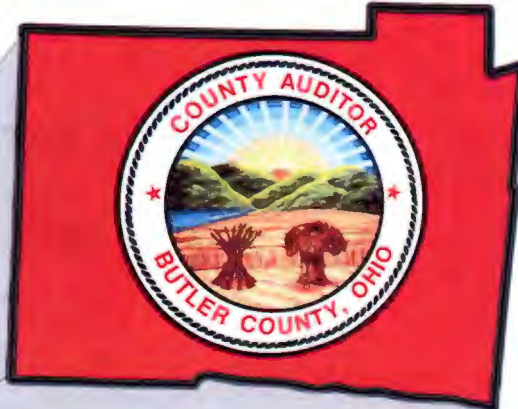


# Butler County Ohio

## Comprehensive Annual Financial Report



For the Year Ended December 31, 2016





# Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of Butler County, prepared by Julian & Grube, Inc., for the audit period January 1, 2016 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

August 25, 2017

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# **Butler County, Ohio**

## **Comprehensive Annual Financial Report** **For the Year Ended December 31, 2016**

**Prepared by the Butler County Auditor's Office**

**Roger Reynolds, CPA**  
**Butler County Auditor**

## **Introductory Section**

BUTLER COUNTY, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED DECEMBER 31, 2016

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BUTLER COUNTY, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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BUTLER COUNTY, OHIO  
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130 High Street  
Hamilton, Ohio 45011



June 28, 2017

To the Citizens and Board of Commissioners of Butler County:

Butler County is required by Ohio law to prepare an annual financial report using generally accepted accounting principles. It is our pleasure to present the Butler County Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2016

The CAFR is prepared in conformance with generally accepted accounting principles as set forth by the Government Accounting Standards Board (GASB) and other recognized authoritative sources and contains basic financial statements, supplemental statements, and other financial and statistical information, providing complete and full disclosure of all material financial aspects of Butler County for 2016. This report is presented in fulfillment of the financial reporting requirements and is representative of our continual commitment to provide accurate and timely financial information to the citizens of Butler County.

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

Our independent auditor, Julian & Grube, Incorporated, has issued an unmodified opinion on Butler County's financial statements for the year ended December 31, 2016. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **REPORTING ENTITY**

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

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

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

## **ECONOMIC CONDITION AND OUTLOOK**

Butler County is located in Southwestern Ohio between Hamilton and Montgomery Counties; it shares its northern border with Preble County, and its eastern border with Warren County. To the west is the Indiana state line. Seventh largest among the state's 88 counties, Butler County's estimated 2016 population of 377,537 is up a thousand from 2015 and reflects an increase of 9,407 people since the 2010 Census – the second largest increase among the state's 10 largest counties. Ranking 182nd in population out of 3,142 counties in the nation, Butler is among the top six percent of all U.S. counties in terms of total population. Served by rail lines, interstate highways, two nearby international airports and high-speed fiber-optic data communications, Butler County is an ideal location for businesses to locate and prosper.

There were 4,573 building/electric permits issued in 2016 in the unincorporated areas of Butler County with a combined valuation of \$299.4 million. Total permit fees were \$2.7 million. These numbers are all down. In 2015 there were 4,845 permits issued with a combined value of 313.2 million and fees came in at just over \$3 million.

According to the latest data from the U.S. Bureau of Labor Statistics (BLS), the average weekly wage in Butler County rose 6.5 percent from the third quarter of 2015 to the third quarter of 2016, increasing to \$905. Butler County's percentage increase was just 32nd highest in the state but the actual wage of \$905 is 11th highest.

The BLS reported that Butler County added 5,202 jobs for the third quarter, which is the third highest total in the state, trailing only Franklin and Cuyahoga.

The Consumer Price Index for All Urban Consumers (CPI-U) in the Cincinnati-Hamilton area increased 1.9 percent from the second half of 2015 to the second half of 2016, the U.S. Bureau of Labor Statistics reported. The all items less food and energy index was 2.6 percent higher compared to its second half 2015 level as price increases were noted in the categories for shelter and medical care. Food prices were 0.6 percent lower over the year while the index for energy increased 0.9 percent.

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

Performance Automotive Network of Fairfield was up four spots to 4th on the list and is the top ranked Butler County business. Reported revenue grew from \$977 million in 2014 to \$1.1 billion in 2015.

Other Butler County companies in the top 35 were Contech Engineered Solutions of West Chester, down one at 18; Totes Isotoner of West Chester, down one at 28th; and Cohen Recycling of Middletown, down 12 to No. 34.

Another company placing in the Top 15 that is headquartered locally is Baker Concrete Construction of Monroe, which reported 2015 revenue of \$750 million to garner 13th on the list, up one from the prior year.

The unemployment rate continued to drop in the county and reached its lowest annual rate in more than 10 years at 4.4 percent in 2016. Reflecting that good news, several companies chose to locate in Butler County and others are growing.

The City of Hamilton experienced significant hiring from Barclaycard US, Startek, ThyssenKrupp Bilstein and ODW Logistics — more than 800 jobs in 2016 alone. The same four are expected to create an additional 1,000 jobs in 2017, according to city officials.

Barclaycard and Startek opened call centers in the city during the latter half of 2015. Barclaycard selected Vora Technology Park, one of the largest tech parks in the Midwest, as the home for its new customer contact center, bringing a tremendous number of jobs to Hamilton and Butler County. JobsOhio reported that

Barclaycard would be creating 1,500 jobs at the site by the end of 2018. The company is reporting that 250 jobs were filled by the end of 2016.

StarTek, a Colorado-based call center, plans to create 682 jobs once fully operational. By November 2015, the company reported it had approximately 200 employees at the previously vacant site in downtown Hamilton. The company reported it was on pace to fill all of its jobs by July 2017.

Meanwhile, auto supplier ThyssenKrupp Bilstein of America Inc., committed to creating at least 200 new jobs by the end of 2017. Local employment had grown to about 680 workers by the middle of 2016.

Hamilton continued to move forward in 2016 in its quest to bring a large sports complex to town. The proposed \$85-\$90 million Spooky Nook Sports at Champion Mill would likely mirror the Spooky Nook complex in Lancaster, Pa., the nation's largest indoor sports facility. Company officials have said the proposed Hamilton facility could be open by late 2018.

The City of Fairfield also had many positive economic announcements in 2016.

Georgia-based Veritiv Corp. opened its new operations center in Fairfield at the end of 2016, relocating approximately 500 jobs from Clermont County. The company occupies about 72,000 square feet of space at the Gilmore Pointe office park for its customer service, credit, information technology and finance workers.

Fairfield officials inked a 10-year, \$2 million property investment reimbursement deal with the company, which re-entered the Fortune 500 list this year at No. 323. Officials project the city will see an additional \$500,000 in annual payroll taxes from Veritiv employees.

Koch Foods, which employs about 900 employees at its facility in Fairfield, reported in April that it was going to hire approximately 100 to 125 more workers. The new hires come as a result of the company implementing a new production line.

Pacific Manufacturing of Fairfield is planning an approximately \$50 million, 72,000-square-foot building expansion at its facilities on Seward Road. Expansion plans could also add about 60 new jobs over the next three years, according to city records. The project received approval for the Ohio Job Creation Tax Credit from state authorities, as well as property tax incentives from the city government.

In Liberty Township, the first residents and office tenants moved into the approximately \$350 million Liberty Center development in 2016, where just over 1 million square feet of mixed office, retail and residential space was built on about 65 acres. Liberty Center's October 2015 opening fulfilled more than five years of planning, design and construction. It is believed to be one of the largest developments in Butler County history with the potential to create about 3,500 new full-time and part-time jobs once full occupancy is reached by 2018, according to local government officials.

## **MAJOR INITIATIVES**

### **Water System**

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

Projects during 2016 included the replacement of failing cast iron water mains at the Yankee Road and Kyles Station intersection. Additional cast iron water main projects completed ahead of roadway projects included the Kyles Station and Cincinnati-Dayton Road intersection and Irwin-Simpson Road. The Liberty Union and Cox Road elevated storage tanks were also repaired and re-painted.

## **Sewer System**

The sewer system consists of 770 miles of sewer mains, 30 pumping stations, four satellite treatment plants, and two regional reclamation facilities (WRF). This system transports and treats wastewater and returns clean water to our rivers and streams.

The Williamsdale sewer project was completed in 2016. This project made public sewer available to over 230 residents in the Williamsdale area. A centrifuge was installed at our Upper Mill Creek Water Reclamation Facility and the force main for the Scoutmaster Lift Station was replaced.

## **Recycling Programs**

In 2016 Butler County Recycling & Solid Waste District offered specialized recycling programs to all Butler County residents such as "on-demand" curbside Freon appliance collection; long-term household hazardous waste (HHW) drop off service, and a waste tire amnesty event. The District provided ongoing education to residents about how to manage seasonal waste, ways to manage latex paint, and outlets for unwanted electronic devices including televisions and computers. The District provides year round drop box recycling for common household recyclables such as paper, glass, plastic and cardboard at over 30 residential drop box stations located throughout the County.

In 2016 the Solid Waste Policy Committee embarked on updating Butler County's fifteen year solid waste management plan as required by O.R.C. A draft Plan Update was submitted to Ohio EPA in March 2017. Butler County's sole funding source, the solid waste generation fee will remain at \$0.82/ton until the new Solid Waste Plan is approved in 2018. A modest fee increase is proposed in the new Plan to take effect in January 2020. Any change to the generation fee will require approval as part of the Plan ratification process.

Finally, from May – August 2016, Butler County collaborated with Hamilton County and Montgomery County Solid Waste Districts through the Southwest Ohio Pollution Prevention (P2) Internship Program. This innovative 12-week summer internship pairs highly qualified undergraduate engineering students with local manufacturers to address operational efficiencies, waste reduction, and pollution prevention strategies. Since 2008, the Pollution Prevention Collaborative has resulted in annual savings of \$1.8 million to participating industries. Butler County Solid Waste District partnered with Synergy Flavors as part of the 2016 P2 Internship Program.

## **Capital Improvements**

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

In 2016, the County continued improving the Munis Enterprise Resource Planning system, the County airport and Butler Warren Road. Other important Capital Improvement Projects in process during 2016 included the Liberty Fairfield Road Widening project, Cinincinnati Dayton at Kyles Station roundabout, Bonham Road bridge replacement, as well as various other road improvement projects.

## **FINANCIAL INFORMATION**

### **Basis of Accounting**

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

### **Internal Control**

The County's system of internal accounting controls is designed to provide reasonable, but not absolute, assurance that (1) financial transactions are processed in accordance with management's authorization, (2)

transactions comply with County policies and Ohio law, and (3) financial records are reliable for preparing financial statements and maintaining accountability for assets and obligations. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived from their implementation and that the evaluation of costs and benefits require estimates and judgments by management.

#### Budgetary Control

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

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

#### Cash Balance Level of Reserves Policy

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

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

In 2016, the Board of County Commissioners established a Budget Stabilization reserve funding at a \$6,000,000 level in the General Fund. The Budget Stabilization reserve was established to stabilize against cyclical changes in revenues and expenditures. The Budget Stabilization reserve balance is separate from the 15%-20% unencumbered cash balance recommended for the General Fund reserve.

The 2016 general fund reserve ratio is 19.41% excluding the Budget Stabilization reserve fund. The General Fund reserve level is within the recommended policy guidelines of 15%-20%.

Butler County management recognizes the need to maintain adequate levels of cash in the water and sewer funds, while avoiding the accumulation of unnecessarily high levels of cash over extended periods of time. The policy states the desire of the county to maintain a cash balance equating to not less than one-fourth of the operating and maintenance expenses for the year immediately preceding. The policy reflects management's intentions with regard to minimum cash or fund balances, consistent with covenants continued in the various, currently applicable revenue bond indentures, which covenants essentially refer to cash flows and cash balances when addressing fund requirements, fund balances, and debt service coverage, and other financial matters. According to the policy, the cash balance policy requirement for 2016 was \$11.7 million and the total cash balance of the water and sewer funds was \$54,431,591.

#### Independent Audit

Included in this report is the Julian & Grube, Incorporated unmodified opinion rendered on the County's basic financial statements as of and for the year ended December 31, 2016. An independent audit of the County's financial statements is part of the annual preparation of the CAFR. This annual independent audit continues to provide a review and comments which strengthen the County's accounting and budgetary controls.

### Long-Term Financial Planning

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

### GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Butler County for its comprehensive annual financial report for the year ended December 31, 2015. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

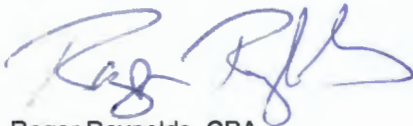
### Acknowledgments

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

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

It is the mission of the Auditor's office to bring a high level of professionalism to Butler County government and to better inform and educate its citizens. Through the issuance of this Comprehensive Annual Financial Report, the County remains accountable to the public, and the public trust with which we have been provided, is retained. This report provides a fair representation of the financial condition of the County as of and for the year ended December 31, 2016. We ask for your continuing support of this project and in our efforts to best serve the citizens of Butler County.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Roger Reynolds', is written over a light blue horizontal line.

Roger Reynolds, CPA  
Butler County Auditor



Government Finance Officers Association

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

Presented to

**Butler County  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO



BUTLER COUNTY, OHIO  
ELECTED OFFICIALS  
DECEMBER 31, 2016

---

Legislative and Executive Elected Officials

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

Judicial Elected Officials

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

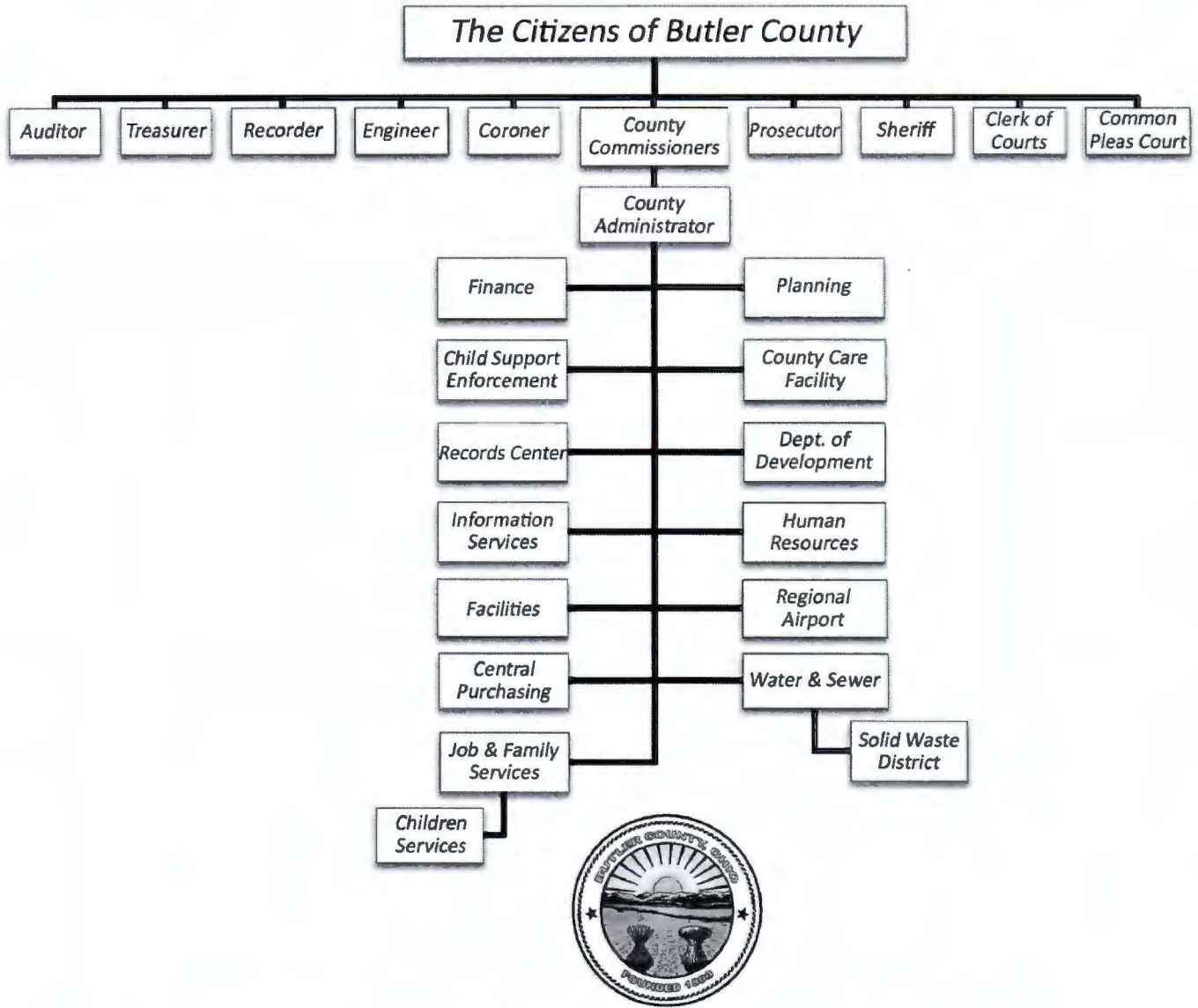
Public Safety Elected Officials

Sheriff	Richard Jones
Coroner	Lisa Mannix MD

Public Works Elected Officials

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



## EX Officio and Appointed Boards



## **Financial Section**

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# Julian & Grube, Inc.

*Serving Ohio Local Governments*

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

## Independent Auditor's Report

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of County Commissioners:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Butler County Port Authority, which represent 57.5 percent, 0.9 percent, and 5.2 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Butler County Port Authority, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

### ***Opinion***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general, developmental disabilities, job and family services/children services agency, and residential incentive districts and tax incremental financings funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Independent Auditor's Report  
Butler County

***Other Matters***

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

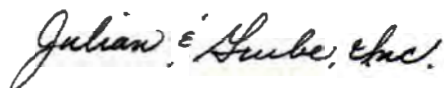
The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2017, on our consideration of Butler County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Butler County's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
June 28, 2017

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Unaudited)

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Management's Discussion and Analysis offers an introspective look at the finances of Butler County for the year ended December 31, 2016 and provides a readable overview of the County's financial performance. In addition to the information presented here, readers are also encouraged to review the transmittal letter, found on page iv, and the County's financial statements, beginning on page 15, for a more complete picture of Butler County's financial performance.

### Financial Highlights

Key financial highlights for 2016 are as follows:

- The overall financial position for Butler County's operating fund, the General Fund, increased by \$11.9 million in 2016. This increase was primarily due to sales tax revenue, increased investment earnings and building permits.
- At December 31, 2016, governmental funds ending balance of \$162.9 million was higher than the same balance one year ago. Increases can be attributed to an increase in sales tax revenue, license and permits, and payments in lieu of taxes. Total governmental funds expenditures decreased in 2016 by \$3.4 million due to lower expense cost for county development and aggressive cost cutting initiatives in 2016.
- At December 31, 2016, Butler County had a total of \$137.7 million (excluding premiums and discounts) in outstanding long-term debt, 10% lower than the prior year. Governmental activities accounted for \$49.5 million, while \$88.1 million helped fund business type activities.

### Overview of the Financial Statements

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

### Government-Wide Financial Statements

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

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

### Governmental Activities

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

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

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

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

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

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

Public Works-Intergovernmental- these expense lines represent dollars contributed by the County for infrastructure construction projects where the county will not own the asset upon completion and maintenance costs for county roads, bridges and culverts, according to the modified approach for infrastructure.

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

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

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

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

#### Business-type activities

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

#### Statement of Net Position

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

#### Statement of Activities

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

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

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

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



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

The government-wide financial statements begin on page 17 of this report.

Fund Financial Statements

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

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

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

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

Butler County maintains numerous individual governmental funds, the following of which are considered major funds: General, Developmental Disabilities, Job and Family Services/Children Services Agency and Residential Incentive Districts and Tax Incremental Financings. The basic governmental fund financial statements begin on page 20 of this report.

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

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

Internal service funds are used to account for the financing of services provided by one department to other departments in the county on a cost-reimbursement basis. The County uses internal service funds to account for its health insurance and workers' compensation. Since these programs mostly benefit governmental rather than business functions, they have been included in the governmental activities in the government-wide financial statements. The basic proprietary fund financial statements begin on page 31 of this report.

Fiduciary Funds -Fiduciary funds are used to account for assets held by the County as an agent for outside parties and are accounted for in a manner similar to proprietary funds. Fiduciary funds are not presented in the government-wide financial statements as their resources are not available to support the County's governmental or business-type activities. The basic fiduciary fund financial statements begin on page 35 of this report.

