ 151,074</u> | <u>\$ 222,443</u> |
| Net Assets, End of Year: | | | | |
| Invested in Capital Assets, Net of Related Debt | \$ 214,859 | \$ (61,107) | \$ 1,066,783 | \$ 733,515 |
| Restricted for: | | | | |
| Debt Service | 2,681,626 | 2,697,059 | 2,663,419 | - |
| Capital Improvements | 3,248,595 | 3,695,868 | 4,326,565 | - |
| Unrestricted (Deficit) | <u>(6,128,988)</u> | <u>(6,280,739)</u> | <u>(7,905,693)</u> | <u>(511,072)</u> |
| Total Nets Assets | <u>\$ 16,092</u> | <u>\$ 51,081</u> | <u>\$ 151,074</u> | <u>\$ 222,443</u> |

Note: The Agency implemented GASB Statement 34 in 2004; therefore the above schedule does not reflect 10 years of data.

Regional Income Tax Agency

Revenues by Type – Last Ten Fiscal Years

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Operating Revenues: | | | | | | | | | | |
| Tax Collection Fees | \$ 15,617,081 | \$ 16,465,159 | \$ 16,107,677 | \$ 14,194,871 | \$ 12,469,945 | \$ 11,462,953 | \$ 11,645,263 | \$ 12,249,244 | \$ 11,884,291 | \$ 10,481,831 |
| Charges for Services and Other Revenues | <u>1,132,795</u> | <u>1,189,857</u> | <u>1,056,738</u> | <u>1,150,867</u> | <u>1,116,104</u> | <u>1,119,612</u> | <u>999,360</u> | <u>805,442</u> | <u>811,393</u> | <u>703,136</u> |
| Total Operating Revenues | 16,749,876 | 17,655,016 | 17,164,415 | 15,345,738 | 13,586,049 | 12,582,565 | 12,644,623 | 13,054,686 | 12,695,684 | 11,184,967 |
| Non – Operating Revenues: | | | | | | | | | | |
| Interest Income | <u>118,539</u> | <u>198,066</u> | <u>563,814</u> | <u>1,489,327</u> | <u>2,503,203</u> | <u>2,226,645</u> | <u>1,247,878</u> | <u>418,272</u> | <u>403,644</u> | <u>694,655</u> |
| Total Revenues | <u>\$ 16,868,415</u> | <u>\$ 17,853,082</u> | <u>\$ 17,728,229</u> | <u>\$ 16,835,065</u> | <u>\$ 16,089,252</u> | <u>\$ 14,809,210</u> | <u>\$ 13,892,501</u> | <u>\$ 13,472,958</u> | <u>\$ 13,099,328</u> | <u>\$ 11,879,622</u> |

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Addyston (A) | 366,464 | 398,083 | 387,616 | 432,052 | 122,581 | - | - | - | - | - |
| Adelphia(A) | 25,625 | 4,000 | - | - | - | - | - | - | - | - |
| Andover (A) | 492,484 | 490,848 | 416,511 | - | - | - | - | - | - | - |
| Antwerp (A) | 237,959 | - | - | - | - | - | - | - | - | - |
| Arlington Heights (A) | 395,559 | 407,909 | 426,842 | 476,168 | 454,743 | 487,004 | 409,986 | 412,481 | 318,448 | - |
| Ashville | 858,799 | 906,241 | 841,422 | 674,674 | 457,929 | 422,599 | 364,087 | 367,236 | 293,038 | 284,838 |
| Aurora | 10,346,958 | 9,612,274 | 10,262,979 | 10,831,922 | 10,264,417 | 9,438,468 | 8,492,888 | 8,835,008 | 8,061,004 | 5,464,240 |
| Avon | 10,196,132 | 9,622,406 | 9,402,957 | 9,329,718 | 7,632,446 | 7,839,956 | 6,920,540 | 6,233,184 | 6,003,837 | 4,341,119 |
| Avon Lake | 8,939,409 | 7,794,706 | 7,667,458 | 8,671,502 | 9,925,389 | 9,098,148 | 6,951,301 | 7,244,001 | 6,731,715 | 6,703,170 |
| Baltimore (A) | 150,267 | - | - | - | - | - | - | - | - | - |
| Bay Village | 5,151,510 | 4,637,545 | 4,534,840 | 5,024,372 | 4,676,236 | 4,697,748 | 4,394,909 | 4,189,782 | 4,305,547 | 4,062,576 |
| Beachwood | 23,959,869 | 16,707,946 | 18,123,201 | 20,676,640 | 19,992,495 | 18,854,122 | 16,777,363 | 16,105,554 | 15,614,794 | 15,446,406 |
| Beachwood East Jedd | 1,085,312 | 704,715 | 536,031 | 511,890 | 548,916 | 405,221 | 315,570 | 224,704 | 250,560 | 237,421 |
| Beachwood West Jedd (C) | 141,833 | 61,470 | 12,976 | 2,974 | - | (708) | (3) | (305) | 993 | 1,609 |
| Beavercreek(A) | 234,183 | 59,264 | - | - | - | - | - | - | - | - |
| Bedford Heights | 7,770,702 | 7,312,975 | 7,937,592 | 9,505,694 | 8,860,566 | 8,765,894 | 8,943,539 | 8,365,435 | 8,317,810 | 8,134,753 |
| Belleuve (A) | 3,567,926 | 3,297,841 | 3,072,738 | 3,575,243 | 113,494 | - | - | - | - | - |
| Bentleyville | 901,443 | 667,266 | 855,723 | 1,200,083 | 908,066 | 927,298 | 772,729 | 812,263 | 961,017 | 784,618 |
| Berea | 10,295,020 | 10,639,089 | 10,238,990 | 10,826,647 | 10,132,497 | 10,134,502 | 9,068,671 | 9,141,736 | 8,577,174 | 8,674,811 |
| Betsville (A) | 134,015 | 120,666 | 125,682 | 68,221 | 37,341 | - | - | - | - | - |
| Bexley | 6,246,733 | 5,602,938 | 5,903,067 | 5,937,904 | 5,583,104 | 5,872,359 | 5,220,226 | 5,164,869 | 5,191,839 | 5,100,245 |
| Boston Heights | 887,350 | 1,096,289 | 687,775 | 601,868 | 589,454 | 561,237 | 472,769 | 402,130 | 376,473 | 352,660 |
| Brady Lake (B) | - | - | - | - | - | - | 72 | 10,452 | 13,257 | 13,602 |
| Brecksville | 14,453,640 | 13,835,355 | 13,331,290 | 14,195,670 | 13,924,442 | 13,767,440 | 12,790,541 | 12,521,243 | 11,521,261 | 11,484,762 |
| Bremen | 44,162 | - | - | - | - | - | - | - | - | - |
| Brimfield Tallmadge Jedd (A) | 574,876 | 561,345 | 41,921 | - | - | - | - | - | - | - |
| Broadview Heights | 9,416,353 | 8,990,838 | 8,793,840 | 9,483,237 | 9,200,076 | 8,915,482 | 8,740,669 | 8,110,581 | 7,500,457 | 7,063,144 |
| Brooklyn (A) | 14,799,845 | 15,249,350 | 12,305,735 | - | - | - | - | - | - | - |
| Brooklyn Heights | 3,857,816 | 4,120,924 | 4,743,658 | 4,871,741 | 4,653,485 | 4,485,212 | 4,564,081 | 4,079,522 | 3,960,316 | 3,731,396 |
| Cairo (A) | 37,979 | - | - | - | - | - | - | - | - | - |
| Campbell (A) | 1,688,118 | 1,565,681 | 1,657,463 | 1,751,056 | 1,776,015 | 1,794,249 | 1,808,582 | - | - | - |
| Cardington (A) | 447,346 | 499,949 | 508,809 | 613,911 | 811,666 | 630,548 | - | - | - | - |
| Carroll (A) | 36,863 | - | - | - | - | - | - | - | - | - |
| Cecil (A) | 13,828 | 12,909 | 9,811 | 18,478 | 18,636 | 20,357 | 17,441 | 9,925 | - | - |
| Cedarville (A) | 517,447 | 474,004 | 474,059 | 514,659 | 455,212 | 432,185 | 442,950 | 388,123 | 368,248 | - |
| Centerburg (A) | 317,638 | 323,351 | 323,549 | 311,493 | 310,065 | 308,119 | 291,932 | 275,002 | 285,221 | - |
| Chagrin Falls | 2,857,912 | 2,573,586 | 2,539,016 | 2,640,942 | 2,815,866 | 2,695,863 | 2,541,099 | 2,394,881 | 2,371,750 | 2,328,445 |
| Chardon | 4,795,893 | - | - | - | - | - | - | - | - | - |
| Circleville | 4,637,960 | 4,527,508 | 4,487,411 | 4,511,637 | 4,127,640 | 3,990,345 | 3,981,679 | 4,214,050 | 2,162,291 | - |
| Clayton (A) | 2,256,705 | 2,053,733 | 1,985,332 | 1,959,960 | 1,979,391 | 2,069,313 | 1,871,855 | 1,182,062 | - | - |
| Clayton Jedd (A) | 100,644 | 96,779 | 128,645 | 60,572 | - | - | - | - | - | - |
| Cleveland Heights (A) | 9,721,856 | - | - | - | - | - | - | - | - | - |
| Commercial Point (A) | 329,588 | 362,562 | 138,530 | - | - | - | - | - | - | - |
| Corwin (A) | 17,652 | 24,450 | 18,808 | 24,311 | 49,411 | - | - | - | - | - |