BUTLER COUNTY, OHIO  
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Notes to the Financial Statements

The notes to the financial statements are an integral part of the basic financial statements, providing additional important disclosures essential for a complete understanding of the financial data reported in the government-wide and fund financial statements. The notes to the financial statements begin on page 36 of this report.

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

**Government-Wide Financial Analysis**

The County recorded a \$28.9 million increase in total net position in 2016 due to governmental and business-type activities. Governmental activities increased \$20.0 million while business-type activities increased \$8.9 million. Capital assets are used to provide services to residents and do not represent assets that may be used for future spending.

Table 1  
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Assets</b>						
Current and Other Assets	\$ 303,303,733	\$ 287,669,528	\$ 60,346,777	\$ 55,654,250	\$ 363,650,510	\$ 343,323,778
Capital Assets, Net	371,437,913	375,073,358	310,271,486	316,994,837	681,709,399	692,068,195
<b>Total Assets</b>	<b>674,741,646</b>	<b>662,742,886</b>	<b>370,618,263</b>	<b>372,649,087</b>	<b>1,045,359,909</b>	<b>1,035,391,973</b>
<b>Deferred Outflows of Resources</b>						
Deferred Charges on Refunding	587,435	741,160	620,154	1,247,557	1,207,589	1,988,717
Pension	41,544,099	13,308,584	3,355,120	902,529	44,899,219	14,211,113
<b>Total Deferred Outflows on Resources</b>	<b>42,131,534</b>	<b>14,049,744</b>	<b>3,975,274</b>	<b>2,150,086</b>	<b>46,106,808</b>	<b>16,199,830</b>
<b>Liabilities</b>						
Current and Other Liabilities	18,499,506	28,078,960	2,723,017	5,523,871	21,222,523	33,602,831
<b>Long-Term Liabilities:</b>						
Due Within One Year	13,098,396	10,098,474	9,734,314	9,193,311	22,832,710	19,291,785
Due in More than One Year	77,656,163	90,225,039	81,559,843	91,091,241	159,216,006	181,316,280
Net Pension Liability	108,426,966	75,423,338	8,433,207	5,782,298	116,860,173	81,205,636
<b>Total Liabilities</b>	<b>217,681,031</b>	<b>203,825,811</b>	<b>102,450,381</b>	<b>111,590,721</b>	<b>320,131,412</b>	<b>315,416,532</b>
<b>Deferred Inflows of Resources</b>						
Deferred Gain/(Loss) on Refunding	95,308	107,222	-	-	95,308	107,222
Property Taxes	61,002,395	60,472,817	-	-	61,002,395	60,472,817
Payment In Lieu of Taxes	13,761,409	8,906,589	-	-	13,761,409	8,906,589
Pension	2,109,215	1,326,759	162,946	99,863	2,272,161	1,426,622
<b>Total Deferred Inflows</b>	<b>76,968,327</b>	<b>70,813,387</b>	<b>162,946</b>	<b>99,863</b>	<b>77,131,273</b>	<b>70,913,250</b>
<b>Net Position</b>						
Net Investment in Capital Assets	333,939,216	330,113,913	220,397,627	218,780,552	554,336,843	548,894,465
<b>Restricted:</b>						
Capital Projects	265,341	11,530,000	-	-	265,341	11,530,000
Debt Service	3,370,848	3,514,042	-	-	3,370,848	3,514,042
Replacement and Improvement	-	-	5,300,000	5,300,000	5,300,000	5,300,000
Other Purposes	125,224,488	126,155,406	-	-	125,224,488	126,155,406
Unrestricted (Deficit)	(40,576,071)	(69,159,929)	46,282,583	39,028,037	5,706,512	(30,131,892)
<b>Total Net Position</b>	<b>\$ 422,223,822</b>	<b>\$ 402,153,432</b>	<b>\$ 271,980,210</b>	<b>\$ 263,108,589</b>	<b>\$ 694,204,032</b>	<b>\$ 665,262,021</b>

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The net pension liability (NPL) is one of the largest liabilities reported by the County School District at December 31, 2016 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions –an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

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

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

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

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

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Total assets increased \$10.0 million in 2016 as shown in table 1. Current and other assets increased \$20.2 million in 2016, while capital assets net, saw a decrease of \$10.4 million as accumulated depreciation continues to exceed new asset acquisitions. Total liabilities increased \$4.7 million primarily due to an increase in net pension liability. Total deferred inflows of resources increased \$6.2 million due to an increase in the difference between expected an actual experience related to the net pension liability, also due to the New Pension Deferred Inflow from GASB 68, as well as increase in real estate tax receivables and payments in lieu of taxes in 2016.

**Governmental Activities:** Total governmental assets increased \$12.0 million in 2016. Current and other assets were increased \$15.6 million due primarily to an increase in the overall cash and cash equivalents in governmental activities. Capital assets net, displayed a decrease of \$3.7 million due to depreciation exceeding asset acquisitions from capital projects. Total liabilities saw an increase of \$13.9 million due primarily to an increase in net pension liability related to GASB 68.

The County's governmental program expenses exceeded program revenues in 2015 by \$110.5 million, and with an infusion of \$130.5 million of general revenues. Program revenues supporting governmental activities increased overall during 2016 to \$120.5 million. Charges for services increased \$2.0 million while operating grants, contributions, and interest were down \$1.1 million due to reductions in intergovernmental revenues. Capital grants, contributions, and interest program revenue increased \$1.4 million due primarily to a slight increase in federal dollars from the Ohio Department of Transportation for road projects.

In addition, expenses increased \$3.4 million in 2016, with the largest areas of increase being in public safety. These expense lines represent dollars contributed by the county for infrastructure construction projects where the county will not own the asset upon completion and maintenance costs for county roads, bridges and culverts, according to the modified approach for infrastructure.

General revenues decreased \$1.2 million in 2016. Sales tax revenues had the largest increase at \$2.1 million. In addition, other local taxes, grants and entitlements, payments in lieu of taxes, and investment earnings not restricted to specific programs and other revenues decreased \$4.1 million in 2016.

The significant increase in total deferred outflow of resources in 2016 was due to an increase in the difference between projected and actual earnings on investments related to the County's net pension liability for OPERS. The net pension liability increase represents the County's proportionate share of the OPERS traditional plan's unfunded benefits. As indicated above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability.

BUTLER COUNTY, OHIO  
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Table 2  
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 48,967,731	\$ 47,012,547	\$ 40,793,065	\$ 38,182,151	\$ 89,760,796	\$ 85,194,698
Operating Grants, Contributions and Interest	54,606,204	55,728,383	-	-	54,606,204	55,728,383
Capital Grants, Contributions and Interest	16,896,910	15,507,242	13,643,007	16,319,606	30,539,917	31,826,848
<b>Program Revenues Subtotal</b>	<b>120,470,845</b>	<b>118,248,172</b>	<b>54,436,072</b>	<b>54,501,757</b>	<b>174,906,917</b>	<b>172,749,929</b>
<b>General Revenues:</b>						
Property Taxes	61,367,819	61,386,518	-	-	61,367,819	61,386,518
Sales Taxes	43,916,843	41,852,127	-	-	43,916,843	41,852,127
Local Taxes	2,690,577	2,630,441	-	-	2,690,577	2,630,441
Payments in Lieu of Taxes	8,796,701	11,121,767	-	-	8,796,701	11,121,767
Grants and Entitlements Not Restricted to Specific Programs	9,903,298	11,646,619	-	-	9,903,298	11,646,619
Investment Earnings	1,937,439	2,021,819	270	3,192	1,937,709	2,025,011
Other	1,943,208	1,089,009	472,884	2,085,361	2,416,092	3,174,370
<b>General Revenues Subtotal</b>	<b>130,555,885</b>	<b>131,748,300</b>	<b>473,154</b>	<b>2,088,553</b>	<b>131,029,039</b>	<b>133,836,853</b>
<b>Total Revenues</b>	<b>\$ 251,026,730</b>	<b>\$ 249,996,472</b>	<b>\$ 54,909,226</b>	<b>\$ 56,590,310</b>	<b>\$ 305,935,956</b>	<b>\$ 306,586,782</b>

(Continued)

BUTLER COUNTY, OHIO  
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Table 2 (Continued)  
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program Expenses						
General Government:						
Legislative and Executive	\$ 29,065,148	\$ 27,378,605	\$ -	\$ -	\$ 29,065,148	\$ 27,378,605
Legislative and Executive - Intergovernmental	9,140,959	10,696,773			\$ 9,140,959	\$ 10,696,773
Judicial	15,551,668	14,062,880	-	-	15,551,668	14,062,880
Public Safety	54,284,890	48,837,270	-	-	54,284,890	48,837,270
Public Works	14,593,918	16,645,367	-	-	14,593,918	16,645,367
Public Works - Intergovernmental	-	2,072,738	-	-	-	2,072,738
Health	43,102,788	45,296,552	-	-	43,102,788	45,296,552
Human Services	62,614,766	60,022,447	-	-	62,614,766	60,022,447
Conservation and Recreation	417,809	485,924	-	-	417,809	485,924
Interest and Fiscal Charges	2,184,394	2,042,899	-	-	2,184,394	2,042,899
Sewer	-	-	22,774,378	24,241,026	22,774,378	24,241,026
Water	-	-	23,263,227	21,574,949	23,263,227	21,574,949
<b>Total Expenses</b>	<b>230,956,340</b>	<b>227,541,455</b>	<b>46,037,605</b>	<b>45,815,975</b>	<b>276,993,945</b>	<b>273,357,430</b>
Change in Net Position	20,070,390	22,455,017	8,871,621	10,774,335	28,942,011	33,229,352
Net Position at Beginning of Year	402,153,432	379,698,415	263,108,589	252,334,254	665,262,021	632,032,669
Net Positions at End of Year	\$ 422,223,822	\$ 402,153,432	\$ 271,980,210	\$ 263,108,589	\$ 694,204,032	\$ 665,262,021

**Business-Type Activities:** The County's sewer and water operations constitute the business-type activities. In 2016, the Water and Sewer combined funds net position increased \$8.9 million from 2015.

**Fund Analysis**

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

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

At year-end, the governmental funds combined ending fund balance of \$162.8 million was higher than the same balance just one year ago, a \$24.9 million increase overall. Total governmental fund expenditures decreased from \$237.6 million in 2015 to \$231.9 million in 2016.

The overall financial position for Butler County's operating fund, the General Fund, increased by \$11.9 million in 2016 primarily due to sales tax revenue, increased investment earnings and building permits. General Fund expenditures increased \$2.8 million in 2016 primarily due to public safety expenses for contracts with the City of Hamilton for County dispatch services as well as juvenile detention center costs. Legislative and Executive and Judicial expenses increased slightly from 2015. Transfers out decreased \$1.8 million as the General Fund contributed money to other funds primarily for matching grant dollars.

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The Butler County Developmental Disabilities (BCDD) Fund decreased \$.4 million in fund balance during 2016. Revenues and expenditures remained fairly consistent in 2016.

The Job and Family Services/Children Services Agency Fund experienced a decrease to expenditures in 2016 of \$1.6 million. Revenues remained flat at \$40.2 million in 2016. Job and Family Services/Children Services Agency Fund decreased expenditures in personnel costs in 2016. Expenditures were short of Revenue amounts by \$3.9 million in 2016.

The Residential Incentive Districts and Tax Incremental Financing Fund, revenues came in at \$13.8 million for 2016. Expenditures were \$9.1 million for 2016.

Only a portion of the \$162.8 million fund balance in the governmental funds is available for spending in next year's budget. This is referred to as restricted, committed and assigned fund balance, and at December 31, 2016, the restricted, committed, and assigned fund balances for the governmental funds had increased to \$130.5 million.

The nonspendable fund balance of \$5.1 million includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact such as prepaid items, materials and supplies inventory, loans receivable, trust funds and interfund loans. The assigned fund balance of \$2.7 million, consisting of encumbrances is intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed.

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

*Sewer Fund:* The Sewer Fund's \$34.5 million in current assets at the end of 2016, which is principally comprised of \$31.0 million in equity in pooled cash and cash equivalents, as compared with current liabilities of \$5.7 million at year-end, leaving a \$28.8 million safety margin of working capital (current assets less current liabilities) for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2016 were \$19.3 million, while operating expenses were \$21.1 million resulting in an operating loss of \$1.8 million for 2016. In comparing 2016 to 2015, depreciation and amortization expense continues to be the largest category and, for 2016, at \$10.2 million, remained fairly consistent. The next-largest category, personal services, comprising employees' salaries and fringe benefits, decreased slightly in 2016 from \$5.6 million in 2015 to \$5.5 million. Contractual services decreased slightly from \$4.8 million in 2015 to \$3.4 million in 2016, materials and supplies remained fairly consistent as well at \$1.3 million for 2016.

*Water Fund:* The Water Fund's current assets of \$20.4 million consisted largely of equity in pooled cash and cash equivalents at \$18.0 million. The current assets of \$20.4 million compared to current liabilities of \$6.6 million which leaves a safety margin of working capital of \$13.8 million for ongoing operations, additional debt service, and contingencies.

Operating revenues during 2016 were \$21.6 million. Operating expenses were \$21.1 million resulting in an operating income of \$.5 million for 2016. Contractual services made up the largest category of operating expenses at \$9.7 million for 2016, and represented an increase over 2015. Depreciation and amortization expense rose slightly to \$7.8 million. Personal services, comprised of employees' salaries and fringe benefits, increased slightly to \$2.6 million in 2016. Overall net position increased \$3.6 million as expenses were short of revenues in 2016.

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Unaudited)

**General Fund Budget Analysis**

Several events influenced the budgetary process and actual results for the year of 2016. The General Fund's final 2016 appropriation budget, at \$83.6 million excluding other financing uses, was 6.8% higher than the original appropriation budget. The final budget included an additional \$2.1 million for legislative and executive and an additional \$2.9 million for public safety. The increases in budget were due primarily to unexpected maintenance items, legal fees, a telephone system upgrade, the establishment of a centralized human resources department and negotiated salary and benefit increases. The General Fund final revenue budget increased from \$88.8 million to \$89.7 million. An increase of \$1.5 million in sales tax revenues as well as a \$0.5 million increase in license and permits contributed to the major changes in revenue. The remaining County General Fund final budget and actual items remained fairly consistent with original and final budget estimates.

**Capital Asset and Debt Administration**

**Capital Assets**

Capital assets include County owned land and easements, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles, infrastructure, water rights, water and sewer mains, and construction in progress. Butler County's total investment in capital assets for governmental and business-type activities (net of accumulated depreciation) amounts to \$681.7 million as of December 31, 2016. Table 3 contains a summary of capital assets as of December 31, 2016, compared to assets owned by the County at year-end 2015.

Butler County Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land and Easements	\$ 17,344,637	\$ 17,497,203	\$ 1,544,056	\$ 1,544,056	\$ 18,888,693	\$ 19,041,259
Land Improvements	7,262,630	7,548,565	688,196	814,712	7,950,826	8,363,277
Buildings and Improvements	60,990,129	64,626,616	79,116,605	82,019,992	140,106,734	146,646,608
Furniture, Fixtures and Equipment	33,403,124	36,031,437	26,047,014	28,154,341	59,450,138	64,185,778
Vehicles	2,927,951	3,045,403	207,053	68,532	3,135,004	3,113,935
Infrastructure	247,443,684	244,207,828	-	-	247,443,684	244,207,828
Water Rights	-	-	12,378,504	14,334,072	12,378,504	14,334,072
Water and Sewer Mains	-	-	181,497,026	184,643,866	181,497,026	184,643,866
Construction in Progress	2,065,758	2,116,306	8,793,032	5,415,266	10,858,790	7,531,572
<b>Total</b>	<b>\$ 371,437,913</b>	<b>\$ 375,073,358</b>	<b>\$ 310,271,486</b>	<b>\$ 316,994,837</b>	<b>\$ 681,709,399</b>	<b>\$ 692,068,195</b>

Significant capital asset activity (See Note 10) occurring during 2016 included the following:

Governmental activities capital assets decreased \$3.7 million from 2015 to 2016. Land and Easements remained the same as reported in 2015. Building improvements, and Furniture Fixtures and Equipment decreased as depreciation expense offset any asset additions in 2016. Infrastructure saw an increase due to activity in 2016 related to a variety of construction projects including improvements to Cincinnati Dayton and Liberty Fairfield Road.

Business-Type Activities capital assets decreased \$6.7 million in 2016. All asset categories other than Land, and Furniture, Fixtures and Equipment decreased as depreciation expense offset any asset additions in 2016. Construction in progress increased \$3.4 million with the addition of new projects such as the Williamsdale and Carthel Sewer projects. In addition, water projects included Polybutylene Service Line replacements.



BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Infrastructure Assets:** Infrastructure assets refer to county roads, bridges, and culverts, and are reported in the governmental activities. Butler County, through the Engineer's Office, maintains an infrastructure asset system that incorporates the "modified approach" method of reporting infrastructure as provided for in Governmental Accounting Standards Board Statement No. 34. Under the modified approach, the County does not use historical cost-based depreciation as a measure of the cost of use for infrastructure assets. Instead, all expenditures made for infrastructure assets that preserve the useful life of the assets are expensed during the year incurred. Expenditures that increase the capacity or efficiency of the infrastructure assets (additions or improvements) are capitalized. The County ensures that infrastructure assets are being preserved at, or above, previously established condition-levels by performing periodic conditional assessments of the infrastructure. Based on these assessment findings, a budget is prepared for the maintenance and repair of these assets. During 2016, the County budgeted \$3.2 million for roads, \$2.0 million for bridges and \$0.01 million for culvert improvements.

Butler County manages its roadway system through the performance of three year conditional assessments, using factors such as age of pavement, surface condition and traffic volume and type. Roads are assigned a pavement rating based on a scale of one to four, with one being excellent and four being poor. It is the County's policy to maintain the county roadway system where at least 90% of the roads have a rating of three (3) or better. A fifteen-year paving plan is developed in order to keep the County's roads at condition levels established per policy. Actual maintenance spending on county roads in 2016 was \$3.2 million and the most recent roadway system assessment (2014) indicates that 95% of county roads are currently assessed at a rating of three or better.

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

It is the policy of the County Engineer to maintain the bridges such that 85% of the structures have a General Appraisal rating of five (5 - Fair) or better. The County spent \$2.0 million in 2016 to maintain the bridges and the most recent bridge system assessment (2014) indicates that 92% of County bridges are currently assessed at a rating of five or better.

The Engineer inspects culverts on a three year basis, and conditional assessments are given based on a rating scale of one to four, with one meaning the culvert is in good condition and does not require repair, while a four rating means the culvert is in critical condition and is no longer functioning as designed. It is the policy of the County Engineer to maintain 75% of the culverts in a condition of two (2 - Fair) or better. The County spent \$0.01 million in 2016 to maintain culverts and the most recent culvert system assessment (2016) indicates that 78% of the culverts are currently assessed at a rating of two or better. Additional information regarding capital assets can be found in Note 10 to the financial statements and the Required Supplementary Information on page 98 for additional infrastructure information.

### **Long-Term Debt**

At December 31, 2016, Butler County had a total of \$137.7 million (excluding premiums and discounts) in outstanding long-term debt, 10% lower than the prior year. Funded governmental activities accounted for \$49.6 million, while \$88.1 million helped fund business type activities. Governmental activities long-term debt dropped \$5.9 million due to scheduled maturities. Business-type activities long-term debt decreased by \$8.7 million during 2016 due to the difference between scheduled maturity payments, as well as the issuance of additional loans for the Lesourdsville, Polybutylene, and Liberty-Fairfield Water Main projects.

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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(Unaudited)

Table 4  
Butler County Outstanding Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$ 42,445,000	\$ 47,260,000	\$ 5,710,420	\$ 6,494,900	\$ 48,155,420	\$ 53,754,900
Special Assessment debt with governmental commitment	5,745,340	6,677,850	-	-	5,745,340	6,677,850
Long-term Loans	1,403,456	1,527,744	28,950,821	30,040,388	30,354,277	31,568,132
Revenue Bonds	-	-	32,869,190	38,063,850	32,869,190	38,063,850
Water Judgment Bonds	-	-	20,595,000	22,185,000	20,595,000	22,185,000
Capital Leases	-	11,613	-	3,291	-	14,904
<b>Total</b>	<b>\$ 49,593,796</b>	<b>\$ 55,477,207</b>	<b>\$ 88,125,431</b>	<b>\$ 96,787,429</b>	<b>\$ 137,719,227</b>	<b>\$ 152,264,636</b>

The County's long-term debt consisted of \$74.5 million in obligations backed by the full faith and credit of Butler County, including \$48.2 million in general obligation bonds, \$20.6 million in water judgment bonds, and \$5.7 million in special assessment bonds, for which Butler County is liable in case of default of the property owners subject to the assessment. A total of \$63.2 million of the total outstanding debt represent bonds secured by specified revenue sources, including water and sewer revenues, and sales tax revenues.