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cuyahoga Heights | \$ 7,293,675 | \$ 6,865,064 | \$ 6,539,445 | \$ 8,498,242 | \$ 7,702,160 | \$ 7,811,398 | \$ 7,703,930 | \$ 7,645,256 | \$ 7,297,331 | \$ 5,222,740 |
| East Cleveland | 5,727,097 | 5,794,899 | 5,759,243 | 6,024,807 | 5,760,403 | 6,630,915 | 6,522,439 | 6,626,103 | 7,651,447 | 6,781,992 |
| East Palestine (A) | 883,433 | 834,061 | 819,740 | 859,912 | 966,785 | 284,237 | - | - | - | - |
| Edison (A) | 21,907 | 22,175 | 10,082 | - | - | - | - | - | - | - |
| Elyria | 20,759,713 | 19,687,522 | 18,793,511 | 21,399,712 | 21,079,521 | 22,110,092 | 20,360,722 | 20,479,169 | 19,086,332 | 18,403,641 |
| Elyria Jedd (A) | 379,878 | 415,714 | 436,403 | 425,628 | 430,641 | 399,754 | 428,760 | 458,426 | 95,304 | - |
| Fairborn (A) | 11,320,274 | 11,106,661 | 10,920,748 | 11,115,903 | 3,326,768 | - | - | - | - | - |
| Fairport Harbor (A) | 739,752 | 722,882 | 653,133 | 701,480 | 650,875 | 687,089 | 679,233 | 582,802 | 555,214 | - |
| Fairport Park | 7,447,392 | 7,289,276 | 7,583,423 | 7,964,566 | 7,709,250 | 7,194,218 | 5,356,976 | 4,700,560 | 4,580,937 | 4,447,363 |
| Fort Jennings | 72,303 | 79,918 | 71,917 | 85,680 | 77,558 | 75,931 | 74,437 | 74,464 | 76,279 | 39,528 |
| Fredricktown (A) | 417,092 | 380,941 | 449,416 | 194,244 | - | - | - | - | - | - |
| Fremont (A) | 7,658,347 | 7,878,102 | 6,993,652 | 7,363,124 | 7,622,709 | 7,702,960 | 7,791,146 | - | - | - |
| Gahanna (A) | 15,460,309 | 13,722,235 | - | - | - | - | - | - | - | - |
| Galena | 274,295 | 207,379 | 233,747 | 262,056 | 196,849 | 147,786 | 119,145 | 100,404 | 143,312 | 104,979 |
| Galion (A) | 4,081,385 | 3,851,456 | 3,958,415 | 4,239,250 | 4,099,739 | 3,275,523 | 1,260,750 | - | - | - |
| Garfield Heights | 9,665,415 | 9,186,378 | 9,284,011 | 10,803,430 | 10,330,255 | 10,117,919 | 9,265,224 | 8,935,455 | 8,905,885 | 8,734,770 |
| Girard (A) | 3,560,769 | 2,893,540 | 2,928,838 | 3,179,457 | 3,661,633 | 3,506,729 | 3,586,521 | - | - | - |
| Glenwillow | 2,749,845 | 1,974,859 | 1,655,628 | 1,709,052 | 1,487,673 | 1,319,673 | 1,444,332 | 1,171,614 | 1,267,408 | 1,144,899 |
| Grafton (A) | 1,266,714 | 1,188,743 | 1,229,819 | 1,322,121 | 1,380,268 | 69,938 | - | - | - | - |
| Grandview Heights | 5,415,284 | 4,546,135 | 4,727,725 | 5,874,678 | 5,401,497 | 4,652,001 | 3,140,619 | 2,739,117 | 3,342,406 | 3,232,081 |
| Greenhills (A) | 243,266 | - | - | - | - | - | - | - | - | - |
| Grove City (A) | 18,122,577 | 17,547,181 | 15,903,687 | 16,768,701 | 17,175,520 | 16,790,862 | 15,257,975 | 5,629,606 | - | - |
| Harrison (A) | 323,466 | - | - | - | - | - | - | - | - | - |
| Harrison Jedd (A) | 48,492 | - | - | - | - | - | - | - | - | - |
| Haskins (A) | 189,020 | 200,321 | 168,991 | 178,024 | 162,852 | 173,998 | 142,756 | 122,570 | - | - |
| Highland Heights | 10,843,100 | 9,817,972 | 9,300,215 | 10,000,497 | 9,572,984 | 6,298,831 | 5,742,843 | 6,122,085 | 6,329,961 | 6,219,328 |
| Hilliard (A) | 17,019,908 | 16,428,671 | 15,868,061 | 16,430,602 | 7,205,662 | - | - | - | - | - |
| Huber Heights (B) | - | 10,800,782 | 12,201,045 | - | - | - | - | - | - | - |
| Hudson | 17,277,123 | 16,651,629 | 16,120,442 | 17,967,916 | 17,769,151 | 16,945,942 | 13,233,521 | 8,342,563 | 7,253,524 | 6,917,993 |
| Hunting Valley (D) | 176 | (1) | 1 | (4) | (1,728) | (657) | (7,406) | (49,504) | 3,914 | 417,013 |
| Huron (A) | 2,272,870 | 32,168 | - | - | - | - | - | - | - | - |
| Independence | 22,638,502 | 21,441,754 | 22,449,304 | 22,857,680 | 22,481,358 | 20,735,779 | 18,799,401 | 19,462,008 | 18,104,154 | 17,149,369 |
| Jackson Center (A) | 698,491 | 644,387 | 581,133 | 86,087 | - | - | - | - | - | - |
| Jewett (A) | 34,970 | 58,091 | 42,773 | 52,487 | 51,609 | 48,957 | 58,085 | - | - | - |
| Johnstown (A) | 1,644,645 | 1,354,215 | 214,055 | - | - | - | - | - | - | - |
| Kent (A) | 10,388,773 | 10,157,122 | 10,184,960 | - | - | - | - | - | - | - |
| Kentersville (A) | 13,252 | 17,436 | 12,181 | - | - | - | - | - | - | - |
| Killbuck (A) | 152,823 | 71,581 | - | - | - | - | - | - | - | - |
| Kirtland | 3,015,018 | 2,917,751 | 2,949,901 | 3,062,235 | 2,933,794 | 2,862,367 | 2,793,146 | 2,544,784 | 2,386,087 | 2,622,354 |
| LaGrange | 779,091 | 804,083 | 744,960 | 779,859 | 770,532 | 626,433 | 675,677 | 554,952 | 605,677 | 587,792 |
| Lakemore | 517,979 | 468,375 | 616,163 | 733,312 | 809,186 | 787,664 | 836,136 | 785,565 | 738,092 | 697,626 |
| Lakewood (B) | - | - | - | - | - | 530,933 | 15,110,209 | 15,841,273 | 15,816,234 | 17,253,672 |
| Lithopolis (A) | 300,021 | 284,173 | 251,732 | 234,949 | 226,401 | - | - | - | - | - |
| Lockbourne (A) | 96,542 | 156,259 | 24,923 | - | - | - | - | - | - | - |

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Lockland | 2,235,982 | 2,243,446 | 2,132,054 | 2,217,651 | 2,052,008 | 1,959,199 | 1,579,100 | 1,622,558 | 1,752,266 | 1,822,553 |
| Loveland (A) | 3,233,442 | 2,920,271 | - | - | - | - | - | - | - | - |
| Lyndhurst | 6,290,539 | 6,179,446 | 5,885,599 | 5,968,276 | 5,926,812 | 5,714,252 | 5,891,114 | 5,506,114 | 7,386,453 | 5,341,645 |
| Macedonia (A) | 6,774,268 | 5,849,863 | 5,888,767 | 6,969,021 | 7,083,979 | 7,049,982 | 6,386,466 | 1,402,742 | - | - |
| Macedonia Northfield Jedd(A) | 234,561 | 264,549 | 199,465 | 319,963 | 491,953 | 158,519 | 144,576 | 20,495 | - | - |
| Maineville | 304,962 | 270,480 | 234,574 | 225,750 | 237,789 | 263,414 | 212,019 | 163,204 | 75,990 | 7,492 |
| Manchester (A) | 137,448 | 143,000 | 40,240 | - | - | - | - | - | - | - |
| Maple Heights | 6,833,808 | 6,588,219 | 6,678,921 | 7,163,314 | 6,798,097 | 6,171,024 | 6,078,964 | 6,263,009 | 6,184,532 | 6,095,770 |
| Martins Ferry | 1,134,325 | 1,230,425 | 1,185,366 | 1,249,129 | 1,197,181 | 1,103,246 | - | 1,028,954 | 1,027,803 | 643,079 |
| Marysville (B) | - | - | - | - | - | - | - | 6,215,610 | 5,981,792 | 5,770,975 |
| Mayfield Heights | 11,917,777 | 11,160,549 | 10,228,297 | 11,748,347 | 11,820,973 | 11,376,971 | 9,986,391 | 10,312,568 | 9,298,122 | 8,598,234 |
| Mayfield Village | 14,395,541 | 11,085,562 | 9,461,334 | 9,646,213 | 9,845,110 | 10,166,314 | 9,682,595 | 8,727,426 | 7,670,679 | 7,600,490 |
| McClure (A) | 96,704 | 17,317 | - | - | - | - | - | - | - | - |
| Mechanicsburg (A) | 323,062 | 318,264 | 319,296 | 343,898 | 336,237 | 355,881 | 359,151 | - | - | - |
| Melrose (A) | 19,624 | 2,143 | - | - | - | - | - | - | - | - |
| Mentor (A) | 33,076,748 | 30,328,457 | 30,494,817 | 29,328,829 | - | - | - | - | - | - |
| Metamora (A) | 222,479 | 190,411 | - | - | - | - | - | - | - | - |
| Middle Point (A) | 62,625 | 67,807 | - | - | - | - | - | - | - | - |
| Middleburg Heights | 16,124,697 | 15,744,898 | 15,583,910 | 15,998,886 | 15,020,232 | 13,700,623 | 12,498,286 | 12,768,169 | 12,741,649 | 12,167,139 |
| Middleport (A) | 237,709 | 208,155 | 267,749 | 86,130 | - | - | - | - | - | - |
| Mifflin (A) | 6,283 | - | - | - | - | - | - | - | - | - |
| Milan | 404,777 | 246,945 | 214,846 | 233,111 | 270,211 | 265,326 | 225,314 | 286,280 | 316,439 | 279,882 |
| Milford (A) | 2,523,649 | 2,443,307 | 2,618,967 | 2,482,244 | 2,597,157 | - | - | - | - | - |
| Milford Jedd (A) | 559,232 | 484,758 | 518,491 | 415,764 | 146,644 | - | - | - | - | - |
| Milford Center | 81,158 | 104,260 | 119,457 | 139,002 | 113,118 | 109,812 | 120,968 | 100,288 | 107,194 | 92,210 |
| Miller City (A) | 32,467 | - | - | - | - | - | - | - | - | - |
| Mineral City (A) | 58,811 | 967 | - | - | - | - | - | - | - | - |
| Minerva Park (A) | 270,322 | 289,827 | 283,474 | 274,093 | 235,128 | 260,183 | 142,535 | - | - | - |
| Mingo Junction (A) | 938,882 | 824,906 | - | - | - | - | - | - | - | - |
| Mogadore | 2,282,998 | 2,110,804 | 1,739,161 | 2,081,971 | 2,029,202 | 2,090,342 | 1,785,055 | 1,911,413 | 1,857,573 | 1,821,524 |
| Moreland Hills | 3,024,346 | 2,479,852 | 2,875,930 | 2,931,837 | 2,950,455 | 2,725,730 | 2,838,502 | 3,138,603 | 2,583,252 | 2,325,553 |
| Moscow (A) | 2,585 | - | - | - | - | - | - | - | - | - |
| Mount Gilead (B) | 483,111 | 445,675 | 546,906 | 534,311 | 549,172 | 567,711 | 550,859 | 118,768 | 730,270 | 735,100 |
| Mount Sterling | 19,834,918 | 15,000,993 | 15,141,841 | 20,776,732 | 19,056,403 | 14,831,154 | 14,938,168 | 518,129 | 605,070 | 640,415 |
| New Albany | 2,799 | - | - | - | - | - | - | 11,406,094 | 8,491,611 | 6,326,466 |
| New Bavaria (A) | 26,954 | 24,599 | 57,436 | 28,376 | 20,236 | 22,468 | 24,076 | 19,315 | 15,207 | 3,493 |
| New Bloomington | 927,681 | 836,498 | 813,646 | 879,926 | - | - | - | - | - | - |
| New Franklin (A) | 399,962 | 227,703 | - | - | - | - | - | - | - | - |
| New Richmond (A) | 115,112 | 109,855 | 109,855 | 120,446 | 153,079 | 24,962 | - | - | - | - |
| New Waterford (A) | 647,894 | 676,873 | 692,423 | 677,733 | 711,465 | 697,347 | 731,964 | 726,495 | 729,274 | 747,376 |
| Newburgh Heights | 263,276 | - | - | - | - | - | - | - | - | - |
| Newcomerstown (A) | 1,258,033 | 1,235,944 | 1,223,120 | 1,230,699 | 1,066,115 | 1,066,024 | 908,331 | 891,131 | 1,011,215 | 860,111 |
| Newtown | 186,491 | 194,200 | 199,185 | 217,038 | 194,077 | 188,909 | 196,673 | 196,699 | 190,163 | 189,864 |
| North Lewisburg | - | - | - | - | - | - | - | - | - | - |

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| North Olmsted | \$ 12,284,442 | \$ 11,685,174 | \$ 12,396,684 | \$ 13,059,364 | \$ 13,483,243 | \$ 13,527,882 | \$ 12,219,160 | \$ 12,393,465 | \$ 11,218,337 | \$ 11,250,620 |
| North Royalton | 12,179,219 | 11,428,633 | 11,886,507 | 13,021,456 | 11,458,970 | 8,400,349 | 7,969,666 | 7,810,621 | 7,626,388 | 7,276,995 |
| Oakwood Village | 4,752,125 | 4,034,500 | 3,539,764 | 4,392,892 | 3,705,536 | 3,591,212 | 3,391,487 | 3,391,704 | 3,164,863 | 3,085,394 |
| Oberlin | 5,250,263 | 5,318,568 | 5,402,859 | 4,553,411 | 5,250,292 | 4,856,333 | 4,527,435 | 4,953,423 | 4,548,877 | 3,401,503 |
| Olmsted Falls | 2,745,683 | 2,648,020 | 2,631,396 | 2,740,865 | 2,628,150 | 2,516,094 | 2,548,446 | 2,422,215 | 2,422,673 | 2,401,890 |
| Orange | 2,557,847 | 2,507,248 | 2,550,493 | 3,096,321 | 2,786,627 | 2,617,842 | 2,546,028 | 2,483,888 | 2,362,669 | 2,151,335 |
| Orange Chagrin Highland | | | | | | | | | | |
| Jedd | 507,956 | 736,342 | 478,764 | 286,441 | 308,168 | 238,534 | 172,155 | 184,863 | 135,343 | 151,687 |
| Ottawa | 1,244,241 | 1,131,668 | 1,110,798 | 1,245,918 | 1,241,076 | 1,143,938 | 1,128,203 | 1,116,901 | 1,454,384 | 1,604,995 |
| Oxford (A) | 7,451,943 | 6,557,644 | 6,968,099 | 7,343,931 | 2,244,687 | - | - | - | - | - |
| Pataskala (A) | 3,258,019 | 710,702 | - | - | - | - | - | - | - | - |
| Pepper Pike | 4,452,246 | 4,065,538 | 3,993,134 | 4,193,726 | 4,011,870 | 4,018,878 | 4,000,337 | 3,825,487 | 3,660,415 | 3,402,408 |
| Perry (A) | 599,292 | 367,154 | 181,227 | - | - | - | - | - | - | - |
| Perry Jedd (A) | 134,289 | 102,438 | 197,315 | - | - | - | - | - | - | - |
| Piketon (A) | 520,836 | 537,037 | 454,141 | 466,621 | 422,074 | 341,988 | 35,521 | - | - | - |
| Plain City | 980,690 | 970,857 | 929,252 | 1,056,733 | 970,646 | 878,815 | 874,202 | 860,028 | 831,993 | 762,515 |
| Pleasant Hill (A) | 160,005 | 152,035 | 197,452 | - | 153,530 | 170,352 | 145,029 | 128,992 | 127,921 | 133,322 |
| Plymouth (B) | - | - | - | - | - | - | - | - | - | - |
| Portage (A) | 82,294 | 81,398 | 33,281 | 4,004,900 | 3,659,781 | 3,656,776 | 3,101,343 | 2,838,732 | 2,470,689 | 2,572,880 |
| Powell | 4,352,540 | 3,780,339 | 4,020,857 | 177,021 | 184,979 | 214,469 | - | - | - | - |
| Powhatan Point (A) | 187,942 | 252,251 | 208,841 | - | - | - | - | - | - | - |
| Quincy (A) | 40,872 | 8,634 | - | - | - | - | - | - | - | - |
| Reminderville | 1,397,493 | 1,356,251 | 1,172,455 | 1,250,840 | 1,127,030 | 1,106,036 | 1,005,113 | 953,890 | 900,024 | 764,907 |
| Reminderville Twins Jedd (A) | 3,729,833 | 2,337,415 | 2,246,287 | 2,959,841 | 3,063,510 | 2,742,410 | 2,814,108 | 2,752,743 | 1,562,914 | - |
| Reynoldsburg | 12,534,203 | 11,021,200 | 9,537,659 | 10,662,237 | 10,048,191 | 9,353,718 | 8,626,186 | 8,727,145 | 9,748,253 | 7,616,845 |
| Reynoldsburg Entp Zone (A) | 555 | 405 | 171 | 232 | 1,839 | - | - | - | - | - |
| Richmond Heights | 4,578,032 | 4,405,507 | 4,164,114 | 4,681,673 | 4,598,337 | 4,521,017 | 4,325,010 | 3,995,697 | 4,403,427 | 4,036,489 |
| Richwood | 436,312 | 436,933 | 498,220 | 482,298 | 453,724 | 436,738 | 385,138 | 312,812 | 195,136 | 173,120 |
| Ridgeway (A) | 30,665 | 32,438 | 31,005 | 29,702 | 31,911 | 30,762 | 24,753 | 25,433 | 14,498 | 40 |
| Ripley (A) | 219,276 | 246,883 | 238,428 | 48,049 | - | - | - | - | - | - |
| Riverside | 3,991,014 | 4,218,641 | 4,188,610 | 4,297,693 | 5,098,281 | 4,394,371 | 4,481,199 | 4,221,231 | 4,195,122 | 4,108,880 |
| Rossford (A) | 3,211,662 | 3,159,509 | 1,189,047 | - | - | - | - | - | - | - |
| Sabina | 228,933 | 232,443 | 220,780 | 320,525 | 361,728 | 356,839 | 341,217 | 62,167 | 71,353 | 370,841 |
| Saint Clairsville(A) | 434,432 | - | - | - | - | - | - | - | - | - |
| Saint Paris | 233,190 | 259,245 | 204,175 | 263,265 | 264,625 | 250,423 | 236,637 | 236,891 | 228,372 | 224,699 |
| Salineville | 104,913 | 116,245 | 119,500 | 140,723 | 207,346 | 172,276 | 175,890 | 159,495 | 181,021 | 186,969 |
| Sandusky (A) | 7,050,847 | 6,562,845 | 6,802,279 | 7,456,699 | 7,160,947 | 7,169,082 | 7,058,309 | 6,857,865 | 7,224,771 | - |
| Sardinia (A) | 134,184 | 26,201 | - | - | - | - | - | - | - | - |
| Seven Hills | 4,623,539 | 4,458,307 | 4,786,750 | 5,100,866 | 4,676,467 | 4,391,546 | 4,157,764 | 4,353,566 | 4,358,167 | 4,164,748 |
| Shaker Heights | 20,410,409 | 19,885,897 | 19,637,761 | 21,116,021 | 19,374,591 | 19,910,669 | 19,808,975 | 17,303,875 | 24,202,995 | 18,775,824 |
| Shawnee Hills | 367,925 | 348,764 | 337,791 | 355,647 | 271,509 | 275,789 | 215,783 | 236,838 | 194,600 | 191,689 |
| Sheffield Lake (A) | 1,969,790 | 1,849,410 | 1,849,410 | 1,994,536 | 1,873,097 | 1,467,844 | 1,424,791 | 1,629,567 | 257,996 | - |
| Sheffield Village | 3,310,113 | 3,114,139 | 2,306,653 | 2,398,249 | 2,480,794 | 2,440,675 | 2,256,659 | 2,191,320 | 2,423,324 | 1,564,814 |
| Sherwood (A) | 60,012 | 62,530 | 72,274 | 71,368 | 76,328 | 85,544 | 60,932 | 20,156 | - | - |