Ohio law, through its direct and indirect debt limitations, restricts the amount of debt the County may issue. The County's total direct debt limit at December 31, 2016 was \$184.8 million and the legal debt margin (debt limit minus net debt) was \$167.8 million. The County's unvoted direct debt limit was \$74.5 million and the unvoted direct debt margin was \$57.5 million. The debt margins for total debt and unvoted debt reflect a slight increase over the previous year due to reductions in general obligation bonds and notes.

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

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

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

Besides the long-term bonds outstanding, the County also is liable for other long-term obligations in the form of capital leases payable, claims payable, compensated absences payable and long term contracts payable. Governmental activities capital leases had been paid off to a zero balance at year-end, for various equipment and vehicles throughout the County. Claims payable at year-end was \$3.6 million representing outstanding workers' compensation claims against the County. Compensated absences payable at year-end was \$8.3 million for governmental activities and \$0.8 million for business-type activities. The total liability for capital leases, claims, and compensated absences payable for governmental and business-type activities was \$12.7 million at December 31, 2016.

Contracts payable represent long term agreements for the payment of bonds issued by the Butler County Transportation Improvement District and the Butler County Port Authority for economic growth. The County has pledged revenues from the Voice of America TIF as one of the primary sources of revenue for these securities. The liability remaining at the end of 2016 for these contracts is \$27.1 million. Additional information about the County's long-term obligations can be found in Note 17 to the financial statements.

BUTLER COUNTY, OHIO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(Unaudited)

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**Economic and Other Potentially Significant Matters**

Butler County continues to receive inquiries from potential businesses looking at developing or relocating to Butler County. University Pointe and West Chester Hospital, which opened in 2009, have drawn dozens of medical-related facilities to the uptown area. In addition, Steiner and Associates completed phase I construction in Butler County for a \$300 million mixed-use development that was built near the intersection of Interstate 75 and Ohio 129 in Liberty Township..

**Requests for Information**

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

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Butler County, Ohio  
Statement of Net Position  
December 31, 2016

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 170,134,049	\$ 54,431,091	\$ 224,565,140	\$ 982,840
Cash and Cash Equivalents:				
In Segregated Accounts	5,139	500	5,639	-
With Fiscal Agents	345,716	-	345,716	1,526,242
Accounts Receivable	558,916	4,146,740	4,705,656	9,068
Facility Charges Receivable	-	-	-	88,925
Due from Other Governments	30,907,843	664,957	31,572,800	339,762
Accrued Interest Receivable	457,657	-	457,657	-
Prepaid Items	2,080,185	174,535	2,254,720	8,745
Internal Balances	1,663	(1,663)	-	-
Materials and Supplies Inventory	1,323,982	239,028	1,563,010	-
Property Taxes Receivable	62,962,602	-	62,962,602	-
Sales Tax Receivable	11,440,030	-	11,440,030	-
Other Local Taxes Receivable	281,094	-	281,094	-
Payments in Lieu of Taxes Receivable	13,853,767	-	13,853,767	-
Loans Receivable	662,503	-	662,503	-
Special Assessments Receivable	8,288,587	691,589	8,980,176	-
Receivables from Conduit Debt Recipients	-	-	-	61,453,480
Assets Held for Resale	-	-	-	475,624
Capital Assets:				
Nondepreciable Capital Assets	266,854,079	10,337,088	277,191,167	2,333,662
Depreciable Capital Assets, net	104,583,834	299,934,398	404,518,232	39,873,865
Total Assets	674,741,646	370,618,263	1,045,359,909	107,092,213
<b>Deferred Outflows of Resources</b>				
Deferred Charge on Refunding Pension	587,435	620,154	1,207,589	-
Total Deferred Outflows of Resources	41,544,099	3,355,120	44,899,219	-
	42,131,534	3,975,274	46,106,808	-
<b>Liabilities</b>				
Accounts Payable	707,996	178,296	886,292	15,556
Contracts Payable	4,224,048	144,753	4,368,801	227,250
Accrued Wages and Benefits	2,320,775	154,172	2,474,947	-
Due to Other Governments	594,239	1,325,234	1,919,473	-
Matured Bonds Payable	13,250	-	13,250	-
Matured Interest Payable	5,543	-	5,543	-
Accrued Interest Payable	718,655	785,077	1,503,732	96,347
Notes Payable	9,915,000	-	9,915,000	-
Refundable Deposits	-	135,485	135,485	-
Unearned Revenue	-	-	-	246,763
Long-Term Liabilities:				
Due Within One Year	13,098,396	9,734,314	22,832,710	335,000
Due In More Than One Year:				
Net Pension Liability (See Note 12)	108,426,966	8,433,207	116,860,173	-
Other Amounts	77,656,163	81,559,843	159,216,006	96,235,434
Total Liabilities	217,681,031	102,450,381	320,131,412	97,156,350
<b>Deferred Inflows of Resources</b>				
Deferred Gain on Refunding	95,308	-	95,308	-
Property Taxes not Levied to Finance Current Year Operations	61,002,395	-	61,002,395	-
Payment in Lieu of Taxes not Intended to Finance Current Year Operations	13,761,409	-	13,761,409	-
Pension	2,109,215	162,946	2,272,161	-
Total Deferred Inflows of Resources	76,968,327	162,946	77,131,273	-
<b>Net Position</b>				
Net Investment in Capital Assets	333,939,216	220,397,627	554,336,843	11,848,874
Restricted for:				
Capital Outlay	265,341	-	265,341	-
Debt Service	3,370,848	-	3,370,848	-
Replacement and Improvement	-	5,300,000	5,300,000	-
Developmental Disabilities	34,032,042	-	34,032,042	-
Nonexpendable	956,975	-	956,975	-
Expendable:	90,658	-	90,658	-
Job and Family/Children Services Agency	15,946,475	-	15,946,475	-
Elderly Services Levy	11,465,697	-	11,465,697	-
Mental Health and Addiction Recovery Services	18,244,172	-	18,244,172	-
Motor Vehicle	18,213,076	-	18,213,076	-
All Other Public Works	16,543,040	-	16,543,040	-
Other Purposes	9,732,353	-	9,732,353	-
Unrestricted (Deficit)	(40,576,071)	46,282,583	5,706,512	(1,913,011)
Total Net Position	\$ 422,223,822	\$ 271,980,210	\$ 694,204,032	\$ 9,935,863

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2016**

	Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest
Governmental Activities			
General Government:			
Legislative and Executive	\$ 29,065,148	\$ 20,379,167	\$ -
Legislative and Executive - Intergovernmental	9,140,959	-	-
Judicial	15,551,668	5,262,550	2,035,204
Public Safety	54,284,890	16,312,060	5,601,854
Public Works	14,593,918	1,751,860	4,128,454
Health	43,102,788	350,373	12,539,220
Human Services	62,614,766	4,870,985	30,301,472
Conservation and Recreation	417,809	40,736	-
Interest and Fiscal Charges	2,184,394	-	-
Total Governmental Activities	<u>230,956,340</u>	<u>48,967,731</u>	<u>54,606,204</u>
Business-Type Activities			
Sewer	22,774,378	19,199,522	-
Water	23,263,227	21,593,543	-
Total Business-Type Activities	<u>46,037,605</u>	<u>40,793,065</u>	<u>-</u>
Total Primary Government	<u>\$ 276,993,945</u>	<u>\$ 89,760,796</u>	<u>\$ 54,606,204</u>
Component Units	<u>\$ 6,607,961</u>	<u>\$ 122,548</u>	<u>\$ 2,264,971</u>

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

Change in Net Position

Net Position at Beginning of Year-Restated(See Note 25)

Net Position at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Capital Grants, Contributions, and Interest	Governmental Activities	Business-Type Activities	Total	Component Units
\$ -	\$ (8,685,981)	\$ -	\$ (8,685,981)	\$ -
-	(9,140,959)	-	(9,140,959)	-
-	(8,253,914)	-	(8,253,914)	-
233,381	(32,137,595)	-	(32,137,595)	-
16,663,529	7,949,925	-	7,949,925	-
-	(30,213,195)	-	(30,213,195)	-
-	(27,442,309)	-	(27,442,309)	-
-	(377,073)	-	(377,073)	-
-	(2,184,394)	-	(2,184,394)	-
<u>16,896,910</u>	<u>(110,485,495)</u>	<u>-</u>	<u>(110,485,495)</u>	<u>-</u>
8,639,941	-	5,065,085	5,065,085	-
5,003,066	-	3,333,382	3,333,382	-
<u>13,643,007</u>	<u>-</u>	<u>8,398,467</u>	<u>8,398,467</u>	<u>-</u>
<u>\$ 30,539,917</u>	<u>(110,485,495)</u>	<u>8,398,467</u>	<u>(102,087,028)</u>	<u>-</u>
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,220,442)</u>
	12,728,340	-	12,728,340	-
	18,309,413	-	18,309,413	-
	13,237,893	-	13,237,893	-
	8,487,542	-	8,487,542	-
	8,604,631	-	8,604,631	-
	43,916,843	-	43,916,843	-
	2,690,577	-	2,690,577	-
	8,796,701	-	8,796,701	-
	9,903,298	-	9,903,298	170,781
	1,937,439	270	1,937,709	-
	1,943,208	472,884	2,416,092	-
	<u>130,555,885</u>	<u>473,154</u>	<u>131,029,039</u>	<u>170,781</u>
	20,070,390	8,871,621	28,942,011	(4,049,661)
	<u>402,153,432</u>	<u>263,108,589</u>	<u>665,262,021</u>	<u>13,985,524</u>
<u>\$ 422,223,822</u>	<u>\$ 271,980,210</u>	<u>\$ 694,204,032</u>	<u>\$ 9,935,863</u>	

**Butler County, Ohio**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2016**

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Residential Incentive Districts and Tax Incremental Financings
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 37,638,751	\$ 32,012,330	\$ 7,797,010	\$ 11,874,231
Cash and Cash Equivalents:				
In Segregated Accounts	1,599	-	-	-
With Fiscal Agents	-	77,823	-	-
Receivables:				
Property Taxes	13,043,747	18,808,944	13,558,826	-
Sales Taxes	11,440,030	-	-	-
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	13,853,767
Accounts	13,225	-	-	-
Due from Other Governments	6,642,887	2,668,995	9,613,406	-
Accrued Interest	457,657	-	-	-
Special Assessments	-	-	-	-
Loans	124,422	-	-	-
Due from Other Funds	57,644	-	-	-
Prepaid Items	596,531	27,043	37,110	-
Materials and Supplies Inventory	139,520	22,059	4,858	-
Advances to Other Funds	1,266,753	-	-	-
<b>Total Assets</b>	<b>\$ 71,422,766</b>	<b>\$ 53,617,194</b>	<b>\$ 31,011,210</b>	<b>\$ 25,727,998</b>
<b>Liabilities</b>				
Accounts Payable	\$ 569,375	\$ 39,566	\$ 57,912	\$ -
Contracts Payable	998,616	296,261	671,811	-
Accrued Wages and Benefits Payable	1,054,554	205,931	313,603	-
Due to Other Funds	-	-	17,102	-
Due to Other Governments	387,040	143,622	11,566	2,960
Advances from Other Funds	-	-	-	-
Matured Bonds Payable	-	-	-	-
Matured Interest Payable	-	-	-	-
Accrued Interest Payable	-	-	-	-
Notes Payable	-	-	-	-
<b>Total Liabilities</b>	<b>3,009,585</b>	<b>685,380</b>	<b>1,071,994</b>	<b>2,960</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes not Levied to Finance the Current Year Operations	12,656,546	18,203,942	13,155,491	-
Payment in Lieu of Taxes not Levied to Finance the Current Year Operations	-	-	-	13,761,409
Unavailable Revenue	13,418,066	2,787,433	7,166,463	92,358
<b>Total Deferred Inflows of Resources</b>	<b>26,074,612</b>	<b>20,991,375</b>	<b>20,321,954</b>	<b>13,853,767</b>
<b>Fund Balances</b>				
Nonspendable	2,127,226	49,102	41,968	-
Restricted	-	31,891,337	9,575,294	11,871,271
Assigned	2,680,105	-	-	-
Unassigned (Deficit)	37,531,238	-	-	-
<b>Total Fund Balances</b>	<b>42,338,569</b>	<b>31,940,439</b>	<b>9,617,262</b>	<b>11,871,271</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 71,422,766</b>	<b>\$ 53,617,194</b>	<b>\$ 31,011,210</b>	<b>\$ 25,727,998</b>

See accompanying notes to the basic financial statements



Non Major Governmental Funds	Total Governmental Funds
\$ 76,176,116	\$ 165,498,438
3,540	5,139
-	77,823
17,551,085	62,962,602
-	11,440,030
281,094	281,094
-	13,853,767
545,691	558,916
11,982,555	30,907,843
-	457,657
8,288,587	8,288,587
538,081	662,503
-	57,644
255,738	916,422
1,157,545	1,323,982
-	1,266,753
<u>\$ 116,780,032</u>	<u>\$ 298,559,200</u>
\$ 41,143	\$ 707,996
2,257,360	4,224,048
741,546	2,315,634
38,879	55,981
49,051	594,239
1,266,753	1,266,753
13,250	13,250
5,543	5,543
32,353	32,353
9,915,000	9,915,000
<u>14,360,878</u>	<u>19,130,797</u>
16,986,416	61,002,395
-	13,761,409
<del>18,385,039</del>	<del>41,849,359</del>
<u>35,371,455</u>	<u>116,613,163</u>
2,908,339	5,126,635
74,411,222	127,749,124
-	2,680,105
<u>(10,271,862)</u>	<u>27,259,376</u>
<u>67,047,699</u>	<u>162,815,240</u>
<u>\$ 116,780,032</u>	<u>\$ 298,559,200</u>

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**Butler County, Ohio**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Position of Governmental Activities**  
**December 31, 2016**

Total Governmental Fund Balances		\$162,815,240
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	17,344,637	
Infrastructure	247,443,684	
Construction in progress	2,065,758	
Depreciable capital assets	228,386,921	
Accumulated depreciation	<u>(123,803,087)</u>	
Total capital assets		371,437,913
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
		2,404,071
Some of the County's revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	1,960,207	
Delinquent Revenue in Lieu of Taxes	92,358	
Sales Taxes	7,902,407	
Special Assessments	8,288,587	
Due From Other Governments	21,151,056	
Charges for Services	1,856,438	
Interest Revenue	310,269	
Other	<u>288,037</u>	
Total		41,849,359
Deferred Outflows of Resources represent deferred charges on refundings which do not provide current financial resources and therefore are not reported in the funds.		
		587,435
Deferred Inflows of Resources represent deferred gains on refundings which do not provide current financial resources and therefore are not reported in the funds.		
		(95,308)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	41,544,099	
Deferred Inflows - Pension	(2,109,215)	
Net Pension Liability	<u>(108,426,966)</u>	
		(68,992,082)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Accrued interest on bonds	(686,302)	
Bonds	(50,403,457)	
Loans	(1,403,456)	
Long Term Contracts Payable	(27,067,793)	
Compensated absences	<u>(8,221,798)</u>	
Total		(87,782,806)
Net Position of Governmental Activities		<u>\$422,223,822</u>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2016**

	General	Developmental Disabilities	Job and Family Services/Children Services Agency	Residential Incentive Districts and Tax Incremental Financings
<b>Revenues</b>				
Property Taxes	\$ 12,747,268	\$ 18,338,988	\$ 13,257,609	\$ -
Sales Taxes	43,896,978	-	-	-
Other Local Taxes	-	-	-	-
Charges for Services	20,390,770	31,327	-	-
Licenses and Permits	2,755,788	-	-	-
Fines and Forfeitures	1,131,888	-	-	-
Intergovernmental	11,049,480	9,499,830	26,726,731	4,964,008
Special Assessments	-	-	-	-
Payments in Lieu of Taxes	-	-	-	8,799,306
Investment Earnings	1,331,154	-	-	-
Other	531,132	5,986	172,790	-
<b>Total Revenues</b>	<u>93,834,458</u>	<u>27,876,131</u>	<u>40,157,130</u>	<u>13,763,314</u>
<b>Expenditures</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative and Executive	20,303,942	-	-	-
Legislative and Executive - Intergovernmental	-	-	-	9,140,959
Judicial	12,610,364	-	-	-
Public Safety	36,878,262	-	-	-
Public Works	191,763	-	-	-
Health	581,880	28,227,781	-	-
Human Services	1,763,032	-	36,287,430	-
Conservation and Recreation	383,970	-	-	-
Capital Outlay	-	-	-	-
<b>Debt Service:</b>				
Principal Retirement	743	-	7,649	-
Interest and Fiscal Charges	65	-	893	-
<b>Total Expenditures</b>	<u>72,714,021</u>	<u>28,227,781</u>	<u>36,295,972</u>	<u>9,140,959</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>21,120,437</u>	<u>(351,650)</u>	<u>3,861,158</u>	<u>4,622,355</u>
<b>Other Financing Sources (Uses):</b>				
Transfers - In	1,250,000	-	804,003	-
Transfers - Out	(10,496,262)	-	-	(1,536,322)
<b>Total Other Financing Sources (Uses)</b>	<u>(9,246,262)</u>	<u>-</u>	<u>804,003</u>	<u>(1,536,322)</u>
<b>Net Change in Fund Balance</b>	11,874,175	(351,650)	4,665,161	3,086,033
<b>Fund Balances at Beginning of Year</b>	<u>30,464,394</u>	<u>32,292,089</u>	<u>4,952,101</u>	<u>8,785,238</u>
<b>Fund Balances at End of Year</b>	<u>\$ 42,338,569</u>	<u>\$ 31,940,439</u>	<u>\$ 9,617,262</u>	<u>\$ 11,871,271</u>

See accompanying notes to the basic financial statements

Non Major Governmental Funds	Total Governmental Funds
\$ 17,119,775	\$ 61,463,640
-	43,896,978
2,690,577	2,690,577
21,720,436	42,142,533
1,042,300	3,798,088
761,883	1,893,771
34,135,314	86,375,363
2,144,839	2,144,839
-	8,799,306
530,669	1,861,823
959,473	1,669,381
<u>81,105,266</u>	<u>256,736,299</u>

5,514,344	25,818,286
-	9,140,959
2,087,225	14,697,589
12,567,660	49,445,922
21,686,313	21,878,076
12,691,568	41,501,229
22,608,743	60,659,205
33,839	417,809
211,050	211,050
5,875,019	5,883,411
2,252,019	2,252,977
<u>85,527,780</u>	<u>231,906,513</u>

<u>(4,422,514)</u>	<u>24,829,786</u>
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11,228,581	13,282,584
<u>(1,250,000)</u>	<u>(13,282,584)</u>
<u>9,978,581</u>	<u>-</u>

5,556,067	24,829,786
<u>61,491,632</u>	<u>137,985,454</u>
<u>\$ 67,047,699</u>	<u>\$ 162,815,240</u>

**Butler County, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2016**

Net Change in Fund Balances - Total Governmental Funds		\$24,829,786
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital Asset Additions	5,305,426	
Current Year Depreciation	<u>(7,845,770)</u>	(2,540,344)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
Loss on Disposal of Capital Assets		(1,095,101)
Because some revenues will not be collected for several months after the County's year end, they are not considered "available" revenues and are deferred in the governmental funds.		
Delinquent Property Taxes	(95,821)	
Sales Taxes	19,865	
Payment in Lieu of Taxes	(2,605)	
Due From Other Governments	(7,034,013)	
Special Assessments	(79,777)	
Charges for Services	1,133,339	
Other	273,827	
Interest Revenue	<u>75,616</u>	(5,709,569)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond principal retirement	4,815,000	
Special assessment principal retirement	932,510	
Loan principal retirement	124,288	
Capital lease payments	<u>11,613</u>	
Total long-term debt repayment		5,883,411
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest	(182,563)	
Amortization of Gain/Loss on Refunding	(141,811)	
Amortization of Bond Premiums/Discounts	<u>392,957</u>	
Total		68,583
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		9,575,442
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(15,126,011)
Some items reported in the statement of activities do not require the expenditures in governmental funds. These activities consist of:		
Compensated Absences	(628,205)	
Long Term Contracts Payable	<u>4,577,292</u>	3,949,087
The internal service funds used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.		
		235,106
Change in Net Position of Governmental Activities		<u>\$20,070,390</u>

See accompanying notes to the basic financial statements

Butler County, Ohio  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Budget Basis)  
General Fund  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 12,679,500	\$ 12,679,500	\$ 12,773,674	\$ 94,174
Sales Taxes	42,367,000	42,367,000	43,889,639	1,522,639
Charges for Services	18,356,103	18,306,003	19,740,189	1,434,186
Licenses and Permits	2,270,050	2,270,050	2,755,788	485,738
Fines and Forfeitures	1,243,300	1,243,300	1,142,454	(100,846)
Intergovernmental	10,054,775	10,605,239	10,682,962	77,723
Interest	1,300,000	1,300,000	2,049,476	749,476
Other	485,215	911,476	895,697	(15,779)
<b>Total Revenues</b>	<b>88,755,943</b>	<b>89,682,568</b>	<b>93,929,879</b>	<b>4,247,311</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative and Executive	23,927,777	26,049,090	24,711,023	1,338,067
Judicial	13,217,807	13,409,158	12,700,550	708,608
Public Safety	37,781,760	40,657,551	39,424,527	1,233,024
Public Works	205,154	205,154	201,258	3,896
Health	739,328	771,961	770,711	1,250
Human Services	1,919,677	2,023,719	1,915,689	108,030
Conservation and Recreation	444,216	444,216	441,811	2,405
<b>Debt Service:</b>				
Principal Retirement	831	831	831	-
Interest and Fiscal Charges	77	77	77	-
<b>Total Expenditures</b>	<b>78,236,627</b>	<b>83,561,757</b>	<b>80,166,477</b>	<b>3,395,280</b>
<b>Excess of Revenues Over Expenditures</b>	<b>10,519,316</b>	<b>6,120,811</b>	<b>13,763,402</b>	<b>7,642,591</b>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	2,742,466	2,732,466	3,233,845	501,379
Advances - In	500,000	500,000	17,490	(482,510)
Advances - Out	(450,000)	(450,000)	(339,405)	110,595
Transfers - In	1,100,000	1,100,000	1,250,000	150,000
Transfers - Out	(14,412,784)	(12,788,441)	(10,496,262)	2,292,179
<b>Total Other Financing Sources (Uses)</b>	<b>(10,520,318)</b>	<b>(8,905,975)</b>	<b>(6,334,332)</b>	<b>2,571,643</b>
<b>Net Change in Fund Balance</b>	<b>(1,002)</b>	<b>(2,785,164)</b>	<b>7,429,070</b>	<b>10,214,234</b>
Fund Balance at Beginning of Year	27,292,666	27,292,666	27,292,666	-
Prior Year Encumbrances Appropriated	1,399,831	1,399,831	1,399,831	-
<b>Fund Balance at End of Year</b>	<b>\$ 28,691,495</b>	<b>\$ 25,907,333</b>	<b>\$ 36,121,567</b>	<b>\$ 10,214,234</b>

See accompanying notes to the basic financial statements.

**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Developmental Disabilities Fund**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 18,000,000	\$ 18,000,000	\$ 18,378,894	\$ 378,894
Charges for Services	20,500	20,500	31,327	10,827
Intergovernmental	7,629,380	8,573,380	9,343,872	770,492
Other	447,000	3,000	5,986	2,986
<b>Total Revenues</b>	<b>26,096,880</b>	<b>26,596,880</b>	<b>27,760,079</b>	<b>1,163,199</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Health	30,653,897	31,083,371	29,402,865	1,680,506
<b>Excess of Revenues Under Expenditures</b>	<b>(4,557,017)</b>	<b>(4,486,491)</b>	<b>(1,642,786)</b>	<b>2,843,705</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	64,000	64,000	55,708	(8,292)
<b>Net Change in Fund Balance</b>	<b>(4,493,017)</b>	<b>(4,422,491)</b>	<b>(1,587,078)</b>	<b>2,835,413</b>
Fund Balance at Beginning of Year	31,956,335	31,956,335	31,956,335	-
Prior Year Encumbrances Appropriated	576,973	576,973	576,973	-
<b>Fund Balance at End of Year</b>	<b>\$ 28,040,291</b>	<b>\$ 28,110,817</b>	<b>\$ 30,946,230</b>	<b>\$ 2,835,413</b>

See accompanying notes to the basic financial statements



**Butler County, Ohio**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Budget Basis)**  
**Job and Family Services/Children Services Agency Fund**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 13,000,000	\$ 13,000,000	\$ 13,285,360	\$ 285,360
Intergovernmental	25,493,489	25,896,130	24,794,055	(1,102,075)
Other	975,501	573,692	172,790	(400,902)
Total Revenues	<u>39,468,990</u>	<u>39,469,822</u>	<u>38,252,205</u>	<u>(1,217,617)</u>
Expenditures:				
Current:				
Human Services	46,398,786	47,360,750	41,943,242	5,417,508
Debt Service:				
Principal Retirement	8,600	8,339	8,339	-
Interest and Fiscal Charges	300	922	893	29
Total Expenditures	<u>46,407,686</u>	<u>47,370,011</u>	<u>41,952,474</u>	<u>5,417,537</u>
Excess of Revenues Over (Under) Expenditures	<u>(6,938,696)</u>	<u>(7,900,189)</u>	<u>(3,700,269)</u>	<u>4,199,920</u>
Other Financing Sources:				
Other Financing Sources	3,992,517	847,324	1,088,100	240,776
Transfers - In	798,714	798,714	804,003	5,289
Total Other Financing Sources	<u>4,791,231</u>	<u>1,646,038</u>	<u>1,892,103</u>	<u>246,065</u>
Net Change in Fund Balance	(2,147,465)	(6,254,151)	(1,808,166)	4,445,985
Fund Balance at Beginning of Year	5,560,443	5,560,443	5,560,443	-
Prior Year Encumbrances Appropriated	1,063,437	1,063,437	1,063,437	-
Fund Balance at End of Year	<u>\$ 4,476,415</u>	<u>\$ 369,729</u>	<u>\$ 4,815,714</u>	<u>\$ 4,445,985</u>

See accompanying notes to the basic financial statements

Butler County, Ohio  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Budget Basis)  
Residential Incentive Districts and Tax Incremental Financings Fund  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,375,099	\$ 2,375,099
Payments in Lieu of Taxes	7,751,281	7,489,002	8,799,306	1,310,304
Total Revenues	<u>7,751,281</u>	<u>7,489,002</u>	<u>11,174,405</u>	<u>3,685,403</u>
Expenditures:				
Current:				
Intergovernmental	<u>6,182,397</u>	<u>10,466,033</u>	<u>9,522,384</u>	<u>943,649</u>
Excess of Revenues Over (Under) Expenditures	1,568,884	(2,977,031)	1,652,021	4,629,052
Other Financing Sources (Uses):				
Other Financing Sources	-	-	2,591,869	2,591,869
Transfers - Out	(1,588,884)	(1,700,346)	(1,536,322)	164,024
Total Other Financing Sources (Uses)	<u>(1,588,884)</u>	<u>(1,700,346)</u>	<u>1,055,547</u>	<u>2,755,893</u>
Net Change in Fund Balance	(20,000)	(4,677,377)	2,707,568	7,384,945
Fund Balance at Beginning of Year	8,790,268	8,790,268	8,790,268	-
Fund Balance at End of Year	<u>\$ 8,770,268</u>	<u>\$ 4,112,891</u>	<u>\$ 11,497,836</u>	<u>\$ 7,384,945</u>

See accompanying notes to the basic financial statements

Butler County, Ohio  
Statement of Fund Net Position  
Proprietary Funds  
December 31, 2016

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Total	
<b>Assets</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 31,005,356	\$ 17,990,250	\$ 48,995,606	\$ 4,635,611
Cash and Cash Equivalents in Segregated Accounts	250	250	500	-
Cash and Cash Equivalents with Fiscal Agent	-	-	-	267,893
Receivables:				
Accounts	2,158,701	1,988,039	4,146,740	-
Due from Other Governments	664,957	-	664,957	-
Special Assessments	482,894	208,695	691,589	-
Prepaid Items	90,446	84,089	174,535	1,163,763
Materials and Supplies Inventory	124,857	114,171	239,028	-
<b>Total Current Assets</b>	<b>34,527,461</b>	<b>20,385,494</b>	<b>54,912,955</b>	<b>6,067,267</b>
<b>Noncurrent Assets</b>				
Non-Depreciable Capital Assets	8,846,038	1,491,050	10,337,088	-
Depreciable Capital Assets	182,621,311	117,313,092	299,934,403	-
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	4,000,000	1,435,485	5,435,485	-
<b>Total Noncurrent Assets</b>	<b>195,467,349</b>	<b>120,239,627</b>	<b>315,706,976</b>	<b>-</b>
<b>Total Assets</b>	<b>229,994,810</b>	<b>140,625,121</b>	<b>370,619,931</b>	<b>6,067,267</b>
<b>Deferred Outflows of Resources</b>				
Deferred Charges on Refunding	169,177	450,977	620,154	-
Pension	2,396,514	958,606	3,355,120	-
<b>Total Deferred Outflows of Resources</b>	<b>2,565,691</b>	<b>1,409,583</b>	<b>3,975,274</b>	<b>-</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	138,525	39,771	178,296	-
Contracts Payable	104,117	40,636	144,753	-
Accrued Wages and Benefits Payable	106,120	48,052	154,172	5,141
Due to Other Funds	998	665	1,663	-
Due to Other Governments	153,591	1,171,643	1,325,234	-
Accrued Interest Payable	481,990	303,087	785,077	-
General Obligation Bonds Payable	52,089	764,751	816,840	-
Revenue Bonds Payable	3,712,280	1,845,000	5,557,280	-
Judgement Bonds Payable	-	1,670,000	1,670,000	-
Loans Payable	805,492	648,091	1,453,583	-
Claims Payable	-	-	-	1,417,058
Compensated Absences Payable	159,956	76,655	236,611	9,372
<b>Total Current Liabilities</b>	<b>5,715,158</b>	<b>6,608,351</b>	<b>12,323,509</b>	<b>1,431,571</b>
<b>Noncurrent Liabilities</b>				
Refundable Deposits	-	135,485	135,485	-
Claims Payable	-	-	-	2,206,941
Compensated Absences Payable	352,312	211,221	563,533	24,684
General Obligation Bonds Payable	3,285,886	1,659,378	4,945,264	-
Revenue Bonds Payable	17,533,755	12,095,053	29,628,808	-
Judgement Bonds Payable	-	18,925,000	18,925,000	-
Loans Payable	17,966,233	9,531,005	27,497,238	-
Net Pension Liability	6,023,719	2,409,488	8,433,207	-
<b>Total Noncurrent Liabilities</b>	<b>45,161,905</b>	<b>44,966,630</b>	<b>90,128,535</b>	<b>2,231,625</b>
<b>Total Liabilities</b>	<b>50,877,063</b>	<b>51,574,981</b>	<b>102,452,044</b>	<b>3,663,196</b>
<b>Deferred Inflows of Resources</b>				
Pension	116,390	46,556	162,946	-
<b>Net Position</b>				
Net Investment in Capital Assets	148,280,791	72,116,836	220,397,627	-
Restricted for:				
Replacement and Improvement	4,000,000	1,300,000	5,300,000	-
Unrestricted	29,286,257	16,996,326	46,282,583	2,404,071
<b>Total Net Position</b>	<b>\$ 181,567,048</b>	<b>\$ 90,413,162</b>	<b>\$ 271,980,210</b>	<b>\$ 2,404,071</b>

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2016**

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Total	
Operating Revenues:				
Charges for Services	\$ 19,199,522	\$ 21,593,543	\$ 40,793,065	\$ 21,751,965
Other Operating Revenues	81,786	12,763	94,549	191,485
<b>Total Operating Revenues</b>	<b>19,281,308</b>	<b>21,606,306</b>	<b>40,887,614</b>	<b>21,943,450</b>
Operating Expenses:				
Personal Services	5,508,631	2,646,193	8,154,824	532,006
Contractual Services	3,407,556	9,720,703	13,128,259	18,274,506
Claims and Judgments	-	-	-	3,059,987
Materials and Supplies	1,301,286	459,529	1,760,815	28,043
Depreciation and Amortization Expense	10,242,202	7,825,624	18,067,826	-
Other	638,108	424,778	1,062,886	169,829
<b>Total Operating Expenses</b>	<b>21,097,783</b>	<b>21,076,827</b>	<b>42,174,610</b>	<b>22,064,371</b>
Operating Income (Loss)	(1,816,475)	529,479	(1,286,996)	(120,921)
Non-Operating Revenues (Expenses)				
Other Non-Operating Revenues	114,302	264,033	378,335	356,027
Interest	270	-	270	-
Loss on Sale of Capital Assets	(4,277)	(1,409)	(5,686)	-
Interest and Fiscal Charges	(1,672,318)	(2,184,991)	(3,857,309)	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(1,562,023)</b>	<b>(1,922,367)</b>	<b>(3,484,390)</b>	<b>356,027</b>
Income (Loss) Before Contributions	(3,378,498)	(1,392,888)	(4,771,386)	235,106
Capital Contributions	8,639,941	5,003,066	13,643,007	-
Change in Net Position	5,261,443	3,610,178	8,871,621	235,106
Net Position at Beginning of Year	176,305,605	86,802,984	263,108,589	2,168,965
Net Position at End of Year	\$ 181,567,048	\$ 90,413,162	\$ 271,980,210	\$ 2,404,071

See accompanying notes to the basic financial statements

**Butler County**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2016**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Totals	
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$ 18,880,305	\$ 21,393,913	\$ 40,274,218	\$ -
Cash Paid to Suppliers	(7,343,988)	(10,221,362)	(17,565,350)	(19,635,641)
Cash Paid to Employees	(5,610,663)	(2,509,385)	(8,120,048)	(543,595)
Cash Received from Interfund Services Provided			-	21,751,965
Other Operating Revenues	81,786	12,763	94,549	191,485
Other Operating Expenses	(638,108)	(424,778)	(1,062,886)	-
Other Non-Operating Revenues	114,302	264,033	378,335	356,027
Cash Paid for Claims	-	-	-	(2,403,502)
Net Cash Used by Operating Activities	5,483,634	8,515,184	13,998,818	(283,261)
<u>Cash Flows from Noncapital Financing Activities:</u>				
Short-Term Advances From Other Funds	-	-	-	(156,877)
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Proceeds from Sale of Refunding Bonds	-	-	-	-
Proceeds from Loans	-	308,512	308,512	-
Principal Paid on Loans	(781,694)	(616,385)	(1,398,079)	-
Interest Paid on Loans	(480,564)	(199,610)	(680,174)	-
Interest Paid on General Obligation Bonds	(147,212)	(116,400)	(263,612)	-
Principal Paid on General Obligation Bonds	(54,480)	(730,000)	(784,480)	-
Interest and Fiscal Charges on Revenue Bonds	(965,827)	(484,233)	(1,450,060)	-
Principal Paid on Revenue Bonds	(3,549,660)	(1,645,000)	(5,194,660)	-
Interest Paid on Judgement Bonds	-	(1,062,400)	(1,062,400)	-
Principal Paid on Judgement Bonds	-	(1,590,000)	(1,590,000)	-
Acquisition and Construction of Capital Assets	(5,242,545)	(2,987,175)	(8,229,720)	-
Interest Paid on Capital Leases	(191)	(253)	(444)	-
Principal Paid on Capital Leases	(1,772)	(1,075)	(2,847)	-
Cash Received from Special Assessments	61,248	56,214	117,462	-
Capital Contributions by Other Governments - Capital Grants	283,226	393,035	676,261	-
Capital Contributions by Customers	5,363,683	3,129,342	8,493,025	-
Net Cash Used for Capital and Related Financing Activities	(5,515,788)	(5,545,428)	(11,061,216)	-
<u>Cash Flows from Investing Activities:</u>				
Interest and Dividends on Investments	270	-	270	-
Net Cash Provided by Investing Activities	270	-	270	-
Net Increase (Decrease) in Cash and Cash Equivalents	(31,884)	2,969,756	2,937,872	(440,138)
Cash and Cash Equivalents at Beginning of Year	35,037,490	16,456,229	51,493,719	5,343,642
Cash and Cash Equivalents at End of Year	\$ 35,005,606	\$ 19,425,985	\$ 54,431,591	\$ 4,903,504

(continued)

Butler County  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2016 (Continued)

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Water	Totals	
Reconciliation of Operating Income (Loss) to Net Income				
<u>Cash Provided by Operating Activities:</u>				
Operating Income (Loss)	\$ (1,816,475)	\$ 529,479	\$ (1,286,996)	\$ (120,921)
Adjustments to Reconcile Operating Income (Loss) to Net Cash <u>Provided by Operating Activities:</u>				
Depreciation and Amortization	10,242,202	7,825,624	18,067,826	-
Other Non-Operating Revenues	114,302	264,033	378,335	356,027
<u>(Increase)Decrease in Assets</u>				
Accounts Receivable	(319,217)	(199,630)	(518,847)	-
Prepaid Items	-	-	-	(1,163,263)
Deferred Outflows Pension	388,085	155,235	543,320	-
<u>Increase(Decrease) in Liabilities</u>				
Accounts Payable	(148,862)	(48,213)	(197,075)	-
Contracts Payable	(2,493,069)	(49,935)	(2,543,004)	-
Accrued Wages and Benefits Payable	(142,137)	(61,922)	(204,059)	(11,605)
Compensated Absences Payable	(146,609)	124,043	(22,566)	16
Due to Other Funds	6	4	10	-
Due to Other Governments	6,779	57,014	63,793	-
Deferred Inflows Pension	(69,390)	(27,757)	(97,147)	-
Net Pension Liability	(131,981)	(52,791)	(184,772)	-
Claims Payable	-	-	-	656,485
Total Adjustments	7,300,109	7,985,705	15,285,814	(162,340)
Net Cash Used by Operating Activities	\$ 5,483,634	\$ 8,515,184	\$ 13,998,818	\$ (283,261)

Non-Cash capital and related financing activities:

Capital Contributions from Customers of \$352,167 for the Sewer Fund

Capital Contributions from Customers of \$336,156 for the Water Fund

Capital Contributions increased \$664,957 in the Sewer Fund due to an increase in receivables for the Williamsdale Sewer project Developers during the year donated \$1,975,908 of sewer lines to the Sewer fund.

The County transferred \$861,452 in assets from the Sewer fund to the Water fund.

See accompanying notes to the basic financial statements

**Butler County, Ohio**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2016**

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	<u>Total</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 26,213,150
Cash and Cash Equivalents in Segregated Accounts	6,193,478
Property Taxes Receivable	445,644,919
Revenue in Lieu of Taxes Receivable	96,402,915
Special Assessments Receivable	10,568,495
Due from Other Governments	<u>8,769,827</u>
Total Assets	<u>\$593,792,784</u>
Liabilities	
Undistributed Monies	16,751,658
Deposits Held and Due to Others	275,211
Due to Other Governments	576,641,492
Loans Payable	<u>124,423</u>
Total Liabilities	<u>\$ 593,792,784</u>

See accompanying notes to the basic financial statements.

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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NOTE 1 – REPORTING ENTITY

REPORTING ENTITY

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

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

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

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

Discretely Presented Component Units

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

Butler County Land Reutilization Corporation

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

The Butler County Commissioners and Butler County Treasurer comprise the voting majority of the land reutilization corporation. Because the County makes up a voting majority of the board, the County is able to impose its will on the operations of the Land Bank. The component unit column of the financial statements identifies the financial data of the discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County. Separately issued financial statements can be obtained from the Butler County Treasurer, 315 High Street, 10<sup>th</sup> floor, Hamilton, Ohio 45011. Disclosures can be found in NOTE 24.



BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Liberty Community Authority

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

The Butler County Commissioners appoint four of the seven voting members of the Liberty Community trustees. In addition, Butler County has agreed to pledge remaining TIF dollars to the repayment of the Liberty community issued OWDA loans. This pledge is a secondary source and will only be used if the Authority does not have sufficient revenues for payment. Because the County appoints a voting majority of the board and a financial benefit/burden relationship exists the Liberty Community Authority is being disclosed as a discretely presented component unit. Separately issued financial statements can be obtained from the Authority's Treasurer, 4016 Townsfair Way, Suite 201, Columbus, Ohio 43219. Disclosures can be found in NOTE 25.