Continued

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Silver Lake | \$ 492,767 | \$ 404,309 | \$ 465,219 | \$ 509,761 | \$ 521,923 | \$ 457,833 | \$ 431,161 | \$ 432,554 | \$ 417,259 | \$ 357,302 |
| Silverton (A) | 1,362,616 | 1,362,670 | 1,646,145 | 693,440 | - | - | - | - | - | - |
| South Charleston (A) | 413,223 | 385,544 | 403,893 | 4,278 | - | - | - | - | - | - |
| South Euclid | 8,421,074 | 8,267,893 | 8,258,516 | 8,382,216 | 8,615,603 | 6,782,298 | 5,561,115 | 5,333,268 | 5,730,073 | 5,718,510 |
| South Solon | 5,095 | 12,700 | 34,435 | 33,031 | 30,831 | 29,817 | 34,335 | 28,563 | 23,817 | 18,947 |
| Steubenville | 8,543,291 | 8,679,141 | 8,599,746 | 8,716,248 | 9,014,749 | 8,615,422 | 8,166,069 | 8,011,866 | 8,605,455 | 8,376,878 |
| Stratton (A) | 583,849 | 1,120,399 | 1,592,638 | 516,590 | - | - | - | - | - | - |
| Streetsboro | 9,925,102 | 9,654,373 | 7,525,669 | 7,016,932 | 6,413,736 | 6,348,250 | 5,795,963 | 5,156,778 | 5,037,955 | 4,573,064 |
| Strongsville | 27,683,831 | 26,081,087 | 26,015,337 | 27,989,714 | 27,562,820 | 27,338,412 | 24,575,686 | 21,118,155 | 18,631,219 | 17,934,416 |
| Sugar Grove (A) | 16,180 | - | - | - | - | - | - | - | - | - |
| Sunbury | 1,802,992 | 2,977,997 | 1,623,337 | 1,717,226 | 1,712,343 | 1,703,603 | 1,516,496 | 1,496,267 | 1,418,580 | 1,153,249 |
| Swanton (A) | 1,095,645 | 1,142,389 | 402,180 | - | - | - | - | - | - | - |
| Tallmadge (A) | 7,675,178 | 7,083,747 | 386,465 | - | - | - | - | - | - | - |
| Thurston (A) | 36,000 | 3,824 | - | - | - | - | - | - | - | - |
| Tontogany (A) | 71,591 | 66,499 | 61,922 | 61,428 | 66,505 | 15,710 | - | - | - | - |
| Toronto | 2,447,721 | 2,006,156 | 2,137,096 | 2,823,108 | 3,433,724 | 2,330,542 | 1,254,023 | 1,207,811 | 1,169,159 | 1,188,147 |
| Tremont City (A) | 36,600 | 23,318 | 421 | - | - | - | - | - | - | - |
| Twinsburg (A) | 19,839,436 | 19,342,376 | 16,483,760 | 17,981,283 | 19,253,605 | 330,682 | - | - | - | - |
| Uhrichsville (A) | 1,234,311 | 1,182,276 | 1,245,216 | 1,314,634 | 1,336,742 | 6,210,713 | 5,574,742 | 4,895,792 | 4,970,319 | 4,963,337 |
| University Heights | 7,934,792 | 7,895,842 | 8,091,734 | 8,075,554 | 7,651,185 | 12,662,119 | 13,539,189 | 11,845,486 | 12,264,988 | 12,397,663 |
| Upper Arlington | 14,165,050 | 13,530,104 | 12,542,954 | 13,059,698 | 13,543,951 | 463,860 | 419,054 | 308,373 | 167,350 | 7,814,541 |
| Urbancrest (A) | 864,102 | 729,797 | 705,318 | 541,974 | 568,692 | 7,859,314 | 8,369,946 | 8,059,175 | 8,265,868 | 1,211,700 |
| Valley View | 10,834,116 | 9,162,693 | 7,910,227 | 8,276,309 | 8,104,406 | 1,199,940 | 1,194,264 | 1,163,213 | 1,152,282 | 1,114,497 |
| Vermilion | 1,436,824 | 1,278,770 | 1,134,478 | 1,298,281 | 1,141,889 | 136,052 | 123,533 | 140,268 | 118,592 | 114,497 |
| Wakeman | 144,592 | 162,795 | 147,506 | 144,092 | 133,741 | 4,348,534 | 4,082,194 | 4,411,056 | 4,445,129 | 3,299,858 |
| Walton Hills (B) | - | - | - | - | - | - | - | - | - | - |
| Waynesville (A) | 388,070 | 81,120 | - | - | - | - | - | - | - | - |
| Wellston | 1,138,966 | 1,210,510 | 1,087,414 | 1,159,056 | 1,199,514 | 994,647 | 764,180 | 735,874 | 762,909 | 651,175 |
| Wellsville (A) | 332,082 | 437,565 | 374,823 | 375,245 | 461,429 | 474,371 | 365,549 | 400,070 | - | - |
| West Elkton (A) | 23,590 | 19,122 | 30,264 | 28,215 | 24,879 | 16,805 | - | - | - | - |
| Westlake | 20,053,267 | 18,833,130 | 18,499,117 | 19,376,043 | 19,975,268 | 17,808,494 | 16,314,506 | 15,507,647 | 14,927,199 | 15,005,585 |
| Weston (A) | 205,273 | 214,194 | 219,153 | 255,213 | 258,752 | - | - | - | - | - |
| Williamsburg (A) | 21,336 | - | - | - | - | - | - | - | - | - |
| Willoughby (A) | 14,841,964 | 14,330,976 | 14,433,270 | 14,408,678 | - | - | - | - | - | - |
| Willoughby Hills (A) | 4,315,559 | 3,492,126 | 3,029,469 | - | - | - | - | - | - | - |
| Willowick | 2,308,396 | 2,179,692 | 2,272,385 | 2,346,671 | 2,342,022 | 2,290,847 | 2,292,818 | 2,119,653 | 2,212,622 | 2,133,356 |
| Willshire (A) | 45,595 | 41,557 | 42,086 | 57,654 | 21,614 | - | - | - | - | - |
| Winterville | 878,796 | 796,147 | 860,362 | 840,576 | 853,200 | 784,297 | 707,250 | 708,392 | 693,369 | 665,614 |
| Woodmere | 2,167,224 | 1,893,836 | 1,745,239 | 1,797,157 | 1,633,843 | 1,658,698 | 1,607,405 | 1,642,328 | 1,464,661 | 1,313,201 |
| Woodstock (A) | 33,794 | 31,103 | 28,065 | 32,545 | 20,007 | 5,411 | - | - | - | - |
| Worthington | 18,633,995 | 15,124,415 | 14,852,737 | 15,965,395 | 15,091,650 | 15,076,007 | 13,915,446 | 13,473,720 | 11,477,756 | 4,362,377 |
| Yellow Springs (A) | 1,641,674 | 1,260,633 | 1,233,282 | 1,429,126 | 1,364,192 | 1,264,926 | 1,262,798 | 1,433,848 | 1,340,900 | - |
| Youngstown (A) | 45,513,204 | 42,345,916 | 41,173,951 | 48,715,322 | 47,380,683 | 50,269,436 | - | - | - | - |
| Youngstown Girard Jedd (A) | 984,866 | 30,649 | - | - | - | - | - | - | - | - |
| Totals | \$ 886,511,145 | \$ 812,713,840 | \$ 763,440,889 | \$ 773,982,373 | \$ 685,779,704 | \$ 622,025,867 | \$ 541,375,463 | \$ 492,978,422 | \$ 471,667,088 | \$ 419,885,152 |

Regional Income Tax Agency

Table of Municipal Income Tax Receipts – Last Ten Fiscal Years (continued)

Note: Above amounts are the net collections for the period January 1 to December 31 of the respective years.

- (A) Municipality joined the Regional Council of Governments during the year in which tax collections began. All years prior to joining are accordingly left blank.
- (B) Municipality left the Regional Council of Governments during the year in which tax collections ended. All years subsequent are accordingly left blank.
- (C) Taxable activity in area is under development.
- (D) Municipality has eliminated income tax. The Agency has continued to administer prior period taxes as necessary.

Source: RITA tax collection records

Regional Income Tax Agency

Expenses by Type – Last Ten Fiscal Years

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Tax Operating Expenses: | | | | | | | | | | |
| Personal Services | \$ 10,710,142 | \$ 10,764,800 | \$ 10,462,590 | \$ 9,571,278 | \$ 9,110,476 | \$ 8,627,597 | \$ 8,208,534 | \$ 8,729,464 | \$ 8,023,512 | \$ 7,234,950 |
| Travel and Transportation | 69,056 | 97,691 | 103,224 | 146,517 | 96,603 | 115,773 | 85,355 | 118,154 | 121,042 | 203,099 |
| Office Rent and Maintenance | 174,042 | 211,622 | 159,975 | 177,911 | 136,779 | 98,901 | 94,366 | 94,040 | 183,426 | 180,878 |
| Equipment and Software Maintenance | 512,381 | 555,162 | 466,584 | 626,042 | 522,178 | 640,165 | 616,605 | 653,344 | 452,651 | 519,390 |
| Cost of Equipment Purchased For Members | 96,413 | 59,752 | 51,645 | 48,190 | 178,886 | 150,146 | 86,498 | 368 | 5,139 | 9,957 |
| Professional and Processing | 2,204,468 | 2,332,163 | 2,098,061 | 2,086,816 | 2,227,898 | 1,799,750 | 1,488,940 | 1,441,458 | 1,599,172 | 1,097,635 |
| Telephone and Utilities | 273,636 | 279,554 | 227,042 | 270,164 | 189,233 | 165,493 | 190,713 | 215,945 | 225,034 | 202,227 |
| Forms and Envelopes | 338,045 | 353,206 | 481,068 | 328,118 | 343,119 | 312,327 | 306,546 | 173,307 | 323,914 | 429,642 |
| Insurance | 44,549 | 33,769 | 33,217 | 33,152 | 35,768 | 50,944 | 48,391 | 49,094 | 45,766 | 43,365 |
| Miscellaneous Expenses | 17,972 | 22,573 | 15,901 | 18,583 | 15,838 | 18,211 | 18,576 | 20,265 | 37,328 | 29,197 |
| Material and Supplies | 762,492 | 1,024,884 | 881,303 | 840,033 | 785,500 | 706,357 | 636,192 | 683,129 | 715,158 | 675,394 |
| Depreciation and Amortization | 842,012 | 1,223,904 | 1,713,682 | 1,615,859 | 1,582,404 | 1,267,507 | 1,098,343 | 913,650 | 936,347 | 768,132 |
| Total Operating Expenses | 16,045,658 | 16,959,080 | 16,694,292 | 15,762,663 | 15,224,682 | 13,953,171 | 12,879,059 | 13,092,218 | 12,668,489 | 11,393,866 |
| Non – Operating Expense: | | | | | | | | | | |
| Interest Expense | 801,074 | 862,850 | 978,221 | 949,069 | 847,142 | 929,298 | 1,084,795 | 405,076 | 428,755 | 486,366 |
| Total Expenses | \$ 16,846,732 | \$ 17,821,930 | \$ 17,672,513 | \$ 16,711,732 | \$ 16,071,824 | \$ 14,882,469 | \$ 13,963,854 | \$ 13,497,294 | \$ 13,097,244 | \$ 11,880,232 |

Regional Income Tax Agency

Operating Indicators – Last Ten Fiscal Years

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Number of cities | 198 | 191 | 175 | 156 | 138 | 128 | 118 | 110 | 104 | 97 |
| Average Net Cost of Collections Percentage | 1.76% | 2.03% | 2.11% | 1.83% | 1.82% | 1.84% | 2.16% | 2.49% | 2.52% | 2.50% |
| Net distributions (A) | \$ <u>846,687,610</u> | \$ <u>768,838,625</u> | \$ <u>720,269,360</u> | \$ <u>724,227,964</u> | \$ <u>638,401,681</u> | \$ <u>583,585,191</u> | \$ <u>521,470,923</u> | \$ <u>465,097,577</u> | \$ <u>453,876,568</u> | \$ <u>410,411,220</u> |
| Number of employees (B) | 149 | 151 | 147 | 142 | 131 | 128 | 129 | 136 | 132 | 130 |

Notes:

- (A) Represents the distributions to the cities during the respective years on a cash basis; net of retainer and adjustments.
- (B) Represents the number of full-time employees at December 31st.