Butler County Port Authority

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

The Butler County Commissioners appoint four of the seven voting members of the Butler County Port Authority Board. In addition, Butler County entered into a contractual agreement to be the primary payee on the Port Authority issued \$11,085,000 Liberty Center Project Series A bonds. These bonds are being paid from Butler County TIF revenues. Because the County appoints a voting majority of the board and a financial benefit/burden relationship exists the Butler County Port Authority is being disclosed as a discretely presented component unit. Separately issued financial statements can be obtained from the Butler County Port Authority, 315 High Street, Hamilton, Ohio 45011. Disclosures can be found in NOTE 26.

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

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

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Regional Transit Authority (RTA)

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

Butler County General Health District

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

Butler County Soil and Water Conservation District

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

Metroparks of Butler County

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

Twelfth District Court of Appeals

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

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

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

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

Community-Based Correctional Facility

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

BASIS OF PRESENTATION

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Governmental Funds

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

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

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

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

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

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

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

Proprietary Funds

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

Enterprise Funds

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

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

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

Internal Service Funds

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Fiduciary Funds

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

MEASUREMENT FOCUS

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

BASIS OF ACCOUNTING

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Revenues – Exchange and Non-Exchange Transactions

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

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

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

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

Payments in Lieu of Taxes

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

Deferred Outflows/Inflows of Resources

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the County, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, and unavailable revenue. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables that will not be collected within the available period. For the County, unavailable revenue includes delinquent property taxes, delinquent revenue in lieu of taxes, sales taxes, special assessments, due from other governments, charges for services, interest revenue and other. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 23. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 12)

Expenses/Expenditures

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

Cash and Cash Equivalents

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

During 2016, investments were limited to, Fifth Third Institutional Government Money Market Mutual Fund, a U.S. Treasury Note, Federal Farm Credit Bank Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Corporation Bonds, Federal National Mortgage Association Bonds, and Commercial Paper. Investments, except for commercial paper, are reported at fair value which is based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price. The County's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. NOTE 6 provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

Interest earned on investments is distributed to the General Fund, except as stipulated by the Ohio Constitution or State statute. Interest revenue credited to the General Fund during 2016 amounted to \$1,331,154, which includes \$1,155,400 assigned from other County funds.

Statement of Cash Flows

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

Cash and Cash Equivalents in Segregated Accounts

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Cash and Cash Equivalents with Fiscal Agents

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

Inventories and Prepaid Items

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

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

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

Interfund Transactions

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

Restricted Assets

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

Capital Assets

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

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



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

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

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

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

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

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

Capitalization of Interest

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

Compensated Absences

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

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Accrued Liabilities and Long-term Obligations

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

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

Pensions

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

Fund Balance

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

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

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

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

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

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

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

Net Position

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

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

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

Operating Revenues and Expenses

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

Contributions of Capital

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

Internal Activity

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

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Bond Premiums and Discounts

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

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

Estimates

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

Budgets

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

Estimated Resources

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

Appropriations

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

BUDGETARY BASIS OF ACCOUNTING

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

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

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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The major differences between the budget basis and the GAAP basis are as follows:

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

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

	Net Change in Fund Balance			
	General	Developmental Disabilities	Job and Family Services/Children Services	Residential Incentive Districts and Tax Incremental Financing
GAAP Basis	\$ 11,874,175	\$ (351,650)	\$ 4,665,161	\$ 3,086,033
Revenue Accruals	2,560,975	(100,249)	(844,576)	2,960
Expenditure Accruals	(5,229,681)	(585,019)	(3,020,620)	(5,030)
Encumbrances	(2,222,775)	(590,065)	(2,635,882)	(376,395)
2015 Increase in Fair Value of Investments	(296,098)	515,940	-	-
2016 Increase in Fair Value of Investments	1,039,763	(476,035)	-	-
2015 Agency Fund Allocation	358,798	-	373,165	-
2016 Agency Fund Allocation	(334,172)	-	(345,414)	-
Advances	(321,915)	-	-	-
<b>Budget Basis</b>	<b>\$ 7,429,070</b>	<b>\$ (1,587,078)</b>	<b>\$ (1,808,166)</b>	<b>\$ 2,707,568</b>

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE AND COMPLIANCE

CHANGE IN ACCOUNTING PRINCIPLE

For 2016, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application," GASB Statement No 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68," GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments," GASB Statement No. 77, "Tax Abatement Disclosures," and GASB Statement No. 82, "Pension Issues an Amendment of GASB Statements No. 67, No. 68 and No. 73."

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the County's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68. The implementation of this GASB pronouncement did not result in any changes to the County's financial statements.

GASB Statement No. 76 identifies-in the context of the current governmental financial reporting environment-the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles. The implementation of this GASB pronouncement did not result in any changes to the County's financial statements.

GASB Statement No. 77 requires disclosure of information about the nature and magnitude of tax abatements. These changes were incorporated in the County's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the County's 2016 financial statements; however, there was no effect on beginning net position/fund balance.

NONCOMPLIANCE

The County had noncompliance with Ohio Revised Code Section 5705.36 and 5705.39 for appropriations in excess of estimated resources and noncompliance with Ohio Revised Code Section 5705.36(A)(4) for appropriations in excess of actual resources.

NOTE 4 – FUND BALANCE

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

**BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Fund Balances	General	Developmental Disabilities	Job and Family / Children Services Agency	Residential Incentive Districts and Tax Incremental Financings	Non Major Governmental Funds	Total
<b>Nonspendable</b>						
Prepaid Items	\$ 596,531	\$ 27,043	\$ 37,110	\$ -	\$ 255,738	\$ 916,422
Materials and Supplies	139,520	22,059	4,858	-	1,157,545	1,323,982
Loans Receivable	124,422	-	-	-	538,081	662,503
Interfund Loans	1,266,753	-	-	-	-	1,266,753
Developmental Disabilities Trust	-	-	-	-	956,975	956,975
<b>Total Nonspendable</b>	<b>2,127,226</b>	<b>49,102</b>	<b>41,968</b>	<b>-</b>	<b>2,908,339</b>	<b>5,126,635</b>
<b>Restricted for</b>						
Developmental Disabilities	-	31,891,337	-	-	-	31,891,337
Job and Family/Children Services	-	-	9,575,294	-	-	9,575,294
Residential Incentive Districts and Tax Incremental Financing Mental Health and Addiction Recovery Services	-	-	-	11,871,271	-	11,871,271
Elderly Services	-	-	-	-	16,538,611	16,538,611
Motor Vehicle	-	-	-	-	10,636,113	10,636,113
Public Works	-	-	-	-	13,498,077	13,498,077
Real Estate Assessment	-	-	-	-	13,380,583	13,380,583
Legislative and Executive	-	-	-	-	3,041,562	3,041,562
Public Safety	-	-	-	-	3,159,513	3,159,513
Judicial	-	-	-	-	5,349,821	5,349,821
Other Purposes	-	-	-	-	4,793,719	4,793,719
<b>Total Restricted</b>	<b>-</b>	<b>31,891,337</b>	<b>9,575,294</b>	<b>11,871,271</b>	<b>74,411,222</b>	<b>127,749,124</b>
<b>Assigned</b>						
Purchases on Order - Material/Supplies	708,045	-	-	-	-	708,045
Purchases on Order - Contract Services	1,636,518	-	-	-	-	1,636,518
Purchases on Order - Other	335,542	-	-	-	-	335,542
<b>Total Assigned</b>	<b>2,680,105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,680,105</b>
<b>Unassigned (Deficit)</b>	<b>37,531,238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,271,862)</b>	<b>27,259,376</b>
<b>Total Fund Balance</b>	<b>\$ 42,338,569</b>	<b>\$ 31,940,439</b>	<b>\$ 9,617,262</b>	<b>\$ 11,871,271</b>	<b>\$ 67,047,699</b>	<b>\$ 162,815,240</b>

In addition to the above fund balance constraints, the County has a General Fund budget stabilization arrangement that does not meet the criteria to be classified as restricted or committed. Pursuant to Ohio Revised Code 5705.13, the County established a budget stabilization by resolution to provide options to stabilize against cyclical changes in revenues and expenditures. Expenditures of a recurring nature are not addressed as through the use of this arrangement. The balance in the reserve at December 31, 2016 is \$6,000,000.

**NOTE 5- ACCOUNTABILITY**

At year-end, the County Care Facility and All Other Human Services non-major special revenue fund, Other Capital Improvements, Road Improvements, and Building & Construction and Renovations funds non-major capital projects funds, and the Jefferson Health Plan internal service fund had deficit fund balances of \$425,806, \$17,564, \$55,136, \$2,211,652, \$7,545,543, and \$683,970, respectively.

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 6— DEPOSITS AND INVESTMENTS

CASH

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States, or any book entry, zero coupon United States Treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligations or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association, All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value;
9. Up to twenty-five percent of the County's average portfolio in either of the following:
  - a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other State, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation and which mature within 270 days after purchase.
  - b. Bankers acceptances eligible for purchases by the Federal Reserve System and which mature within 180 days after purchase
10. Up to fifteen percent of the County's average portfolio in notes issued by U.S. corporations or by repository institutions doing business under authority granted by the U.S. provided the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase.
11. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency of instrumentality, and/or highly rated commercial paper; and



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12. Up to one percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government. All interest and principal shall be denominated and payable in United States funds.

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

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

INVESTMENTS

As of December 31, 2016, the County had the following investments:

<u>Measurement/Investment</u>	<u>Measurement Amount</u>	<u>Maturity</u>	<u>Standard &amp; Poors Rating</u>	<u>Percent of Total Investments</u>
Amortized Cost				
Commercial Paper	\$ 5,506,035	Less than one year	A-1	3%
Fair Value-Level One Inputs				
Money Market Mutual Fund	81,053.00	Less than three years	AA+	
Fair Value-Level Two Inputs				
U.S. Treasury Note	2,610,430	Less than three years	AA+	1%
Federal Farm Credit Bank Bonds	36,455,539	Less than five years	AA+	21%
Federal National Mortgage Assn Bonds	59,511,000	Less than five years	AA+	34%
Federal Home Loan Mortgage Corp Bonds	29,379,386	Less than five years	AA+	17%
Federal Home Loan Bank Bonds	41,403,341	Less than five years	AA+	24%
Total Fair Value - Level Two Inputs	169,359,696			
Total Investments	\$ 174,946,784			

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2016. The Money Market Mutual Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The County's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

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

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

**NOTE 7- PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the County. Property tax revenue received during 2016 for real and public utility property taxes represents collections of 2015 taxes.

2016 real property taxes are levied after October 1, 2016, on the assessed value as of January 1, 2016, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 real property taxes are collected in and intended to finance 2017.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2016 public utility property taxes which became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes.

The full tax rate for all County operations for the year ended December 31, 2016, was \$9.72 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2016 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 6,996,513,490
Public Utility Personal Property	454,766,350
Total	<u>\$ 7,451,279,840</u>

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

Purpose	Voter Levy Date	Authorized Rate	Rate Levied for		Final Levy Year
			Current Year R/A	C/I	
Developmental Disabilities Board	2004	1.00	0.99	1.00	Continuing
Developmental Disabilities Board	2000	2.00	1.68	1.99	Continuing
Mental Health Board	1985	0.50	0.24	0.34	2024
Mental Health Board	2006	1.00	1.00	1.00	2015
Children Services Agency	2008	2.00	2.00	1.99	2017
Senior Citizens	2010	1.30	1.30	1.30	2019
Total		<u>7.80</u>	<u>7.21</u>	<u>7.62</u>	

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

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The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. The collections and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds. Property taxes receivable represents real, public utility taxes, and outstanding delinquencies which were measurable as of December 31, 2016, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2016 operations is offset to deferred inflows of resources – property taxes.

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

NOTE 8– PERMISSIVE SALES TAX

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

In 2016, \$43,896,978 of permissive sales tax revenue was recognized in the General Fund. The County's total sales tax rate was three-quarters of one percent (.75%).

NOTE 9– RECEIVABLES

Receivables at December 31, 2016, consisted of taxes, payments in lieu of taxes, accounts including unpaid utilities, intergovernmental receivables arising from grants, entitlements, and shared revenues, accrued interest, special assessments, loans, and interfund receivables. Loans receivable represent General Fund advances to agency funds, and low-interest loans for development projects and home improvements granted to eligible County residents and businesses under the Federal Community Development Block Grant Program. The Block Grant loans bear interest at annual rates between two and five percent. These loans are to be repaid over periods ranging from two to five years. The payments in lieu of taxes amount relates to dollars collected through real estate taxes that are marked for capital improvements in Butler County and tax incremental financing agreements. All receivables are considered collectible in full, including water and sewer accounts receivable, which, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. Delinquent special assessments at December 31, 2016 totaled \$182,419. The following are receivables expected to be collected in more than one year: Special Assessments \$7,518,691 and Loans Receivable \$662,503

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A summary of intergovernmental receivables follows:

Governmental Activities:	Amount
Public Assistance	\$ 5,717,372
Property Tax Rollbacks	3,983,412
Motor Vehicle License Tax	3,518,608
All CSB Grants	2,627,837
All BCDD Grants	2,398,506
Various Policing Services	1,794,706
All MHARS Board Grants	1,263,751
Reclaim Ohio Youth Services	1,259,276
Undivided Local Government	1,251,731
Gasoline Tax	1,140,205
Boarding of Prisoners	1,134,061
Casino Tax	998,058
CDBG/Home Grants	954,752
GF Misc Receivables	541,202
CSEA Grants	501,070
Workforce Development Allocation	397,732
Indigent Attorney Reimbursement	246,171
Shelter Care Plus	216,561
Jail/Prison Diversion	195,377
Medicaid/Medicare	150,508
All Other	141,887
CSEA Poundage	126,310
All FAA Grants	86,934
State Criminal Alien Program	85,000
All PSI Grants	66,040
Drug Prevention Grants	64,504
All Municipal Court Fines	46,272
<b>Total Governmental Activities</b>	<b>\$ 30,907,843</b>

Business Type Activities	Amount
Ohio USDA	664,957
<b>Total Business Type Activities</b>	<b>\$ 664,957</b>

Agency Activities	Amount
Local Government	\$ 6,786,474
Motor Vehicle License Tax	943,452
Gasoline Tax	842,461
Permissive Tax	196,012
All Other	1,428
<b>Total Agency Activities</b>	<b>\$ 8,769,827</b>

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NOTE 10- CAPITAL ASSETS

Primary government capital asset activity for the year ended December 31, 2016, was as follows:

	Balance At 12/31/2015	Additions	Deletions	Balance At 12/31/2016
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Easements	\$ 17,497,203	\$ -	\$ (152,566)	\$ 17,344,637
Infrastructure:				
Roads	168,539,382	924,800	-	169,464,182
Bridges	66,758,633	2,489,151	(46,185)	69,201,599
Culverts	8,909,813	1,740	(133,650)	8,777,903
Construction in Progress	2,116,306	374,426	(424,974)	2,065,758
Total Capital Assets, Not Being Depreciated	<u>263,821,337</u>	<u>3,790,117</u>	<u>(757,375)</u>	<u>266,854,079</u>
Depreciable Capital Assets:				
Land Improvements	11,248,516	-	-	11,248,516
Buildings and Improvements	128,662,361	424,974	(738,220)	128,349,115
Furniture, Fixtures and Equipment	79,494,348	651,137	(588,381)	79,557,104
Vehicles	9,562,083	864,172	(1,194,069)	9,232,186
Total Depreciable Capital Assets	<u>228,967,308</u>	<u>1,940,283</u>	<u>(2,520,670)</u>	<u>228,386,921</u>
Total Capital Assets At Historical Cost	<u>492,788,645</u>	<u>5,730,400</u>	<u>(3,278,045)</u>	<u>495,241,000</u>
Less Accumulated Depreciation:				
Land Improvements	(3,699,951)	(285,935)	-	(3,985,886)
Buildings and Improvements	(64,035,745)	(3,782,050)	458,809	(67,358,986)
Furniture, Fixtures and Equipment	(43,462,911)	(3,260,902)	569,833	(46,153,980)
Vehicles	(6,516,680)	(516,883)	729,328	(6,304,235)
Total Accumulated Depreciation	<u>(117,715,287)</u>	<u>(7,845,770)</u>	<u>1,757,970</u>	<u>(123,803,087)</u>
Total Depreciable Capital Assets, Net	<u>111,252,021</u>	<u>(5,905,487)</u>	<u>(762,700)</u>	<u>104,583,834</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 375,073,358</u>	<u>\$ (2,115,370)</u>	<u>\$ (1,520,075)</u>	<u>\$ 371,437,913</u>

Depreciation expense was charged to governmental functions as follows:

General Government:	
Legislative and Executive	\$ 2,098,649
Judicial	333,120
Public Safety	3,763,499
Public Works	744,051
Health	684,185
Human Services	222,266
Total Depreciation Expense	<u>\$ 7,845,770</u>

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Business Type capital asset activity for the year ended December 31, 2016, was as follows:

	Balance At 12/31/2015	Additions	Deletions	Balance 12/31/2016
<b>Business Type Activities</b>				
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 1,544,056	\$ -	\$ -	\$ 1,544,056
Construction in Progress	5,415,266	7,845,167	(4,467,401)	8,793,032
<b>Total Capital Assets Not Being Depreciated</b>	<b>6,959,322</b>	<b>7,845,167</b>	<b>(4,467,401)</b>	<b>10,337,088</b>
<b>Depreciable Capital Assets:</b>				
Land Improvements	2,716,307	-	-	2,716,307
Building and Improvements	121,095,532	431,603	-	121,527,135
Furniture, Fixtures and Equipment	87,972,293	2,059,221	-	90,031,514
Vehicles	1,285,710	185,900	(73,491)	1,398,119
Water Rights	38,896,324	-	-	38,896,324
Water and Sewer Main	332,363,924	5,295,671	-	337,659,595
<b>Total Depreciable Capital Assets</b>	<b>584,330,090</b>	<b>7,972,395</b>	<b>(73,491)</b>	<b>592,228,994</b>
<b>Total Capital Assets At Historical Cost</b>	<b>591,289,412</b>	<b>15,817,562</b>	<b>(4,540,892)</b>	<b>602,566,082</b>
<b>Less Accumulated Depreciation for:</b>				
Land Improvements	(1,901,595)	(126,516)	-	(2,028,111)
Building and Improvements	(39,075,540)	(3,334,990)	-	(42,410,530)
Furniture, Fixtures and Equipment	(59,817,952)	(4,166,548)	-	(63,984,500)
Vehicles	(1,217,178)	(41,693)	67,805	(1,191,066)
Water Rights	(24,562,252)	(1,955,568)	-	(26,517,820)
Water and Sewer Main	(147,720,058)	(8,442,511)	-	(156,162,569)
<b>Total Accumulated Depreciation</b>	<b>(274,294,575)</b>	<b>(18,067,826)</b>	<b>67,805</b>	<b>(292,294,596)</b>
<b>Total Depreciable Capital Assets, Net</b>	<b>310,035,515</b>	<b>(10,095,431)</b>	<b>(5,686)</b>	<b>299,934,398</b>
<b>Total Business Activities Capital Assets, Net</b>	<b>\$ 316,994,837</b>	<b>\$ (2,250,264)</b>	<b>\$ (4,473,087)</b>	<b>\$ 310,271,486</b>

Additions to business-type capital assets being depreciated include \$3,120,441 in assets donated by property developers.

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11– RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; damage to, theft of, or destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2016 the County contracted with County Risk Sharing Authority Inc. (CORSA) (a risk-sharing pool - see NOTE 21) for liability, property, and crime damage. Coverage provided by the pool is as follows:

Category	Amount (Each Occurrence)
<b>Property Coverage:</b>	
Building Contents and Equipment	\$564,339,008
Flood	100,000,000
Earthquake	100,000,000
<b>Liability Coverage:</b>	
Automobile Liability	1,000,000
Uninsured Motorist	250,000
General Liability	1,000,000
Stop Gap Liability	1,000,000
Law Enforcement Liability	1,000,000
Errors and Omissions Liability	1,000,000
Medical Professional Liability	3,000,000
Medical Professional Liability-(County Home)	3,000,000
Cyber Liability	1,000,000
<b>Crime:</b>	
Employee Dishonesty/Faithful Performance	1,000,000
Money and Securities (Inside)	1,000,000
Money and Securities (Outside)	1,000,000
Money Orders and Counterfeit Currency	1,000,000
Depositor's Forgery	1,000,000
Boiler and Machinery	100,000,000
Business Interruption	2,500,000
<b>Deductible:</b>	
Auto Liability, General, Law Enforcement, Cyber, Medial Profession and Error and Omissions	100,000
Property Coverage, Auto Physical Damage, Crimes, Boiler and Machinery	100,000

Settled claims have not exceeded coverage in any of the last three years. The County had no significant decrease in coverage in 2016.

The County has workers' compensation coverage for all employees and Butler County Developmental Disabilities provides medical coverage for their employees through self-insurance plans. The claims liabilities reported in the workers' compensation and Jefferson Health Plan internal service funds at December 31, 2016, are based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The County maintains a retrospective rating plan for workers' compensation insurance.

BUTLER COUNTY, OHIO  
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The historical changes in claims payable (based on 12/31/16 maximum premium) during years December 31, 2015 and 2016 are as follows:

Workers Compensation

	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2015	\$ 2,717,842	\$ 581,668	\$ 686,699	\$ 2,612,811
2016	2,612,811	843,079	783,754	2,672,136

Jefferson Health Plan

	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
2015	\$ -	\$ 2,267,867	\$ 1,913,164	\$ 354,703
2016	354,703	2,216,908	1,619,748	951,863

NOTE 12 - DEFINED BENEFIT PENSION PLANS

NET PENSION LIABILITY

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

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

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

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

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



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**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM**

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

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

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

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

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

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

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

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2016 Statutory Maximum Contribution Rates</b>			
Employer	14.0%	18.1%	18.1%
Employee	10.0%	*	**
<b>2016 Actual Contribution Rates</b>			
Employer			
Pension	12.0%	16.1%	16.1%
Post-employment Health Care Benefits	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total Employer	<u>14.0</u>	<u>18.1</u>	<u>18.1</u>
Employee	<u>10.0%</u>	<u>12.0%</u>	<u>13.0%</u>

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$10,425,715 for 2016. Of this amount, \$240,830 is reported as a due to other governments.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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	<u>OPERS</u>
Proportion of the Net Pension Liability:	
Current Measurement Date	0.67466323%
Prior Measurement Date	<u>0.67328450%</u>
Change in Proportionate Share	<u>0.00137873%</u>
Proportionate Share of the Net Pension Liability	\$116,860,173
Pension Expense	\$16,237,685

At December 31, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>
<b>Deferred Outflows of Resources</b>	
Net difference between projected and actual earnings on pension plan investments	\$34,349,592
Changes in proportion and differences between County contributions and proportionate share of contributions	123,912
County contributions subsequent to the measurement date	<u>10,425,715</u>
Total Deferred Outflows of Resources	<u>\$44,899,219</u>
<b>Deferred Inflows of Resources</b>	
Differences between expected and actual experience	\$2,257,965
Changes in proportion and differences between County contributions and proportionate share of contributions	<u>14,196</u>
Total Deferred Inflows of Resources	<u>\$2,272,161</u>

\$10,425,715 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>
Year Ending December 31:	
2017	\$ 7,563,212
2018	8,112,458
2019	8,752,355
2020	<u>7,773,318</u>
Total	<u>\$ 32,201,343</u>

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ACTUARIAL ASSUMPTIONS - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2015, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuations are presented below.

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

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.4 percent for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2015 and the long-term expected real rates of return:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	20.70	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	18.30	7.40
Other investments	18.00	4.59
Total	100.00 %	5.27 %

DISCOUNT RATE

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

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

The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
County's proportionate share of the net pension liability	\$186,186,811	\$116,860,173	\$58,385,356

CHANGES BETWEEN MEASUREMENT DATE AND REPORT DATE

In October 2016, the OPERS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent. Although the exact amount of these changes is not known, the impact to the County's net pension liability is expected to be significant.

NOTE 13 – POST-EMPLOYMENT BENEFITS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

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

OPERS maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

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

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

At the beginning of 2016, OPERS maintained three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust (401(h) Trust) and the 115 Health Care Trust (115 Trust), worked together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both the Traditional Pension and Combined plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) Trust that provides funding for a Retiree Medical Account (RMA) for Member-Directed Plan members. The employer contribution as a percentage of covered payroll deposited to the RMAs for 2016 was 4.0 percent.

In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate all health care assets into the 115 Trust. Transition to the new health care trust structure occurred during 2016. OPERS Combining Statements of Changes in Fiduciary Net Position for the year ended December 31, 2016, will reflect a partial year of activity in the 401(h) Trust and VEBA Trust prior to the termination of these trusts as of end of business day June 30, 2016, and the assets and liabilities, or net position, of these trusts being consolidated into the 115 Trust on July 1, 2016.

Substantially all of the County's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2016, 2015, and 2014 was \$1,760,805, \$1,694,719, and \$1,790,682 respectively. For 2016, 96.03 percent has been contributed with the balance being reported as due to other governments. The full amount has been contributed for 2015 and 2014.

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NOTE 14– LEASES

Operating Leases

The County leases equipment and buildings for County services under non-cancelable operating leases. The total costs in 2016 were \$562,284 in the governmental funds. The future minimum lease payments for these leases are as follows:

Year	Amount
2017	\$ 546,981
2018	391,208
2019	152,447
2020	147,192
2021	139,788
2022 - 2024	94,500
	<u>\$ 1,472,116</u>

Capital Leases

In prior years, the County has entered into capital leases to finance various County purchases. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds as well as Enterprise funds. These expenditures are reported as program expenditures or principal and interest in the budgetary statements.

General capital assets consisting of vehicles, software and equipment have been capitalized in the amount of \$6,633,653 in the governmental funds and \$14,906 in the enterprise funds. This amount represents the present value of the minimum lease payments at the time of acquisition. Principal payments in 2016 totaled \$11,613 in the governmental funds and \$3,291 in enterprise funds. In 2016, all capital leases were paid off.

Capital Assets	Net Book Value	
	Governmental Funds	Enterprise Funds
Furniture, Fixtures, and Equipment	\$ 4,742,813	\$ 14,906
Vehicles	1,890,840	-
Less: Accumulated depreciation	(5,607,147)	(14,906)
Total Net Book Value	<u>\$ 1,026,506</u>	<u>\$ -</u>

NOTE 15– OTHER EMPLOYEE BENEFITS

COMPENSATED ABSENCES

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

HEALTH CARE BENEFITS

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

BUTLER COUNTY, OHIO  
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During 2016, the County participated with the CEBCO (an insurance purchasing pool – see NOTE 21). CEBCO charges a fixed premium per month per enrolled employee. The premiums, along with an administrative charge, are paid into the Health Insurance internal service fund by the participating County funds and, in turn, the premiums are paid to CEBCO. Premiums charged by CEBCO are based upon the County's claims experience.

The Butler County Board Development Disabilities (BCBDD) participated in the Jefferson Health Plan during 2016. BCBDD provides health insurance to its employees through a self-insurance plan. BCBDD pays \$498.04 per month for employees enrolled in a single plan and \$1,377.24 per month for employees enrolled in a family plan, with the employees paying \$61.54 per month for single coverage, and \$170.22 per month for family coverage.

**NOTE 16 – PRIOR YEAR DEFEASANCE OF BONDS**

In prior years, the County has defeased various bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2016, the bonds listed were unmatured and unpaid.

Refunded Bond Issues	Original Issue	Unmatured and Unpaid at 12/31/16
Fairfield Liberty Sewer District Number 2		
Dated April 1, 1968	\$ 525,000	\$ 15,000
Water Revenue		
Dated April 1, 1996	14,075,000	5,475,000
Sewer		
Dated June 1, 1996	16,645,000	4,055,220
Sewer		
Dated October 1, 1997	1,485,000	185,000
Sales Tax Revenue Bonds		
Dated 1997	23,810,000	6,215,000
Government Services Center		
Dated 1997	7,375,000	1,910,000
Sewer		
Dated June 1, 1998	5,490,000	3,420,000
Sewer		
Dated March 1, 1999	12,790,000	6,035,000
Mulhauser Road		
Dated October 1, 2000	6,860,000	1,100,000
Lakota Drive		
Dated October 1, 2000	395,000	105,000
Union Centre Phase 2		
Dated October 1, 2000	1,045,000	300,000
Water Judgement Bonds		
Dated July 23, 2002	35,030,000	22,375,000
Adult Detention Facility		
Dated October 1, 2002	29,875,000	13,321,250
Fiber Optic Ring		
Dated October 1, 2002	2,745,000	1,648,750



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**NOTE 17- LONG-TERM OBLIGATIONS**

A schedule of changes in bonds and other long-term obligations of the governmental activities of the County during 2016 were as follows:

Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
<b>General Obligation Bonds</b>					
<b>2007 4.00-5.25% \$12,305,000</b>					
Various Purpose	\$ 9,310,000	\$ -	\$ 1,690,000	\$ 7,620,000	\$ 1,780,000
Premium on Debt Issued	247,418	-	44,567	202,851	-
<b>2009 2.38-6.50% \$1,935,000</b>					
By-Pass 4	1,700,000	-	85,000	1,615,000	90,000
Premium on Debt Issued	23,669	-	1,691	21,978	-
<b>2010 2.00-5.00% \$1,870,000</b>					
Airport Improvement	1,585,000	-	85,000	1,500,000	90,000
Discount on Debt Issued	(16,336)	-	(1,167)	(15,169)	-
<b>2010 2.00-4.25% \$9,540,000</b>					
Various Purpose	8,465,000	-	250,000	8,215,000	260,000
Premium on Debt Issued	13,407	-	894	12,513	-
Discount on Debt Issued	(20,793)	-	(1,386)	(19,407)	-
<b>2010 2.25-5.00% \$7,200,000</b>					
Various Purpose	7,200,000	-	-	7,200,000	2,305,000
Premium on Debt Issued	295,499	-	73,874	221,625	-
<b>2012 1.00-5.00% \$7,100,000</b>					
Adult Detention Facility	4,190,000	-	-	4,190,000	-
Premium on Debt Issued	559,730	-	79,961	479,769	-
<b>2014 1.50-5.00% \$7,520,000</b>					
Various Purpose	6,385,000	-	1,225,000	5,160,000	595,000
Premium on Debt Issued	570,271	-	63,363	506,908	-
<b>2015 2.00-5.00% \$10,015,000</b>					
Various Purpose	8,425,000	-	1,480,000	6,945,000	1,050,000
Premium on Debt Issued	818,522	-	116,932	701,590	-
<b>Total General Obligation Bonds</b>	<b>\$ 49,751,387</b>	<b>\$ -</b>	<b>\$ 5,193,729</b>	<b>\$ 44,557,658</b>	<b>\$ 6,170,000</b>

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Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
<b>Special Assessment Bonds</b>					
2005 4.125% \$1,144,000 Venice Gardens Sewer	\$ 1,002,850	\$ -	\$ 17,510	\$ 985,340	\$ 18,230
2007 4.00-5.00% \$4,790,000 Various Purpose	2,055,000	-	595,000	1,460,000	625,000
2008 3.00-5.50% \$3,315,000 Various Purpose	2,485,000	-	145,000	2,340,000	150,000
Premium on Debt Issued	54,435	-	4,187	50,248	-
2012 1.00-4.00% \$1,785,000 2001 Union Ctr I and III	1,135,000	-	175,000	960,000	180,000
Premium on Debt Issued	60,252	-	10,041	50,211	-
<b>Total Special Assessment Bonds</b>	<b>6,792,537</b>	<b>-</b>	<b>946,738</b>	<b>5,845,799</b>	<b>973,230</b>
<b>Long-Term Loans</b>					
2005 0.00% \$789,748 OPWC Cincinnati Dayton Rd.	355,387	-	39,487	315,900	39,487
2009 0.00% \$329,549 OPWC Tylersville Rd.	222,448	-	16,477	205,971	16,477
2009 0.00% \$157,188 OPWC Hamilton Eaton Slip	113,963	-	7,859	106,104	7,859
2010 0.00% \$305,000 OPWC Reily Millville Slip Phase I	228,750	-	15,250	213,500	15,250
2010 0.00% \$416,498 OPWC Reily Millville Slip Phase II	319,314	-	27,767	291,547	27,767
2011 0.00% \$348,950 OPWC Trenton and Busenbark Rd.	287,882	-	17,448	270,434	17,448
<b>Total Long-Term Loans</b>	<b>1,527,744</b>	<b>-</b>	<b>124,288</b>	<b>1,403,456</b>	<b>124,288</b>

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Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
<b>Other Long-Term Obligations</b>					
Capital Leases	11,613	-	11,613	-	-
Claims Payable	2,967,514	3,059,987	2,403,502	3,623,999	1,417,058
Compensated Absences Payable	7,627,633	3,140,117	2,511,895	8,255,855	3,192,319
Contracts Payable - TID	20,560,085	-	4,132,292	16,427,793	761,501
Contracts Payable - Port Authority	11,085,000	-	445,000	10,640,000	460,000
Net Pension Liability-OPERS	75,423,338	33,003,628	-	108,426,966	-
<b>Total Other Long-Term Obligations</b>	<b>117,675,183</b>	<b>39,203,732</b>	<b>9,504,302</b>	<b>147,374,613</b>	<b>5,830,878</b>
<b>Total Governmental Activities</b>	<b>\$ 175,746,851</b>	<b>\$ 39,203,729</b>	<b>\$ 15,769,056</b>	<b>\$ 199,181,525</b>	<b>\$ 13,098,396</b>

**GENERAL OBLIGATION BONDS**

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

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

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

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

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

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

In June 2012, the County issued \$13,095,000 in general obligation bonds for the purpose of advance refunding \$7,100,000, the remaining portion of the 2002 general obligation bonds, as well as current refunding \$1,785,000 of special assessment bonds issued in 2001, and advance refunding \$4,210,000 of water judgment bonds issued in 2002. The 2002 refunded portion of the general obligation bonds were issued for an eleven-year period, with the final maturity in December 2022.

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

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

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SPECIAL ASSESSMENT BONDS WITH GOVERNMENTAL COMMITMENT

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

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

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

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

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

The total interest and principal remaining on the bonds is \$7,701,888 payable through 2045. The purpose, terms and balances outstanding are identified above. For the current year, principal and interest paid and special assessment revenues were \$932,510 and \$351,913 respectively.

LONG-TERM LOANS

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

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

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

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

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

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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OTHER PAYABLES

Capital leases are copiers for the Public Defender, a caravan, lawn mower and copier for the Care Facility, and a copier for Children's Services. Capital leases were paid off in 2016.

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

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

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

The County pledged the Voice of America net TIF revenues (collections less debt service and school district payments) as a primary source to the Transportation Improvement District (TID) to assist in paying for the \$41,130,000 of 2007 Butler County Transportation Improvement District Highway Improvement Bonds. There is no set amortization schedule reflecting the amount sent to the TID. The County has recorded a long term obligation in the amount of \$20,560,085, the estimated portion of the bonds to be paid by the net TIF revenues. The County paid \$4,132,292 on the bonds in 2016 leaving a balance of \$16,427,793.

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

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

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

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Annual debt service requirements to maturity for general obligation bonds, sales tax bonds, special assessment bonds and loans for all governmental activities are as follows:

Year	General Obligation Bonds		Loans	
	Principal	Interest	Principal	Interest
2017	\$ 6,170,000	\$ 1,725,699	\$ 124,288	-
2018	6,445,000	1,440,567	124,288	-
2019	6,790,000	1,232,927	124,288	-
2020	4,485,000	974,210	124,288	-
2021	4,575,000	832,294	124,288	-
2022-2026	9,320,000	1,945,600	542,465	-
2027-2031	3,910,000	601,975	230,822	-
2032-2036	750,000	67,601	8,729	-
Total	\$ 42,445,000	\$ 8,820,873	\$ 1,403,456	\$ -

Year	Special Assessment Bonds	
	Principal	Interest
2017	\$ 973,230	\$ 304,790
2018	1,018,990	250,708
2019	459,770	200,507
2020	480,580	174,677
2021	401,430	147,411
2022-2026	1,151,180	483,674
2027-2031	643,320	187,322
2032-2036	181,540	112,851
2037-2041	222,210	72,189
2042-2045	213,090	22,419
Total	\$ 5,745,340	\$ 1,956,548

Changes in long-term obligations reported in the business-type activities of the County during 2016 were as follows:

Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
<b>General Obligation Bonds</b>					
2005 4.125% \$600,000					
Venice Gardens Sewer	\$ 525,970	\$ -	\$ 9,180	\$ 516,790	\$ 9,570
2006 4.375% \$3,200,000					
USDA New Miami Sewer	2,868,930	-	45,300	2,823,630	47,270
2009 2.00-4.00% \$10,695,000					
1999 Water and Sewer	3,100,000	-	730,000	2,370,000	760,000
Premium on Debt Issued	68,912	-	17,228	51,684	-
Total General Obligation Bonds	\$ 6,563,812	\$ -	\$ 801,708	\$ 5,762,104	\$ 816,840

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Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
<b>Water Judgment Bonds</b>					
2007 4.00-5.25% \$24,135,000 Water Judgment	\$ 22,185,000	\$ -	\$ 1,590,000	\$ 20,595,000	\$ 1,670,000
<b>Revenue Bonds</b>					
2005 3.20-5.10% \$19,575,000 Sewer	11,355,000	-	2,325,000	9,030,000	2,450,000
Premium on Debt Issued	837,625	-	104,704	732,921	-
2006 3.50-5.00% \$4,000,000 USDA Sewer	3,563,850	-	59,660	3,504,190	62,280
2014 2.00-4.00% \$9,640,000 Sewer	8,575,000	-	1,165,000	7,410,000	1,200,000
Premium on Debt Issued	640,039	-	71,115	568,924	-
2014 0.30-3.00% \$7,335,000 Water	6,100,000	-	930,000	5,170,000	1,100,000
2014 1.50-5.00% \$9,345,000 Water	8,470,000	-	715,000	7,755,000	745,000
Premium on Debt Issued	1,127,837	-	112,784	1,015,053	-
<b>Total Revenue Bonds</b>	<b>\$ 40,669,351</b>	<b>-</b>	<b>\$ 5,483,263</b>	<b>\$ 35,186,088</b>	<b>\$ 5,557,280</b>

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
Long-Term Loans					
2005 4.19% \$4,634,892 Cincinnati Waterworks	\$ 2,757,509	\$ -	\$ 250,364	\$ 2,507,145	\$ 241,394
2006 0.00% \$700,871 OPWC Cast Iron Watermain	473,085	-	35,044	438,041	35,044
2006 0.00% \$874,581 OPWC Watermain Improvements	546,613	-	43,729	502,884	43,729
2009 0.00% \$470,318 OPWC Cast Iron Watermain	391,933	-	15,678	376,255	15,678
2009 3.52% \$3,158,694 OWDA Polybutylene Water Line	2,626,691	-	130,002	2,496,689	134,619
2009 3.42% \$849,987 OWDA Shaker Creek Sewer	652,336	-	37,031	615,305	38,308
2009 3.42% \$1,153,728 OWDA Big Monroe Sewer	886,709	-	50,264	836,445	51,999
2009 2.65% \$1,587,221 (ARRA) OWDA Lesourdsville Sewer	80,488	-	4,771	75,717	4,899
2010 0.00% \$2,466,203 (ARRA) OWDA Liberty-Fairfield Water Tank	1,062,895	-	70,860	992,035	70,859
2010 0.00% \$510,468 OPWC Sharon Creek Sewer	433,896	-	17,016	416,880	17,016
2010 0.00% \$600,000 OPWC Cast Iron Watermain	530,000	-	20,000	510,000	20,000
2011 3.71% \$35,500,000 OWDA Lesourdsville Phase 2	17,496,035	-	672,612	16,823,423	697,797



BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Debt Issue	Balance as of 12/31/15	Increases	Decreases	Balance as of 12/31/16	Due Within One Year
2011 0.00% \$201,000					
OPWC West Chester Road					
Watermain Replacement	120,480	-	4,462	116,018	4,462
2011 0.00% \$580,000					
OPWC Polybutylene	551,000	-	19,334	531,666	19,333
2012 0.00% \$169,873					
OPWC Liberty-Fairfield					
Watermainmain Replacement	155,718	-	5,662	150,056	5,662
2013 0.00% \$642,040					
OPWC Polybutylene	1,275,000	-	21,250	1,253,750	42,500
2014 0.00% \$308,512					
OPWC Liberty-FF WM Replace	-	308,512	-	308,512	10,284
<b>Total Long-Term Loans</b>	<b>30,040,388</b>	<b>308,512</b>	<b>1,398,079</b>	<b>28,950,821</b>	<b>1,453,583</b>
<b>Other Long-Term Obligations</b>					
Capital Leases	3,291	-	3,291	-	-
Compensated Absences	822,710	240,788	263,354	800,144	236,611
Net Pension Liability-OPERS	5,782,298	2,650,909	-	8,433,207	
Total Other Long-Term Obligations	6,608,299	2,891,697	266,645	9,233,351	236,611
<b>Total Business-Type Activities</b>	<b>\$ 106,066,950</b>	<b>\$ 3,200,209</b>	<b>\$ 9,539,695</b>	<b>\$ 99,727,364</b>	<b>\$ 9,734,314</b>

GENERAL OBLIGATION BONDS

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

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

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

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

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WATER JUDGMENT BONDS

The 2007 and 2012 Water Judgment Bonds are general obligation bonds that were court ordered to settle the water contract dispute between Butler County and the City of Hamilton. The principal and interest are paid from the Water fund.