Sources: RITA accounting and tax collection records

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data

| | <u>2010 Population</u> | <u>Calendar Year 2010 Per capita Income</u> |
|-----------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------|
| <u>Adams County</u> Manchester | 2,023 | \$ 15,068 |
| <u>Allen County</u> Beaverdam Cairo | 382 524 | 20,379 23,403 |
| <u>Ashland County</u> Mifflin | 137 | 15,661 |
| <u>Ashtabula County</u> Andover | 1,145 | 14,816 |
| <u>Belmont County</u> Martins Ferry Powhatan Point Saint Clairsville | 6,915 1,592 5,184 | 19,030 19,118 24,323 |
| <u>Brown County</u> Ripley Sardinia | 1,750 980 | 19,335 15,944 |
| <u>Butler County</u> Oxford | 21,371 | 12,581 |
| <u>Champaign County</u> Mechanicsburg North Lewisburg Saint Paris Woodstock | 1,644 1,490 2,089 305 | 17,071 20,405 16,811 15,287 |
| <u>Clark County</u> South Charleston Tremont City | 1,693 375 | 17,662 17,484 |
| <u>Clermont County</u> Milford Moscow New Richmond Williamsburg | 6,709 185 2,582 2,490 | 28,504 18,552 23,653 19,647 |
| <u>Clinton County</u> Sabina | 2,564 | 18,420 |
| <u>Columbiana County</u> East Palestine | 4,721 | 19,727 |

Continued

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data (continued)

| | 2010 Population | Calendar Year 2010 Per capita Income |
|--------------------------------------|--------------------|-----------------------------------------------|
| <u>Columbiana County (continued)</u> | | |
| New Waterford | 1,238 | \$ 20,309 |
| Salineville | 1,311 | 13,421 |
| Wellsville | 3,541 | 15,190 |
| <u>Crawford County</u> | | |
| Galion | 10,512 | 17,016 |
| <u>Cuyahoga County</u> | | |
| Bay Village | 15,651 | 40,884 |
| Beachwood | 11,953 | 48,010 |
| Bedford Heights | 10,751 | 21,659 |
| Bentleyville | 864 | 72,392 |
| Berea | 19,093 | 24,235 |
| Brecksville | 13,656 | 41,435 |
| Broadview Heights | 19,400 | 36,072 |
| Brooklyn | 11,169 | 21,439 |
| Brooklyn Heights | 1,543 | 30,418 |
| Chagrin Falls | 4,113 | 46,783 |
| Cleveland Heights | 46,121 | 28,435 |
| Cuyahoga Heights | 638 | 30,505 |
| East Cleveland | 17,843 | 14,439 |
| Fairview Park | 16,826 | 31,063 |
| Garfield Heights | 28,849 | 20,409 |
| Glenwillow | 923 | 24,969 |
| Highland Heights | 8,345 | 42,807 |
| Independence | 7,133 | 26,447 |
| Lyndhurst | 14,001 | 38,075 |
| Maple Heights | 23,138 | 21,482 |
| Mayfield Heights | 19,155 | 27,314 |
| Mayfield Village | 3,460 | 40,851 |
| Middleburg Heights | 15,946 | 29,521 |
| Moreland Hills | 3,320 | 79,242 |
| Newburgh Heights | 2,167 | 22,661 |
| North Olmsted | 32,718 | 28,754 |
| North Royalton | 30,444 | 32,576 |
| Oakwood Village | 3,667 | 24,347 |
| Olmsted Falls | 9,024 | 30,138 |
| Orange | 3,323 | 63,514 |
| Pepper Pike | 5,979 | 68,984 |
| Richmond Heights | 10,546 | 28,756 |
| Seven Hills | 11,804 | 30,180 |
| Shaker Heights | 28,448 | 47,360 |
| South Euclid | 22,295 | 22,383 |
| Strongsville | 44,750 | 34,701 |
| University Heights | 13,539 | 30,081 |

Continued

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data (continued)

| | 2010 Population | Calendar Year 2010 Per capita Income |
|------------------------------------|--------------------|-----------------------------------------------|
| <u>Cuyahoga County (continued)</u> | | |
| Valley View | 2,034 | \$ 33,420 |
| Westlake | 32,729 | 41,588 |
| Woodmere | 884 | 19,945 |
| <u>Defiance County</u> | | |
| Sherwood | 827 | 17,691 |
| <u>Delaware County</u> | | |
| Galena | 653 | 27,621 |
| Powell | 11,500 | 51,629 |
| Shawnee Hills | 681 | 32,812 |
| Sunbury | 4,389 | 27,279 |
| <u>Erie County</u> | | |
| Huron | 7,149 | 29,213 |
| Milan | 1,367 | 24,563 |
| Sandusky | 25,793 | 19,157 |
| <u>Fairfield County</u> | | |
| Baltimore | 2,966 | 18,046 |
| Bremen | 1,425 | 20,156 |
| Carroll | 524 | 27,469 |
| Lithopolis | 1,106 | 24,782 |
| Sugar Grove | 426 | 17,202 |
| Thurston | 604 | 11,591 |
| <u>Franklin County</u> | | |
| Bexley | 13,057 | 45,998 |
| Gahanna | 33,248 | 29,040 |
| Grandview Heights | 6,536 | 35,074 |
| Grove City | 35,575 | 28,293 |
| Hilliard | 28,435 | 33,514 |
| Lockbourne | 237 | 13,846 |
| Minerva Park | 1,272 | 20,884 |
| New Albany | 7,724 | 71,740 |
| Reynoldsburg | 35,893 | 27,205 |
| Upper Arlington | 33,771 | 51,049 |
| Urbancrest | 960 | 9,844 |
| Worthington | 13,575 | 44,013 |
| <u>Fulton County</u> | | |
| Metamora | 627 | 20,438 |
| Swanton | 3,690 | 24,770 |

Continued

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data (continued)

| | 2010 Population | Calendar Year 2010 Per capita Income |
|-------------------------|--------------------|-----------------------------------------------|
| <u>Geauga County</u> | | |
| Chardon | 5,148 | \$ 25,284 |
| <u>Greene County</u> | | |
| Cedarville | 4,019 | 10,615 |
| Fairborn | 32,352 | 21,649 |
| Yellow Springs | 3,487 | 32,886 |
| <u>Hamilton County</u> | | |
| Addyston | 938 | 14,837 |
| Arlington Heights | 745 | 24,212 |
| Greenhills | 3,615 | 25,358 |
| Harrison | 9,897 | 24,060 |
| Lockland | 3,449 | 16,877 |
| Loveland | 12,081 | 32,024 |
| Newtown | 2,672 | 39,522 |
| Silverton | 4,788 | 22,939 |
| <u>Hardin County</u> | | |
| Ridgeway | 338 | 23,750 |
| <u>Harrison County</u> | | |
| Jewett | 692 | 14,041 |
| <u>Henry County</u> | | |
| McClure | 725 | 17,399 |
| New Bavaria | 99 | 22,132 |
| <u>Holmes County</u> | | |
| Killbuck | 817 | 17,464 |
| <u>Huron County</u> | | |
| Wakeman | 1,047 | 21,380 |
| <u>Jackson County</u> | | |
| Wellston | 5,663 | 15,778 |
| <u>Jefferson County</u> | | |
| Mingo Junction | 3,454 | 21,127 |
| Steubenville | 18,659 | 19,365 |
| Stratton | 294 | 21,010 |
| Toronto | 5,091 | 19,571 |
| Wintersville | 3,924 | 23,577 |
| <u>Knox County</u> | | |
| Centerburg | 1,773 | 18,677 |
| Fredericktown | 2,493 | 20,243 |

Continued

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data (continued)

| | 2010 Population | Calendar Year 2010 Per capita Income |
|--------------------------|--------------------|-----------------------------------------------|
| <u>Lake County</u> | | |
| Fairport Harbor | 3,109 | \$ 20,722 |
| Kirtland | 6,866 | 38,397 |
| Mentor | 47,159 | 30,156 |
| Perry | 1,663 | 26,970 |
| Willoughby | 22,268 | 29,553 |
| Willoughby Hills | 9,485 | 33,236 |
| Willowick | 14,171 | 26,986 |
| <u>Licking County</u> | | |
| Johnstown | 4,632 | 23,960 |
| Pataskala | 14,962 | 24,825 |
| <u>Logan County</u> | | |
| Quincy | 706 | 14,694 |
| <u>Lorain County</u> | | |
| Avon | 21,193 | 35,947 |
| Avon Lake | 22,581 | 40,269 |
| Elyria | 54,533 | 20,987 |
| Grafton | 2,634 | 12,904 |
| LaGrange | 2,103 | 29,782 |
| Oberlin | 8,286 | 18,872 |
| Sheffield Lake | 9,137 | 23,342 |
| Sheffield Village | 3,982 | 27,238 |
| Vermillion | 10,594 | 29,188 |
| <u>Madison County</u> | | |
| Mount Sterling | 1,782 | 20,385 |
| Plain City | 4,225 | 25,842 |
| South Solon | 355 | 16,944 |
| <u>Mahoning County</u> | | |
| Campbell | 8,235 | 18,543 |
| Youngstown | 66,982 | 14,451 |
| <u>Marion County</u> | | |
| New Bloomington | 515 | 14,422 |
| <u>Meigs County</u> | | |
| Middleport | 2,530 | 15,797 |
| <u>Miami County</u> | | |
| Pleasant Hill | 1,200 | 21,681 |
| <u>Montgomery County</u> | | |
| Clayton | 13,209 | 29,728 |
| Riverside | 25,201 | 21,024 |

Continued

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data (continued)

| | 2010 Population | Calendar Year 2010 Per capita Income |
|------------------------|--------------------|-----------------------------------------------|
| <u>Morrow County</u> | | |
| Cardington | 2,047 | \$ 14,913 |
| Edison | 437 | 16,407 |
| <u>Paulding County</u> | | |
| Antwerp | 1,736 | 20,660 |
| Cecil | 188 | 16,556 |
| Melrose | 275 | 13,868 |
| <u>Pickaway County</u> | | |
| Ashville | 4,097 | 19,952 |
| Circleville | 13,314 | 19,421 |
| Commercial Point | 1,582 | 26,675 |
| <u>Pike County</u> | | |
| Piketon | 2,181 | 17,472 |
| <u>Portage County</u> | | |
| Aurora | 15,548 | 41,406 |
| Kent | 28,904 | 19,100 |
| Streetsboro | 16,028 | 27,860 |
| <u>Preble County</u> | | |
| West Elkton | 197 | 20,380 |
| <u>Putnam County</u> | | |
| Fort Jennings | 485 | 23,800 |
| Miller City | 137 | 28,020 |
| Ottawa | 4,460 | 25,677 |
| <u>Ross County</u> | | |
| Adelphi | 380 | 15,665 |
| <u>Sandusky County</u> | | |
| Bellevue | 8,202 | 21,033 |
| Fremont | 16,734 | 18,421 |
| <u>Seneca County</u> | | |
| Bettsville | 661 | 19,664 |
| <u>Shelby County</u> | | |
| Jackson Center | 1,462 | 19,736 |
| Kettlersville | 179 | 17,225 |

Continued

Regional Income Tax Agency

Membership as of December 31, 2011 Table of Census Data (continued)

| | 2010 <u>Population</u> | Calendar Year 2010 Per capita <u>Income</u> |
|--------------------------|---------------------------|------------------------------------------------------|
| <u>Summit County</u> | | |
| Boston Heights | 1,300 | \$ 54,093 |
| Hudson | 22,262 | 48,424 |
| Lakemore | 3,068 | 20,036 |
| Macedonia | 11,188 | 32,960 |
| Mogadore | 3,853 | 20,670 |
| New Franklin | 14,227 | 38,056 |
| Reminderville | 3,404 | 31,133 |
| Silver Lake | 2,519 | 44,536 |
| Tallmadge | 17,537 | 28,006 |
| Twinsburg | 18,795 | 33,735 |
| <u>Trumbull County</u> | | |
| Girard | 9,958 | 20,821 |
| <u>Tuscarawas County</u> | | |
| Mineral City | 727 | 17,105 |
| Newcomerstown | 3,822 | 13,932 |
| Uhrichsville | 5,413 | 14,774 |
| <u>Union County</u> | | |
| Milford Center | 792 | 27,052 |
| Richwood | 2,229 | 16,829 |
| <u>Van Wert County</u> | | |
| Middle Point | 576 | 15,797 |
| Willshire | 397 | 16,384 |
| <u>Warren County</u> | | |
| Corwin | 421 | 24,577 |
| Maineville | 975 | 31,152 |
| Waynesville | 2,834 | 23,291 |
| <u>Wood County</u> | | |
| Haskins | 1,188 | 26,708 |
| Portage | 438 | 23,832 |
| Rossford | 6,293 | 26,951 |
| Tontogany | 367 | 23,046 |
| Weston | 1,590 | 23,176 |

Sources: Per Capita Income

Bureau of the Census; Census 2010 Social, Economic and Housing Profiles, Data derived from Population Estimates, American Community Survey, Census Population and Housing, Economic Census, American Fact Finder

Population

U.S. Census Bureau, Census 2010

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---------------------|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Addyston | Tax Rate 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | - | - | - | - | - |
| Adelphia | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - |
| | Tax Rate 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Andover | Tax Rate 1.50 | 1.50 | 1.50 | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | - | - | - | - | - | - | - |
| | Credit Limit 1.50 | 1.50 | 1.50 | - | - | - | - | - | - | - |
| Antwerp | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit 50 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | - | - | - | - | - | - | - | - | - |
| Arlington Heights | Tax Rate 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10% | 2.10% | 2.10% | 2.10% | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - |
| | Credit Limit 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | - |
| Ashville | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50% |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Aurora | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 25 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 |
| Avon | Tax Rate 1.75 | 1.75 | 1.75 | 1.75 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Avon Lake | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Baltimore | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Bay Village | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Beachwood | Tax Rate 2.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Beachwood East Jedd | Tax Rate 2.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Beachwood West Jedd | Tax Rate 2.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|----------------------------|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Beaverdam | Tax Rate 1.00% | 1.00% | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| Bedford Heights | Tax Rate 2.00 | 2.00 | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Bellevue | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | - | - | - | - | - |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - |
| Bentleyville | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Berea | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Bettsville | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - |
| | Tax Credit - | - | - | - | 100 | - | - | - | - | - |
| | Credit Limit - | - | - | - | 1.00 | - | - | - | - | - |
| Bexley | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Boston Heights | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.50 | 1.50 | 1.50 |
| Brady Lake | Tax Rate - | - | - | - | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit - | - | - | - | - | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit - | - | - | - | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Brecksville | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Bremen | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | - | - | - | - | - | - | - | - | - |
| Brimfield / Tallmadge Jedd | Tax Rate 0.75 | 0.75 | 0.75 | - | - | - | - | - | - | - |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-------------------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Broadview Heights | Tax Rate 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 | 2.00% 75 |
| Brooklyn | Tax Credit 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 |
| Brooklyn Heights | Tax Credit 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 | 2.00 2.50 100 |
| Cairo | Tax Credit 0.50 | - | - | - | - | - | - | - | - | - |
| Campbell | Tax Credit 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 |
| Cardington | Tax Credit 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 |
| Carroll | Tax Credit 0.75 25 | - | - | - | - | - | - | - | - | - |
| Cecil | Tax Credit 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 |
| Cedarville | Tax Credit 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 |
| Centerburg | Tax Credit 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 |
| Chagrin Falls | Tax Credit 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 | 1.50 75 |
| Chardon | Tax Credit 2.00 50 | - | - | - | - | - | - | - | - | - |
| Circleville | Tax Credit 1.50 50 | 1.50 50 | 1.50 50 | 1.50 50 | 1.50 75 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|----------------------|----------------------|-------|-------|-------|-------|-------|-------|--------|-------|------------|
| Clayton | Tax Rate 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | - | - |
| | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - | - |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - |
| Clayton Jedd | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - | - |
| Cleveland Heights | Tax Rate 2.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit 50 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | - | - | - | - | - | - | - | - | - |
| Commercial Point | Tax Rate 1.00 | 1.00 | 1.00 | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 1.00 | 1.00 | - | - | - | - | - | - | - |
| Corwin | Tax Rate 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | - | - | - | - | - |
| | Credit Limit 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | - | - | - | - | - |
| Cuyahoga Heights | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00% | 1.50/2.00% |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.50/2.00 |
| East Cleveland | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| East Palestine | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - |
| Edison | Tax Rate 0.50 | 0.50 | 0.50 | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 0.50 | 0.50 | - | - | - | - | - | - | - |
| Elyria | Tax Rate 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100/50 | 100 | 100 |
| | Credit Limit 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 |
| Elyria Jedd Fairborn | Tax Rate 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 2.00 | 2.00 | 1.75 | 1.75 | - |
| | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | - | - | - | - | - |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - |
| Fairport Harbor | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--------------|-------|-----------|-------|-------|-------|--------|--------|-------|-------|-------|
| Fairview | | | | | | | | | | |
| Park | | | | | | | | | | |
| Tax Rate | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 1.875% | 1.875% | 1.50% | 1.50% | 1.50% |
| Tax Credit | 75 | 75 | 75 | 75 | 75 | 75 | 75 | 75 | 75 | 75 |
| Credit Limit | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Fort | | | | | | | | | | |
| Jennings | | | | | | | | | | |
| Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Fredricktown | | | | | | | | | | |
| Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| Tax Credit | 100 | 100 | 100 | 100 | - | - | - | - | - | - |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| Fremont | | | | | | | | | | |
| Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Gahanna | | | | | | | | | | |
| Tax Rate | 1.50 | 1.50 | - | - | - | - | - | - | - | - |
| Tax Credit | 83.33 | 83.33 | - | - | - | - | - | - | - | - |
| Credit Limit | 1.50 | 1.50 | - | - | - | - | - | - | - | - |
| Galena | | | | | | | | | | |
| Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Tax Credit | - | - | - | - | - | - | - | - | - | - |
| Credit Limit | - | - | - | - | - | - | - | - | - | - |
| Galion | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.75 | 1.50 | - | - | - |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - | - | - |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - |
| Garfield | | | | | | | | | | |
| Heights | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Girard | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Glenwillow | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Grafton | | | | | | | | | | |
| Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | - | - | - | - |
| Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - |
| Grandview | | | | | | | | | | |
| Heights | | | | | | | | | | |
| Tax Rate | 2.50 | 2.25/2.50 | 2.25 | 2.50 | 2.50 | 2.25 | 2.25 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 2.25 | 2.00/2.25 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Greenhills | Tax Rate 1.50% | - | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | - | - | - | - | - | - | - | - | - |
| Grove City | Tax Rate 2.00 | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - | - |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - | - |
| Harrison | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | - | - | - | - | - | - | - | - | - |
| Harrison Jedd | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00% | - |
| Haskins | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 50 | - |
| | Tax Credit 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 1.00 | - |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - |
| Highland Heights | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50% |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Hilliard | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | - | - | - | - | - |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - | - | - | - | - |
| Huber Heights | Tax Rate - | 2.00 | 2.00 | - | - | - | - | - | - | - |
| | Tax Credit - | 100 | 100 | - | - | - | - | - | - | - |
| | Credit Limit - | 2.00 | 2.00 | - | - | - | - | - | - | - |
| Hudson | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 |
| Hunting Valley | Tax Rate - | - | - | - | - | - | - | - | 0.75 | 0.75 |
| | Tax Credit - | - | - | - | - | - | - | - | 75 | 75 |
| | Credit Limit - | - | - | - | - | - | - | - | 0.75 | 0.75 |
| Huron | Tax Rate 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Independence | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Jackson Center | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | - | - | - | - | - | - |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - | - |

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Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--------------|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Jewett | Tax Rate 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | - | - | - |
| | 100 | 100 | 100 | 100 | 100 | 100 | 100 | - | - | - |
| Johnstown | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - |
| | Tax Rate 1.00 | 1.00 | 1.00 | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | 50 | - | - | - | - | - | - | - |
| Kent | Credit Limit .50 | .50 | 1.00 | - | - | - | - | - | - | - |
| | Tax Rate 2.00 | 2.00 | 2.00 | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | - | - | - | - | - | - | - |
| Kettersville | Credit Limit 2.00 | 2.00 | 2.00 | - | - | - | - | - | - | - |
| | Tax Rate 1.00 | 1.00 | 1.00 | - | - | - | - | - | - | - |
| | Tax Credit 100 | 50 | 50 | - | - | - | - | - | - | - |
| Killbuck | Credit Limit 1.00 | 1.00 | 1.00 | - | - | - | - | - | - | - |
| | Tax Rate 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | - | - | - | - | - | - | - | - |
| Kirtland | Credit Limit 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00% | 1.00% | 1.00% |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 25 | 25 |
| LaGrange | Credit Limit 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.00 | 1.00 |
| | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Lakemore | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 50/100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Lakewood | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Rate - | - | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| Lithopolis | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Rate - | - | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| Lockbourne | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Rate - | - | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| Lockland | Credit Limit 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 |
| | Tax Rate 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Tax Credit 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 |
| Loveland | Tax Rate 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | - | - | - | - | - | - | - | - |
| Lyndhurst | Credit Limit 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Rate 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| | Credit Limit 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |