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

REVENUE BONDS

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

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

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

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

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

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

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds, Cincinnati Waterworks Loans, OPWC, and OWDA loans in the Water fund. The debt is payable solely from water customer net revenues and are payable through 2045. The purpose, terms and balances outstanding are identified above. Annual Principal and Interest payments on debt are expected to require 25% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$26,575,438. Of this total \$15,211,250 is for the revenue bonds, \$3,026,590 for the Cincinnati Waterworks, and \$8,337,598 for the OPWC/OWDA loans.

Principal and interest paid for the current year and total net revenues were \$2,945,228 and \$11,747,069 respectively. Principal and interest and fiscal charges paid for the current year for Revenue Bonds was \$2,129,233, \$342,633 for the Cincinnati Waterworks loan and \$473,362 for the remaining OPWC/OWDA loans.

The County has pledged future revenues, net of operating expenses, to repay Revenue Bonds and OWDA loans in the Sewer fund. The debt is payable solely from sewer customer net revenues and are payable through 2045. The purpose, terms and balances outstanding are identified above. Annual Principal and interest payments on debt are expected to require 42% of net revenues. The total principal and interest remaining to be paid on the bonds and loans is \$50,895,832. Of this total \$24,782,984 is for the revenue bonds and \$26,112,848 is for the OPWC/OWDA loans.

BUTLER COUNTY, OHIO  
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Principal and interest paid for the current year and total net revenues were \$5,777,745 and \$13,899,435 respectively. Principal and interest and fiscal charges paid for the current year for Revenue Bonds was \$4,515,487 and \$1,262,258 for the OPWC/OWDA loans.

LONG-TERM LOANS

In 2005, Butler County entered into a contractual agreement with the City of Cincinnati for \$4,634,892 to assist in financing the construction of water lines and a master meter that runs from International Boulevard to Mulhauser Road. This expansion will allow Butler County a secondary water source and provide access to water for future development. Approximately \$549,623 of Butler County water lines were added while intangible assets of \$4,085,629 were recorded as depreciable capital assets, net. The balance owed to the City of Cincinnati at December 31, 2016 as a result of this project is \$2,526,004. This amount has been recorded on the County's books as a long-term liability in the Water Enterprise Fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

In 2013, the County entered into a loan with the Ohio Public Works Commission (OPWC) for \$642,040 for polybutylene water line replacement. The total project is for an amount not to exceed \$1,275,000. The 2013 project was completed in 2015 with an estimated loan payoff date in 2045. The loan will be paid from the Water Fund revenues.

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

OTHER PAYABLES

Capital leases are copiers for Water and Sewer and were paid off in 2016. Compensated absences will be paid from the Water and Sewer enterprise funds. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the following funds: Water, Sewer, Health Insurance, Workers Compensation, and Jefferson Health Plan. For additional information related to the net pension liability see Note 12.

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

Year	General Obligation Bonds		Judgment Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 816,840	\$ 233,876	\$ 1,670,000	\$ 982,900
2018	849,290	204,814	1,755,000	899,400
2019	881,870	172,620	1,835,000	820,425
2020	64,550	137,139	1,915,000	737,850
2021	67,350	134,342	1,990,000	661,250
2022-2026	383,100	625,321	11,430,000	1,835,363
2027-2031	473,650	534,792	-	-
2032-2036	585,580	422,859	-	-
2037-2041	723,970	284,460	-	-
2042-2046	864,220	113,334	-	-
<b>Total</b>	<b>\$ 5,710,420</b>	<b>\$ 2,863,557</b>	<b>\$ 20,595,000</b>	<b>\$ 5,937,188</b>

Year	Revenue Bonds		Loans	
	Principal	Interest	Principal	Interest
2017	\$ 5,557,280	\$ 1,295,506	\$ 1,453,583	\$ 882,143
2018	5,530,000	1,076,531	1,498,530	841,728
2019	5,657,840	872,545	1,565,780	799,768
2020	3,595,810	679,922	1,592,601	756,201
2021	3,663,910	563,324	1,642,442	707,358
2022-2026	6,120,980	1,284,491	8,619,230	2,744,589
2027-2031	521,490	556,434	7,847,346	1,311,005
2032-2036	645,980	431,932	3,787,943	483,423
2037-2041	800,220	277,704	650,778	-
2042-2046	775,680	86,655	292,588	-
<b>Total</b>	<b>\$ 32,869,190</b>	<b>\$ 7,125,044</b>	<b>\$ 28,950,821</b>	<b>\$ 8,526,215</b>

**MULTIFAMILY HOUSING**

The County has served as the issuer of Multifamily Housing bonds. The proceeds were used to acquire, construct, improve, and equip multifamily housing. The Multifamily Housing revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2016 was \$94,625,000.

**INDUSTRIAL DEVELOPMENT REVENUE BONDS**

The County has served as the issuer of industrial revenue bonds. The proceeds were used for facilities used by private corporations or other entities. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. There has not been and is not any condition of default under the bonds or the related financing documents. The principal balance outstanding at December 31, 2016 is \$4,000,000.

**HOSPITAL REVENUE BONDS**

The County has served as the issuer of hospital revenue bonds. The proceeds were used to acquire, construct, improve, and equip hospital facilities. The hospital revenue bonds do not constitute a general obligation, debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing power of the County pledged to make repayment. The amount of revenue bonds outstanding at December 31, 2016 was \$723,875,000.

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

The capital funding revenue bonds were issued on behalf of the County Commissioners Association of Ohio for their low cost capital pooled financing program. Butler County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. The principal payments will begin in 2035. The principal balance outstanding at December 31, 2016 was \$47,325,000.

LEGAL DEBT MARGIN

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

The effects of the debt limitations described above at December 31, 2016 are an overall debt margin of \$167,800,854 and unvoted debt margin of \$57,531,656.

NOTE 18- SHORT-TERM OBLIGATIONS

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

Fund Type	Balance 12/31/15	Increase	Decrease	Balance 12/31/16
Capital Projects				
0.30% Courts Remodeling and Expansion	\$ 1,748,000	\$ 1,655,000	\$ 1,748,000	\$ 1,655,000
0.30% Courts Remodeling Project	727,000	-	727,000	-
0.50% Fiber Optic Ring II	1,279,000	-	1,279,000	-
0.30% Hutsepiller Hamilton Mason TIF	2,595,000	2,535,000	2,595,000	2,535,000
0.30% Old Jail Rehabilitation	909,000	-	909,000	-
0.30% Princeton Road Admin Building	6,864,000	5,725,000	6,864,000	5,725,000
Total Governmental Funds	\$ 14,122,000	\$ 9,915,000	\$ 14,122,000	\$ 9,915,000

The notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued. They are backed by the full faith and credit of the County and will mature within one year. The liability for the notes is presented in the fund that received the note proceeds. The notes were issued in July 2016, and will mature in July 2017.

NOTE 19- INTERFUND BALANCES AND ACTIVITY

Transfers In/Transfers Out activity for 2016 consisted of the following:

Transfers To	Transfers From			
	General	Residential Incentive Districts and Tax Incremental Financings	Non Major Governmental	Total
General	\$ -	\$ -	\$ 1,250,000	\$ 1,250,000
Job and Family Services / Children Services Agency	\$ 804,003	\$ -	\$ -	\$ 804,003
Non Major Governmental	\$ 9,692,259	\$ 1,536,322	\$ -	\$ 11,228,581
Total	\$ 10,496,262	\$ 1,536,322	\$ 1,250,000	\$ 13,282,584

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Due From/Due To balances at December 31, 2016 consist of the following individual fund receivables and payables:

Due From (Receivable)	
Due To (Payable)	General
Developmental Disabilities	
Job and Family Services / Children Services Agency	17,102
Non Major Governmental	38,879
Sewer	998
Water	665
Total	<u>\$ 57,644</u>

Advances From/Advances To balances at December 31, 2016 consist of the following individual fund receivables and payables:

Advances To	Advances From General
Non Major Governmental	<u>1,266,753</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In addition, the General Fund received transfers in during 2016 from a surplus declaration from the clerk of courts title fund. Non-major governmental funds received transfers from the General Fund and the Residential Incentive Districts and Tax Incremental Financings Fund to pay principal and interest on various County issued notes and bonds.

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

The balance of \$1,266,750 due to the General Fund to Non Major Governmental Funds results from cash flow issues in those funds. The amounts reported as Due From/Due to Other Funds are expected to be repaid within one year; the advances are not.

NOTE 20- CONTINGENT LIABILITIES

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

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

BUTLER COUNTY, OHIO  
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NOTE 21 –JOINTLY GOVERNED ORGANIZATIONS/RISK SHARING POOL/INSURANCE PURCHASING POOL/RELATED ORGANIZATIONS

TRANSPORTATION IMPROVEMENT DISTRICT OF BUTLER COUNTY

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

OHIO KENTUCKY INDIANA REGIONAL COUNCIL OF GOVERNMENTS

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

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

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

COMMUNITY-BASED CORRECTIONAL FACILITY

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

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

SOUTHWEST OHIO COUNCIL OF GOVERNMENTS

The Southwest Ohio Council of Governments was created by the Board of Developmental Disabilities of Butler, Hamilton, Clermont and Warren Counties. The Council consists of four members representing each of the four counties. Any other County Board of Developmental Disabilities may petition for membership to the Council however membership must be approved by two-thirds vote of the Council members. The role of the Council is to coordinate the powers and duties of the member Boards to better serve and benefit persons with developmental disabilities within the four counties. The Council serves as its own taxing and debt issuance authority and is a jointly governed organization. In 2016, Butler County contributed \$5,000 to the Council. Financial information for the Southwest Ohio Council of Governments may be obtained at 1910 Fairgrove Avenue Suite E, Hamilton Ohio 45011.



BUTLER COUNTY, OHIO  
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COUNTY RISK SHARING AUTHORITY (CORSA)

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

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County's payment for insurance to CORSA in 2016 was \$625,868.

JEFFERSON HEALTH PLAN

The Butler County Board Development Disabilities (BCBDD) participated in the Jefferson Health Plan during 2015. BCBDD provides health insurance to its employees through a self-insurance plan. BCBDD pays \$498.04 per month for employees enrolled in a single plan and \$1,377.24 per month for employees enrolled in a family plan, with the employees paying \$65.54 per month for single coverage, and \$170.22 per month for family coverage.

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

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

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

REGIONAL TRANSIT AUTHORITY (RTA)

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

BUTLER COUNTY CONVENTION AND VISITOR BUREAU

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

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

METROPARKS OF BUTLER COUNTY

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

NOTE 22- CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Encumbrances

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

Governmental Funds:

General	\$ 2,222,775
Developmental Disabilities	590,065
Job and Family Services/Children Services	2,635,882
Residential Incentive Districts and Tax Incremental Financing	376,395
Nonmajor Governmental Funds	4,052,243
Total Governmental Funds	<u>\$ 9,877,360</u>

Proprietary Funds:

Sewer	\$ 1,687,391
Water	1,299,801
Total Proprietary Funds	<u>\$ 2,987,192</u>

The County has several outstanding contracts for construction and professional services. The following amounts remain on these contracts as of December 31, 2016.

Project	Outstanding Balance
Frebco	\$ 127,450
John R Jurgesen Co	48,998
Fishbeck Thompson, Carr & Huber	28,782
Strand Associates	27,970
Xylem Water Solutions	27,449
Total	<u>\$ 260,649</u>

BUTLER COUNTY, OHIO  
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NOTE 23 – TAX ABATEMENTS

For 2016, County property taxes were reduced by \$418,200 under community reinvestment areas and enterprise tax zone exemption agreements entered into by various municipalities as summarized below.

<u>Overlapping Government</u>	<u>Amount of 2016 Taxes Abated</u>
<i>Community Reinvestment Areas:</i>	
City of Fairfield	\$136,389
City of Hamilton	3,802
City of Monroe	148,426
Total Community Reinvestment Areas	<u>288,617</u>
<i>Enterprise Zone Exemptions:</i>	
City of Hamilton	79,961
City of Middletown	49,622
Total Enterprise Zone Exemptions	<u>129,583</u>
Total Abatements	<u><u>\$418,200</u></u>

NOTE 24- BUTLER COUNTY LAND REUTILIZATION CORPORATION

Reporting Entity

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

Basis of Accounting

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

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

Measurement Focus

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

BUTLER COUNTY, OHIO  
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Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. There were no deferred outflows of resources at December 31, 2016.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the Corporation, deferred inflows of resources include unavailable revenue. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Corporation, unavailable revenue includes intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Expenses/Expenditures

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

Budgetary Process

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

Federal Income Tax

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

Cash and Cash Equivalents

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

Prepayments

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

Assets Held for Resale

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

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation had no restricted net position at December 31, 2016.

BUTLER COUNTY, OHIO  
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Intergovernmental Revenue

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

Estimates

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

Unearned Revenue

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

Deposits and Investments

At December 31, 2015, the carrying amount of all Corporation deposits was \$320,385. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2016, \$128,969 of the Corporation's bank balance of \$378,969 was exposed to custodial credit risk as described below while \$250,000 was covered by the Federal Deposit Insurance Corporation (FDIC). Custodial credit risk is the risk that, in the event of bank failure, the Corporation's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Corporation. The Corporation has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Corporation to a successful claim by the FDIC.

Transactions with Butler County

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Butler County Board of Commissioners to receive 1% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund and will be available for appropriation by the Corporation to fund operations. At December 31, 2016, the Corporation recognized revenues of \$108,248 for these fees that were collected by the County in 2016. The Corporation also received \$2,573 in various other revenues.

During 2016, the Corporation paid \$57,258 in various costs to the Butler County Commissioners, Sheriff and Treasurer.

NOTE 25- LIBERTY COMMUNITY AUTHORITY

Reporting Entity

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

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Measurement Focus, Basis of Accounting and Basis of Presentation

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

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

Cash and Cash Equivalents

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

Capital Assets and Depreciation

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

Bonds Payable and Discounts

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

Due to Developer

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

Net Position

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

Use of Estimates

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

BUTLER COUNTY, OHIO  
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Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a custodial risk policy. As of December 31, 2016, the carrying amount and bank balance of the Authority's deposits was \$564,749, of this balance \$250,000 was covered by the FDIC and the remaining balance was collateralized with securities held to the pledging financial institution's trust department or agent but not in the Authorities name.

In addition, the Authority had cash on deposit with US Bank (Trustee) in accordance with the Authority's Master Trust Agreement with the Trustee. The amount on deposit with the Trustee at December 31, 2016 and 2015 was \$1,526,242 and \$2,106,778, respectively. These accounts are reported as restricted cash with fiscal agent on the Statement of Net Position.

Assessed Valuation Charge

The Assessed Valuation Charge is an annual charge on each chargeable parcel of land within the Authority based on the Assessed Valuation of each parcel which may be expressed as a number of mills. For 2016, the Assessed Valuation Charge was the full 10 mills on the total assessed. Assessed Valuation Charge revenue recognized in 2016 represents the amount levied for calendar 2016.

Facility Charge

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

Restricted Assets

Restricted assets consist of cash with fiscal agent whose use has been restricted by bond indenture for a debt service reserve, a capitalized interest fund to pay debt service during construction and a project construction fund. Restricted assets at December 31, 2016 and 2015 were \$1,526,242 and \$2,106,778 respectively. During 2016, the project construction fund was used to pay for construction costs of the parking garages and infrastructure. The capitalized interest fund was used to pay bond interest payments on June 1 and December 1, 2016 and will be used to make an interest payment on June 1, 2016.

Capital Assets

Capital Assets Activity for the year ended December 31, 2016 was as follows:

	Balance 1/1/16	Increases	Decreases	Balance 12/31/2016
Capital assets not being depreciated:				
Land	\$ 2,333,662	\$ -	\$ -	\$ 2,333,662
Capital assets being depreciated:				
Parking garages	27,025,015	-	\$ -	27,025,015
Infrastructure	13,871,256	-	-	13,871,256
	<u>40,896,271</u>	<u>-</u>	<u>-</u>	<u>40,896,271</u>
Less accumulated depreciation:				
Parking garages	(135,125)	(540,500)	-	(675,625)
Infrastructure	(69,356)	(277,425)	-	(346,781)
Total accumulated depreciation	<u>(204,481)</u>	<u>(817,925)</u>	<u>-</u>	<u>(1,022,406)</u>
Capital assets, net	<u>\$ 43,025,452</u>	<u>\$ (817,925)</u>	<u>\$ -</u>	<u>\$ 42,207,527</u>

BUTLER COUNTY, OHIO  
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LONG-TERM DEBT

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

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

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

Debt activity for the year ended December 31, 2016 was as follows:

	Restated Balance			Balance	Due Within
	1/1/16	Additions	Reductions	12/31/16	One Year
2014 Revenue Bonds	\$ 20,180,000	\$ -	\$ (100,000)	\$ 20,080,000	\$ 335,000
Less deferred amount for issuance discounts	(438,393)	-	15,656	(422,737)	-
Total Revenue Bonds	19,741,607	-	(84,344)	19,657,263	335,000
OWDA Loan	11,370,088	837,516	-	12,207,604	-
Development Subordinate Bond	-	2,941,091	-	2,941,091	-
Total Long Term Obligations	\$ 31,111,695	\$ 3,778,607	\$ (84,344)	\$ 34,805,958	\$ 335,000

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

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

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



BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2016

A summary of the annual debt service requirements for the bonds payable as of December 31, 2016 follows:

	Principal	Interest	Total
2017	\$ 335,000	\$ 1,156,162	\$ 1,491,162
2018	355,000	1,139,412	1,494,412
2019	370,000	1,121,662	1,491,662
2020	390,000	1,103,162	1,493,162
2021	410,000	1,083,662	1,493,662
2022-2026	2,390,000	5,085,310	7,475,310
2027-2031	3,160,000	4,337,276	7,497,276
2032-2036	4,220,000	3,311,551	7,531,551
2037-2041	5,665,000	1,895,700	7,560,700
2042-2043	2,785,000	253,200	3,038,200
Total	<u>\$ 20,080,000</u>	<u>\$ 20,487,097</u>	<u>\$ 40,567,097</u>

Related Party Transactions

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

In addition, at December 31, 2015, the Authority has reported \$719,671 due to the Developer for construction costs which the Developer has advanced the Authority in anticipation of the final draw on the OWDA loan.

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

Contingent Liabilities

There are no claims and lawsuits pending against the Authority.

The Developer incurred additional development costs that were included in the Public Infrastructure Scope that exceeded the amounts paid for by the Bond Issuance and the OWDA loan that could be reimbursable to the Developer after all other obligations are fulfilled per the Funding and Trust Agreements.

Restatement of Comparative Financial Statements

During 2016, OWDA informed the Authority that the calculation of capitalized interest on the Authority's loan had been calculated incorrectly for 2015 and was overstated as of December 31, 2015. OWDA credited the Authority's loan balance on June 30, 2016 to correct the error. The financial statements as of and for the year ended December 31, 2015 were restated as follows:

Net position previously reported at December 31, 2015	\$ 13,051,544
Correction of capitalized interest	<u>134,639</u>
Net position restated at December 31, 2015	\$ <u>13,186,183</u>
Change in net position previously reported for 2015	\$ 13,695,226
Correction of capitalized interest	<u>134,639</u>
Change in net position restated for 2015	\$ <u>13,829,865</u>

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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NOTE 26- BUTLER COUNTY PORT AUTHORITY

Reporting Entity

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

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

Basis of Presentation

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

Measurement Focus and Basis of Accounting

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

Budgetary Data

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

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

Cash and Cash Equivalents

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

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

BUTLER COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

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Operating and Non-Operating Revenues and Expenses

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

Accrued Liabilities

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

Net Position

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

Conduit Debt Financing

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

Deposits and Investments

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

At fiscal year-end, the carrying value of the Port Authority's deposits was \$97,706 and the bank balance was \$97,706. All of the bank balance was insured by federal depository insurance. Based on criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2016, \$0 of the deposits were exposed to custodial credit risk.