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Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Macedonia | Tax Rate 2.25% 100 Credit Limit 2.00 | 2.00% 100 2.00 | 2.00% 100 2.00 | 2.00% 100 2.00 | 2.00% 100 2.00 | 2.00% 100 2.00 | 2.00% 100 2.00 | 2.00% 100 2.00 | - - - | - - - |
| Macedonia/ Northfield | | | | | | | | | | |
| Jedd | Tax Rate 2.25 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - | - |
| Maineville | Tax Rate 1.00 Tax Credit 50 Credit Limit 1.00 Tax Rate 1.00 Tax Credit 100 Credit Limit 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00 50 1.00 1.00 100 1.00 | 1.00% 50 1.00 | - 50 1.00 |
| Manchester | | | | | | | | | | |
| Maple Heights | Tax Rate 2.50 Tax Credit 100 Credit Limit 2.50 Tax Rate 0.75 Tax Credit 100 Credit Limit 0.75 Tax Rate - Tax Credit - Credit Limit - | 2.50 100 2.50 0.75 100 0.75 - - - | 2.50 100 2.50 0.75 100 0.75 - - - | 2.50 100 2.50 0.75 100 0.75 - - - | 2.419 96.7 2.419 0.75 100 0.75 - - - | 2.00 80 2.00 0.75 100 0.75 - - - | 2.00 80 2.00 0.75 100 0.75 - - - | 2.00 80 2.00 0.75 100 0.75 - - - | 2.00 80 2.00 0.75 100 0.75 1.00 50 1.00 | 2.00 80 2.00 0.75 100 0.75 1.00 50 1.00 |
| Marysville | | | | | | | | | | |
| Mayfield Heights | Tax Rate 1.00 Tax Credit 50 Credit Limit 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 | 1.00 50 1.00 |
| Mayfield Village | Tax Rate 2.00 Tax Credit 100 Credit Limit 2.00 Tax Rate 1.00 Tax Credit - Credit Limit - | 1.50/2.00 100 1.50/2.00 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - | 1.50 100 1.50 1.00 - - - |
| McClure | | | | | | | | | | |
| Mechanics- burg | Tax Rate 1.00 Tax Credit - Credit Limit 1.00 Tax Rate - Tax Credit - Credit Limit - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - | 1.00 - 1.00 1.00 1.00 - - - |
| Melrose | | | | | | | | | | |
| Mentor | Tax Rate 2.00 Tax Credit 100 Credit Limit 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--------------------|----------------------|-----------|-------|-------|-------|-------|-------|-------|-------|-------|
| Metamora | Tax Rate 1.00% | 1.00% | - | - | - | - | - | - | - | - |
| | Credit Limit 50 | 50 | - | - | - | - | - | - | - | - |
| Middle Point | Tax Rate 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Credit Limit 1.50 | 1.50 | - | - | - | - | - | - | - | - |
| | Tax Rate 100 | 100 | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| Middleburg Heights | Tax Rate 2.00 | 2.00 | 2.00% | 2.00% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% |
| | Credit Limit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Middleport | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| | Tax Rate 100 | 100 | 100 | 100 | - | - | - | - | - | - |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| Mifflin | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Milan | Tax Rate 1.00 | 0.50/1.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 0.50/1.00 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Milford | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - |
| Milford Jedd | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - |
| | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - |
| Millford Center | Tax Rate 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Miller City | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | - | - | - | - | - | - | - | - | - |
| Mineral City | Tax Rate 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | - | - | - | - | - | - | - | - |
| | Credit Limit 1.00 | 1.00 | - | - | - | - | - | - | - | - |
| Minerva Park | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------|----------------------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Mingo Junction | Tax Rate 2.00% 100 | 2.00% 100 | - | - | - | - | - | - | - | - |
| | Tax Credit Credit Limit | 2.00 2.00 | - | - | - | - | - | - | - | - |
| Mogadore | Tax Rate 2.25 100 | 2.00/2.25 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 |
| | Tax Credit Credit Limit | 2.25 2.25 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 |
| Moreland Hills | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit Credit Limit | - 1.00 | - 1.00 | - 1.00 | - 1.00 | - 1.00 | - 1.00 | - 1.00 | - 1.00 | - 1.00 |
| Moscow | Tax Rate 1.00 100 | - - | - - | - - | - - | - - | - - | - - | - - | - - |
| | Tax Credit Credit Limit | 1.00 1.00 | - - | - - | - - | - - | - - | - - | - - | - - |
| Mount Gillead | Tax Rate - | - | - | - | - | - | - | - | 1.00 | 1.00 |
| | Tax Credit Credit Limit | - - | - - | - - | - - | - - | - - | - - | 100 1.00 | 100 1.00 |
| Mount Sterling | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit Credit Limit | - - | - - | - - | - - | - - | - - | - - | - - | - - |
| New Albany | Tax Rate 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 |
| | Tax Credit Credit Limit | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 | 2.00 2.00 |
| New Bavaria | Tax Rate 1.00 | - | - | - | - | - | - | - | - | - |
| | Tax Credit Credit Limit | - - | - - | - - | - - | - - | - - | - - | - - | - - |
| New Bloomington | Tax Rate 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 |
| | Tax Credit Credit Limit | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 |
| New Franklin | Tax Rate 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 |
| | Tax Credit Credit Limit | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 | 1.00 1.00 |
| New Richmond | Tax Rate 1.00 50 | 1.00 50 | - - | - - | - - | - - | - - | - - | - - | - - |
| | Tax Credit Credit Limit | 1.00 1.00 | - - | - - | - - | - - | - - | - - | - - | - - |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------|-------|-----------|-------|-------|-------|-------|-------|-------|-------|-------|
| New Waterford | | | | | | | | | | |
| Tax Rate | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | - | - | - | - |
| Tax Credit | 50 | 50 | 50 | 50 | 50 | 50 | - | - | - | - |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - |
| Newburgh Heights | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00% | 2.00% | 2.00% | 2.00% |
| Tax Credit | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Newcomers-town | | | | | | | | | | |
| Tax Rate | 2.00 | - | - | - | - | - | - | - | - | - |
| Tax Credit | 100 | - | - | - | - | - | - | - | - | - |
| Credit Limit | 2.00 | - | - | - | - | - | - | - | - | - |
| Newtown | | | | | | | | | | |
| Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| North Lewisburg | | | | | | | | | | |
| Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Tax Credit | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| North Olmsted | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| North Royalton | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 25 | 25 | 25 | 25 | 25 |
| Credit Limit | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Oakwood Village | | | | | | | | | | |
| Tax Rate | 2.50 | 2.00/2.50 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 2.50 | 2.00/2.50 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Oberlin | | | | | | | | | | |
| Tax Rate | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Credit Limit | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 | 1.90 |
| Olmsted Falls | | | | | | | | | | |
| Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Tax Credit | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Orange | | | | | | | | | | |
| Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tax Credit | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---------------|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Orange | | | | | | | | | | |
| Chagrin | | | | | | | | | | |
| Highland | | | | | | | | | | |
| Jedd | | | | | | | | | | |
| Ottawa | Tax Rate | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 | 1.00 |
| | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Oxford | Tax Rate | 2.00 | 1.75 | 1.75 | 1.75 | - | - | - | - | - |
| | Tax Credit | 100 | 100 | 100 | 100 | - | - | - | - | - |
| | Credit Limit | 2.00 | 1.75 | 1.75 | 1.75 | - | - | - | - | - |
| Pataskala | Tax Credit | 1.00 | 1.00 | - | - | - | - | - | - | - |
| | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | - | - | - | - | - | - | - | - | - |
| Pepper Pike | Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| | Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Perry | Tax Rate | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| | Tax Credit | - | 100/- | 100 | - | - | - | - | - | - |
| | Credit Limit | - | 1.00 | 1.00 | - | - | - | - | - | - |
| Perry | | | | | | | | | | |
| Jedd | Tax Rate | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| Piketon | Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| | Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Plain City | Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Pleasant Hill | Tax Rate | 0.75 | 0.75 | 0.75 | - | - | - | - | - | - |
| | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | - | - | - | - | - | - | - | - | - |
| Plymouth | Tax Rate | - | - | - | - | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | - | - | - | - | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Portage | Tax Rate | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | - | 1.00 | 1.00 | - | - | - | - | - | - |
| Powell | Tax Rate | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------------------|-----------------|--------------|--------------|--------------|--------------|--------------|-------|--------|--------|-------|
| Powhatan Point | Tax Rate 100 | 0.75% 100 | 0.75% 100 | 0.75% 100 | 0.75% 100 | 0.75% 100 | - | - | - | - |
| Quincy | Tax Credit | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | - | - | - | - |
| | Credit Limit | 1.00 | 1.00 | - | - | - | - | - | - | - |
| Reminderville | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50% | 1.50% | 1.50% | 1.50% |
| Reminderville/ Twinsburg | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Jedd | Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - |
| | Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Reynoldsburg | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Reynoldsburg Entp Zone | Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | - | - | - | - | - |
| | Tax Rate | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Richmond Heights | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Richwood | Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit | - | - | - | - | - | - | - | - | - |
| Ridgeway | Credit Limit | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Rate | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Ripley | Tax Credit | - | - | - | - | - | - | - | - | - |
| | Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Riverside | Tax Rate | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Rossford | Credit Limit | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| | Tax Rate | 2.25 | 2.25 | 2.25 | - | - | - | - | - | - |
| Sabina | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit | 2.25 | 2.25 | 2.25 | - | - | - | - | - | - |
| Sabra | Tax Rate | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0/0.50 | 1.00 | 1.00 |
| | Tax Credit | 100 | 100 | 100 | 100 | 100 | 100 | - | 50/0 | 50 |
| | Credit Limit | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.50 | 1.00/0 | 1.00 |

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Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-------------------|----------------------------------------|---------------------|----------------------|----------------------|----------------------|-------------------------|----------------------|----------------------|----------------------|-------------------------------|
| Saint Clairsville | Tax Rate Tax Credit Credit Limit | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - | - - - |
| Saint Paris | Tax Rate Tax Credit Credit Limit | 0.75% 50 0.75 | 1.00% 100 1.00 | 1.00% 100 1.00 | 1.00% 100 1.00 | 1.00% 100 1.00 | 1.00% 100 1.00 | 1.00% 100 1.00 | 1.00% 100 1.00 | 1.00% 100 1.00 |
| Salineville | Tax Rate Tax Credit Credit Limit | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - |
| Sandusky | Tax Rate Tax Credit Credit Limit | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - |
| Sardinia | Tax Rate Tax Credit Credit Limit | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - | 1.00 1.00 - |
| Seven Hills | Tax Rate Tax Credit Credit Limit | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 | 2.00 100 1.10 |
| Shaker Heights | Tax Rate Tax Credit Credit Limit | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 | 1.75 50 1.00 |
| Shawnee Hills | Tax Rate Tax Credit Credit Limit | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 | 2.00 100 1.75 |
| Sheffield Lake | Tax Rate Tax Credit Credit Limit | 1.50 50 1.00 | 1.50 50 1.00 | 1.50 50 1.00 | 1.50 50 1.00 | 1.25/1.50 50 1.00 | 1.25 50 1.00 | 1.25 50 1.00 | 1.25 50 1.00 | 1.25 50 1.00 |
| Sheffield Village | Tax Rate Tax Credit Credit Limit | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 1.50 100 1.50 | 1.50 100 1.50 | 1.50 100 1.50 | 1.50 100 1.50 | 1.50 100 1.50 | 1.00/1.50 100 1.00/1.50 |
| Sherwood | Tax Rate Tax Credit Credit Limit | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 | 1.00 100 1.00 |
| Silver Lake | Tax Rate Tax Credit Credit Limit | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 | 2.00 100 2.00 |
| Silverton | Tax Rate Tax Credit Credit Limit | 1.25 - - | 1.25 - - | 1.25 - - | 1.25 - - | 2.00 - - | 2.00 - - | 2.00 - - | 2.00 - - | 2.00 - - |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------|---------------------------|--------------|--------------|--------------|-------|-------|-------|--------|-------|-------|
| South Charleston | Tax Rate 1.00% 100 | 1.00% 100 | 1.00% 100 | 1.00% 100 | - | - | - | - | - | - |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00% | 2.00% | 1.50% | 1.50% | 1.50% | 1.50% |
| South Euclid | Tax Rate 75 | 75 | 75 | 75 | 75 | 75 | 75 | 75 | 75 | 75 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| South Solon | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Stuebenville | Tax Rate 2.00/1.70 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 2.00/1.70 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Stratton | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| | Tax Credit 100 | 100 | 100 | 100 | - | - | - | - | - | - |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | - | - | - | - | - | - |
| Streetsboro | Tax Rate 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit 100 | 100 | 100 | - | - | - | - | - | - | - |
| | Credit Limit 2.00 | 2.00 | 2.00 | - | - | - | - | - | - | - |
| Strongsville | Tax Rate 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Tax Credit 75 | 75 | 75 | 75 | 75 | 75 | 75 | 100/75 | 100 | 100 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Sugar Grove | Tax Rate 0.75 | - | - | - | - | - | - | - | - | - |
| | Tax Credit 50 | - | - | - | - | - | - | - | - | - |
| | Credit Limit 0.75 | - | - | - | - | - | - | - | - | - |
| Sunbury | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit 1.25 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Swanton | Tax Rate 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Tallmadge | Tax Rate 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Tax Credit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Thurston | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Tontogany | Tax Rate 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Tax Credit 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|-----------------------|-----------------------------|------------------|--------------|--------------|--------------|--------------|--------------|------------------------|--------------|--------------|
| Toronto | Tax Rate 100 2.00% | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 2.00% 100 | 1.50% 100 | 1.50% 100 | 1.50% 100 | 1.50% 100 |
| Tremont City | Tax Rate 1.00 | 1.00 | 1.00 | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | 1.00 | 1.00 | - | - | - | - | - | - | - |
| Twinsburg | Tax Rate 2.25 100 | 2.00/2.25 100 | 2.00 100 | 2.00 100 | 2.00 100 | - | - | - | - | - |
| | Tax Credit 2.25 100 | 2.00/2.25 100 | 2.00 100 | 2.00 100 | 2.00 100 | - | - | - | - | - |
| | Credit Limit 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | - | - | - | - |
| Uhrichsville | Tax Rate 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | - | - | - | - |
| | Credit Limit 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | 1.75 100 | - | - | - | - |
| University Heights | Tax Rate 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 2.50 100 | 1.50 - | 1.50 - | 1.50 50/0 | 1.50 50 | 1.50 50 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Upper Arlington | Tax Rate 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 |
| | Tax Credit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Urbancrest | Tax Rate 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 |
| | Tax Credit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Valley View | Tax Rate 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 |
| | Tax Credit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Credit Limit 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Vermilion | Tax Rate 1.00 100 | 1.00 100/50 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Wakeman | Tax Rate 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00 50 | 1.00/0/1.00 50/0/50 | 1.00 50 | 1.00 50 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Walton Hills | Tax Rate - | - | - | - | - | - | - | - | - | - |
| | Tax Credit - | - | - | - | - | - | - | - | - | - |
| | Credit Limit - | - | - | - | - | - | - | - | - | - |
| Waynesville | Tax Rate 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 2.00 100 | 2.00 100 | 2.00 100 | 2.00 100 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Wellston | Tax Rate 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 1.00 100 | 0.75 100 | 0.75 100 | 0.75 100 | 0.75 100 | 0.75 100 |
| | Tax Credit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| | Credit Limit 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------|----------------------------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Wellsville | Tax Rate Tax Credit Credit Limit | 1.00% - - | 1.00% - - | 1.00% - - | 1.00% - - | 1.00% - - | 1.00% - - | 1.00% - - | - - - | - - - |
| West Elkton | Tax Rate Tax Credit Credit Limit | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | - - - | - - - |
| Westlake | Tax Rate Tax Credit Credit Limit | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50% 100 - | 1.50% 100 - |
| Weston | Tax Rate Tax Credit Credit Limit | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - | 1.50 100 - |
| Williamsburg | Tax Rate Tax Credit Credit Limit | - 100 - | - 100 - | - 100 - | - 100 - | - 100 - | - 100 - | - 100 - | - 100 - | - 100 - |
| Willoughby | Tax Rate Tax Credit Credit Limit | 2.00 100 - | 2.00 100 - | 2.00 100 - | 2.00 100 - | 2.00 100 - | 2.00 100 - | 2.00 100 - | - - - | - - - |
| Willoughby Hills | Tax Rate Tax Credit Credit Limit | 2.00 100 - | 1.50 100 - | 1.50 100 - | - - - | - - - | - - - | - - - | - - - | - - - |
| Willowick | Tax Rate Tax Credit Credit Limit | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - | 2.00 87.50 - |
| Willshire | Tax Rate Tax Credit Credit Limit | 1.00 - - | 1.00 - - | 1.00 - - | 1.00 - - | 1.00 - - | 1.00 - - | 1.00 - - | - - - | - - - |
| Wintersville | Tax Rate Tax Credit Credit Limit | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - |
| Woodmere | Tax Rate Tax Credit Credit Limit | 2.50 100 - | 2.00/2.50 75/100 - | 2.00 75 - | 2.00 75 - | 2.00 75 - | 2.00 75 - | 2.00 75 - | 2.00 75 - | 2.00 75 - |
| Woodstock | Tax Rate Tax Credit Credit Limit | 2.50 100 - | 1.00/2.50 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - | 1.00 100 - |
| Worthington | Tax Rate Tax Credit Credit Limit | 2.50% 100 - | 2.00/2.50% 100 - | 2.00% 100 - | 2.00% 100 - | 2.00% 100 - | 2.00% 100 - | 2.00% 75 - | 1.65% 100 - | 1.65% 100 - |

Continued

Regional Income Tax Agency

Municipal Income Tax Rates, Credits and Limits – Last Ten Fiscal Years (continued)

| | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---------------------------|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------|
| Yellow Springs | Tax Rate 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | 1.50 100 | - |
| Youngstown | Tax Credit 2.75 100 | 2.75 100 | 2.75 100 | 2.75 100 | 2.75 100 | 2.75 100 | - | - | - | - |
| Youngstown Girard Jedd | Credit Limit 2.75 | 2.75 | 2.75 | 2.75 | 2.75 | 2.75 | - | - | - | - |
| | Tax Rate 2.75 | 2.75 | - | - | - | - | - | - | - | - |

Source: RITA Tax Tables

Regional Income Tax Agency

Ratio of Outstanding Debt to Members' Tax Collections and Population – Last Ten Fiscal Years

| Year | CCPA Lease #1 | NCLC | CCPA Lease #2 | Unamortized Premium | Total Debt | R.I.T.A. Collections | Percentage of Collections | R.I.T.A. Member Total Population | Debt Per Capita |
|------|------------------|------------|------------------|------------------------|---------------|-------------------------|------------------------------|-------------------------------------|--------------------|
| 2011 | \$ - | - | \$ 15,129,819 | \$ 341,137 | \$ 15,470,956 | \$ 886,511,145 | 1.75% | 1,695,669 | \$ 9 |
| 2010 | - | - | 16,540,242 | 382,077 | 16,922,319 | 812,713,840 | 2.08 | 1,725,001 | 10 |
| 2009 | - | - | 17,667,269 | 424,994 | 18,092,263 | 763,440,889 | 2.37 | 1,586,604 | 11 |
| 2008 | 1,680,834 | - | 18,667,507 | 469,984 | 20,818,325 | 773,982,373 | 2.69 | 1,505,317 | 14 |
| 2007 | 2,244,167 | - | 19,643,756 | 517,147 | 22,405,070 | 685,779,704 | 3.27 | 1,384,654 | 16 |
| 2006 | 2,771,667 | - | 20,613,498 | 566,588 | 23,951,753 | 622,025,867 | 3.85 | 1,270,174 | 19 |
| 2005 | 3,228,334 | - | 20,868,001 | 618,416 | 24,714,751 | 541,375,463 | 4.57 | 1,166,842 | 21 |
| 2004 | 3,736,667 | 18,580,000 | 20,990,000 | 672,747 | 43,979,414 | 492,978,422 | 8.92 | 1,098,696 | 40 |
| 2003 | 4,174,167 | 18,500,000 | - | - | 22,674,167 | 471,667,088 | 4.81 | 1,056,609 | 21 |
| 2002 | 4,581,667 | 17,500,000 | - | - | 22,081,667 | 419,885,152 | 5.26 | 991,941 | 22 |

Note: RITA collections and RITA member population presented on pages 39-43 and 47-53, respectively.

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Dave Yost • Auditor of State

REGIONAL INCOME TAX AGENCY

CUYAHOGA 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
JUNE 7, 2012