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

Conduit Debt

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

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2016

Conduit debt outstanding at December 31, 2016 consisted of the following:

Greater Miami Valley YMCA	\$	15,193,900
Liberty Center Project Series A		10,640,000
Liberty Center Project Series B		5,995,000
Liberty Center Project Series C		20,080,000
Colonial Senior Services, Inc.		6,200,000
Mother Teresa Catholic Elementary School		3,344,580
	<u>\$</u>	<u>61,453,480</u>

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

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

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

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

NOTE 27- CONDENSED COMPONENT UNIT STATEMENTS

Condensed Component Unit Statement of Net Position

	Butler County Land Reutilization Corporation	Liberty Community Authority	Butler County Port Authority	Total
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 320,385	\$ 564,749	\$ 97,706	\$ 982,840
Cash and Cash Equivalents:				
With Fiscal Agents	-	1,526,242	-	1,526,242
Accounts Receivable	-	-	9,068	9,068
Facility Charges Receivable	-	88,925	-	88,925
Due from Other Governments	339,762	-	-	339,762
Prepaid Items	8,745	-	-	8,745
Receivables from Conduit Debt Receipts	-	-	61,453,480	61,453,480
Assets Held for Resale	475,624	-	-	475,624
Capital Assets:				
Nondepreciable Capital Assets	-	2,333,662	-	2,333,662
Depreciable Capital Assets, net	-	39,873,865	-	39,873,865
<b>Total Assets</b>	<u>1,144,516</u>	<u>44,387,443</u>	<u>61,560,254</u>	<u>107,092,213</u>
<b>Liabilities</b>				
Accounts Payable	-	-	15,556	15,556
Contracts Payable	-	227,250	-	227,250
Accrued Interest Payable	-	96,347	-	96,347
Unearned Revenue	246,763	-	-	246,763
Long-Term Liabilities:				
Due Within One Year	-	335,000	-	335,000
Due In More Than One Year	-	34,781,954	61,453,480	96,235,434
<b>Total Liabilities</b>	<u>246,763</u>	<u>35,440,551</u>	<u>61,469,036</u>	<u>97,156,350</u>
<b>Net Position</b>				
Net Investment in Capital Assets	-	11,848,874	-	11,848,874
Unrestricted (Deficit)	897,753	(2,901,982)	91,218	(1,913,011)
<b>Total Net Position</b>	<u>\$ 897,753</u>	<u>\$ 8,946,892</u>	<u>\$ 91,218</u>	<u>\$ 9,935,863</u>

BUTLER COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2016

Condensed Component Unit Statement of Activities

	Butler County Land Reutilization Corporation	Liberty Community Authority	Butler County Port Authority	Total
Expenses:	\$ 949,209	\$ 5,510,522	\$ 148,230	\$ 6,607,961
Program Revenues:				
Charges for Services	-	-	122,548	122,548
Operating Grants, Contributions, and Interest	983,760	1,271,171	10,040	2,264,971
Total Program Revenues	983,760	1,271,171	132,588	2,387,519
Net Program Revenue (Expenses)	34,551	(4,239,351)	(15,642)	(4,220,442)
Other General Revenues	170,721	60	-	170,781
Change in Net Position	205,272	(4,239,291)	(15,642)	(4,049,661)
Net Position at Beginning of Year(Restated)	692,481	13,186,183	106,860	13,985,524
Net Position at End of Year	\$ 897,753	\$ 8,946,892	\$ 91,218	\$ 9,935,863

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2016

Butler County reports its infrastructure assets using the modified approach as outlined in Governmental Accounting Standards Board (GASB) Statement No. 34. The following disclosures pertain to the conditional assessment and budgeted versus actual expenditures for the preservation of these assets. Data for the conditional assessment is presented in each of the following three sections for 2014, 2011, and 2008. Beginning with reporting year 2009, the County moved to a three year conditional assessment rotation cycle.

County Roads

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

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

It is the County policy that at least 90% of the roadways will have a rating of 3 (Fair) or higher. The Butler County Engineer's Office has a goal whereby the total mileage of the roadway in the County will be re-paved on a 15-year rotational basis. Historical data has shown that with yearly inspection and maintenance, the average road of the County will be maintained at a usable level for a 25-year period. Each roadway in the County will be assessed once every three years, with higher emphasis on older and more heavily used pavements.

*The following summarizes the physical condition assessment of County roads as of December 31 for 2014, 2011, and 2008:*

Road Condition	2014		2011		2008	
	Road Miles	% of Total	Road Miles	% of Total	Road Miles	% of Total
<i>Fair or Better</i>	254	95%	241	90%	263	96%
<i>Less than Fair</i>	14	5%	26	10%	12	4%
<i>Total</i>	268	100%	267	100%	275	100%

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2016

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2016	\$3,187,007	\$3,187,007	\$0
2015	1,939,082	1,869,777	69,305
2014	6,078,718	5,171,078	907,640
2013	5,486,762	5,486,762	0
2012	4,816,346	4,781,073	35,273
2011	4,306,251	3,462,529	843,722
2010	2,413,314	1,965,281	448,033

County Bridges

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

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

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

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

Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2016

It is the County policy to maintain the bridge system in the County where 85% of the structures have a general appraisal summary of 5 (Fair) condition or higher. *The following is a summary of the conditional assessment for bridges as of December 31 for 2014, 2011, and 2008:*

Bridge Condition	2014		2011		2008	
	Number of Bridges	% of Total	Number of Bridges	% of Total	Number of Bridges	% of Total
Fair or Better	368	92%	374	94%	357	90%
Less than Fair	30	8%	25	6%	38	10%
Total	398	100%	399	100%	395	100%

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2016	\$1,973,078	\$1,973,078	\$0
2015	1,970,084	1,970,084	0
2014	2,761,500	2,357,403	404,097
2013	1,289,620	1,289,620	0
2012	1,661,825	1,661,825	0
2011	2,345,182	1,885,692	459,491
2010	4,789,750	4,334,282	455,468

County Culverts

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

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



Butler County, Ohio  
 Required Supplementary Information  
 Condition Assessment of the County's Infrastructure  
 Reported Using the Modified Approach as Outlined in GASB 34  
 For The Year Ended December 31, 2016

It is the goal of the Butler County Engineer to maintain 75% of culverts in a condition of 2-Fair or better. The following is a summary of the conditional assessment for culverts as of December 31 for 2014, 2011, and 2008:

Culvert Condition	2014		2011		2008	
	Number of Culverts	% of Total	Number of Culverts	% of Total	Number of Culverts	% of Total
Fair or Better	798	78%	834	82%	836	79%
Less than Fair	222	22%	189	18%	226	21%
Total	1,020	100%	1,023	100%	1,062	100%

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

Year	Budgeted Expenditures	Actual Expenditures	Difference
2016	\$108,845	\$108,845	0
2015	\$50,000	\$33,689	\$16,311
2014	109,842	76,045	33,798
2013	174,572	174,572	0
2012	135,804	115,804	20,000
2011	188,159	151,293	36,866
2010	228,718	94,784	133,934

**Butler County, Ohio**

*Required Supplementary Information*

*Schedule of the County's Proportionate Share of the Net Pension Liability*

*Ohio Public Employees Retirement System - Traditional Plan*

*Last Three Years (1)*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's Proportion of the Net Pension Liability	0.67466323%	0.67328450%	0.67328450%
County's Proportionate Share of the Net Pension Liability	\$116,860,173	\$81,205,636	\$79,371,471
County's Covered Payroll	\$79,521,898	\$79,995,262	\$80,024,500
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	146.95%	101.51%	99.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.08%	86.45%	86.36%

(1) Information prior to 2013 is not available.

Amounts presented for each year were determined as of the County's measurement date which is the prior year end

**Butler County, Ohio**

*Required Supplementary Information*

*Schedule of County Contributions*

*Ohio Public Employees Retirement System - Traditional Plan*

*Last Four Years (1)*

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

(1) Information prior to 2013 is not available.

## Combining Statements and Individual Fund Schedules

## Combining Statements – Non-major Governmental Funds

### Non-major Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

## Combining Statements – Non-major Governmental Funds (Continued)

### Non-major Capital Project Funds

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

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

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

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

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

### Non-major Bond Retirement

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

### Non-major Permanent Fund

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

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
**December 31, 2016**

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Bond Retirement Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 73,670,858	\$ 307,383	\$ 1,150,242	\$ 1,047,633	\$ 76,176,116
Cash and Cash Equivalents:					
In Segregated Accounts	3,540	-	-	-	3,540
Receivables:					
Property Taxes	17,551,085	-	-	-	17,551,085
Other Local Taxes	281,094	-	-	-	281,094
Payments in Lieu of Taxes	0	-	-	-	-
Accounts	545,691	-	-	-	545,691
Due from Other Governments	11,651,623	330,932	-	-	11,982,555
Special Assessments	1,461,485	-	6,827,102	-	8,288,587
Loans	538,081	-	-	-	538,081
Due from Other Funds	0	-	-	-	-
Prepaid Items	255,738	-	-	-	255,738
Materials and Supplies Inventory	1,157,545	-	-	-	1,157,545
<b>Total Assets</b>	<b>\$ 107,116,740</b>	<b>\$ 638,315</b>	<b>\$ 7,977,344</b>	<b>\$ 1,047,633</b>	<b>\$ 116,780,032</b>
<b>Liabilities</b>					
Accounts Payable	\$ 41,143	\$ -	\$ -	\$ -	\$ 41,143
Contracts Payable	2,257,360	179,816	-	-	2,437,176
Accrued Wages and Benefits Payable	561,730	-	-	-	561,730
Due to Other Funds	38,879	-	-	-	38,879
Due to Other Governments	49,051	-	-	-	49,051
Advances from Other Funds	1,189,712	58,136	18,905	-	1,266,753
Matured Bonds Payable	-	-	13,250	-	13,250
Matured Interest Payable	-	-	5,543	-	5,543
Accrued Interest Payable	-	32,353	-	-	32,353
Notes Payable	-	9,915,000	-	-	9,915,000
<b>Total Liabilities</b>	<b>4,137,875</b>	<b>10,185,305</b>	<b>37,698</b>	<b>-</b>	<b>14,360,878</b>
<b>Deferred Inflows of Resources</b>					
Property Taxes not Levied to Finance the Current Year Operations	16,986,416	-	-	-	16,986,416
Unavailable Revenue	11,557,937	-	6,827,102	-	18,385,039
<b>Total Deferred Inflows of Resources</b>	<b>28,544,353</b>	<b>-</b>	<b>6,827,102</b>	<b>-</b>	<b>35,371,455</b>
<b>Fund Balances</b>					
Nonspendable	1,951,364	-	-	956,975	2,908,339
Restricted	72,942,679	265,341	1,112,544	90,658	74,411,222
Unassigned (Deficit)	(459,531)	(9,812,331)	-	-	(10,271,862)
<b>Total Fund Balances (Deficit)</b>	<b>74,434,512</b>	<b>(9,546,990)</b>	<b>1,112,544</b>	<b>1,047,633</b>	<b>67,047,699</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 107,116,740</b>	<b>\$ 638,315</b>	<b>\$ 7,977,344</b>	<b>\$ 1,047,633</b>	<b>\$ 116,780,032</b>

**Butler County, Ohio**  
**Combining Balance Sheet**  
**Non-major Special Revenue Funds**  
**December 31, 2016**

	Mental Health and Addiction Recovery Services Board	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 16,324,372	\$ 3,097,089	\$ 3,021,828	\$ 4,847,215	\$ 5,028,166
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	2,400	-	290
Receivables:					
Property Taxes	8,746,467	-	-	-	-
Other Local Taxes	-	-	-	-	-
Accounts	-	-	192,042	34,819	25,768
Due from Other Governments	1,805,031	-	6,038	25	2,283,143
Special Assessments	-	-	-	-	-
Loans	-	-	-	-	-
Prepaid Items	20,777	27,115	111,805	45,817	19,398
Materials and Supplies Inventory	2,110	7,628	21,372	6,241	50,865
<b>Total Assets</b>	<b>\$ 26,898,757</b>	<b>\$ 3,131,832</b>	<b>\$ 3,355,485</b>	<b>\$ 4,934,117</b>	<b>\$ 7,407,630</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 3,320	\$ 2,687	\$ 2,425	\$ 2,687	\$ 9,209
Contracts Payable	23,458	19,294	19,190	40,921	74,313
Accrued Wages and Benefits Payable	26,682	33,546	40,101	27,944	153,364
Due to Other Funds	-	-	1,079	-	1,654
Due to Other Governments	-	-	-	1,200	16,424
Advances from Other Funds	12,200	-	-	15,588	30,074
<b>Total Liabilities</b>	<b>65,660</b>	<b>55,527</b>	<b>62,795</b>	<b>88,340</b>	<b>285,038</b>
<b>Deferred Inflows of Resources</b>					
Property Taxes not Levied to Finance the Current Year Operations	8,443,966	-	-	-	-
Unavailable Revenue	1,827,633	-	-	-	1,702,508
<b>Total Deferred Inflows of Resources</b>	<b>10,271,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,702,508</b>
<b>Fund Balances</b>					
Nonspendable	22,887	34,743	133,177	52,058	70,263
Restricted	16,538,611	3,041,562	3,159,513	4,793,719	5,349,821
Unassigned (Deficit)	-	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>16,561,498</b>	<b>3,076,305</b>	<b>3,292,690</b>	<b>4,845,777</b>	<b>5,420,084</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 26,898,757</b>	<b>\$ 3,131,832</b>	<b>\$ 3,355,485</b>	<b>\$ 4,934,117</b>	<b>\$ 7,407,630</b>



<u>Motor Vehicle</u>	<u>All Other Public Works</u>	<u>Child Support Enforcement</u>	<u>County Care Facility</u>	<u>Elderly Services Levy</u>
\$ 12,799,049	\$ 13,673,317	\$ 2,233,884	\$ 312,436	\$ 12,212,140
150	100	200	400	-
-	-	-	-	8,804,618
281,094	-	-	-	-
105,466	33,164	-	154,432	-
4,756,826	1,445,819	602,395	92,857	570,110
-	1,461,485	-	-	-
-	538,081	-	-	-
13,717	8,660	4,730	3,669	50
1,045,776	6,203	4,858	12,492	-
<u>\$ 19,002,078</u>	<u>\$ 17,166,829</u>	<u>\$ 2,846,067</u>	<u>\$ 576,286</u>	<u>\$ 21,586,918</u>
\$ 18,028	\$ 1,681	\$ 312	\$ 794	\$ -
213,087	193,594	7,266	93,095	1,573,142
100,785	19,737	62,960	88,398	2,885
475	12	10,927	24,732	-
3,688	8,042	-	19,697	-
-	290,385	-	725,000	-
<u>336,063</u>	<u>513,451</u>	<u>81,465</u>	<u>951,716</u>	<u>1,576,027</u>
-	-	-	-	8,542,450
<u>4,108,445</u>	<u>2,719,851</u>	<u>251,070</u>	<u>50,376</u>	<u>832,278</u>
<u>4,108,445</u>	<u>2,719,851</u>	<u>251,070</u>	<u>50,376</u>	<u>9,374,728</u>
1,059,493	552,944	9,588	16,161	50
13,498,077	13,380,583	2,503,944	-	10,636,113
-	-	-	(441,967)	-
<u>14,557,570</u>	<u>13,933,527</u>	<u>2,513,532</u>	<u>(425,806)</u>	<u>10,636,163</u>
<u>\$ 19,002,078</u>	<u>\$ 17,166,829</u>	<u>\$ 2,846,067</u>	<u>\$ 576,286</u>	<u>\$ 21,586,918</u>

(Continued)

Butler County, Ohio  
Combining Balance Sheet  
Non-major Special Revenue Funds (Continued)  
December 31, 2016

	All Other Human Services	All Other Conservation and Recreation	Total Non-major Special Revenue Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 80,626	\$ 40,736	\$ 73,670,858
Cash and Cash Equivalents:			
In Segregated Accounts	-	-	3,540
Receivables:			
Property Taxes	-	-	17,551,085
Other Local Taxes	-	-	281,094
Accounts	-	-	545,691
Due from Other Governments	89,379	-	11,651,623
Special Assessments	-	-	1,461,485
Loans	-	-	538,081
Prepaid Items	-	-	255,738
Materials and Supplies Inventory	-	-	1,157,545
<b>Total Assets</b>	<b>\$ 170,005</b>	<b>\$ 40,736</b>	<b>\$ 107,116,740</b>
<b>Liabilities:</b>			
Accounts Payable	\$ -	\$ -	\$ 41,143
Contracts Payable	-	-	2,257,360
Accrued Wages and Benefits Payable	5,328	-	561,730
Due to Other Funds	-	-	38,879
Due to Other Governments	-	-	49,051
Advances from Other Funds	116,465	-	1,189,712
<b>Total Liabilities</b>	<b>121,793</b>	<b>-</b>	<b>4,137,875</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes not Levied to Finance the Current			
Year Operations	-	-	16,986,416
Unavailable Revenue	65,776	-	11,557,937
<b>Total Deferred Inflows of Resources</b>	<b>65,776</b>	<b>-</b>	<b>28,544,353</b>
<b>Fund Balances</b>			
Nonspendable	-	-	1,951,364
Restricted	-	40,736	72,942,679
Unassigned (Deficit)	(17,564)	-	(459,531)
<b>Total Fund Balances(Deficit)</b>	<b>(17,564)</b>	<b>40,736</b>	<b>74,434,512</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 170,005</b>	<b>\$ 40,736</b>	<b>\$ 107,116,740</b>

Butler County, Ohio  
Combining Balance Sheet  
Non-major Capital Projects Funds  
December 31, 2016

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 265,341	\$ -	\$ 4,091	\$ 37,951	\$ 307,383
Due from Other Governments	-	3,000	327,932	-	330,932
<b>Total Assets</b>	<b>\$ 265,341</b>	<b>\$ 3,000</b>	<b>\$ 332,023</b>	<b>\$ 37,951</b>	<b>\$ 638,315</b>
<b>Liabilities and Fund Balances</b>					
Accrued Wages and Benefits Payable	\$ -	\$ -	\$ -	\$ 179,816	\$ 179,816
Advances from Other Funds	-	58,136	-	-	58,136
Accrued Interest Payable	-	-	8,675	23,678	32,353
Notes Payable	-	-	2,535,000	7,380,000	9,915,000
<b>Total Liabilities</b>	<b>0</b>	<b>58,136</b>	<b>2,543,675</b>	<b>7,583,494</b>	<b>10,185,305</b>
<b>Fund Balances</b>					
Restricted	265,341	-	-	-	265,341
Unassigned (Deficit)	-	(55,136)	(2,211,652)	(7,545,543)	(9,812,331)
<b>Total Fund Balances (Deficit)</b>	<b>265,341</b>	<b>(55,136)</b>	<b>(2,211,652)</b>	<b>(7,545,543)</b>	<b>(9,546,990)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 265,341</b>	<b>\$ 3,000</b>	<b>\$ 332,023</b>	<b>\$ 37,951</b>	<b>\$ 638,315</b>

Butler County, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-major Governmental Funds  
For the Year Ended December 31, 2016

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Bond Retirement Fund	Non-major Permanent Fund	Total Non-major Governmental Funds
<b>Revenues</b>					
Property Taxes	\$ 17,119,775	\$ -	\$ -	\$ -	\$ 17,119,775
Other Local Taxes	2,690,577	-	-	-	2,690,577
Charges for Services	21,720,436	-	-	-	21,720,436
Licenses and Permits	1,042,300	-	-	-	1,042,300
Fines and Forfeitures	761,883	-	-	-	761,883
Intergovernmental	30,562,232	3,573,082	-	-	34,135,314
Special Assessments	1,387,329	-	757,510	-	2,144,839
Investment Earnings	24,216	-	504,651	1,802	530,669
Other	951,054	-	68	8,351	959,473
<b>Total Revenues</b>	<b>76,259,802</b>	<b>3,573,082</b>	<b>1,262,229</b>	<b>10,153</b>	<b>81,105,266</b>
<b>Expenditures</b>					
<b>Current:</b>					
<b>General Government:</b>					
Legislative and Executive	5,514,344	-	-	-	5,514,344
Judicial	2,087,225	-	-	-	2,087,225
Public Safety	12,567,660	-	-	-	12,567,660
Public Works	18,534,701	3,151,612	-	-	21,686,313
Health	12,686,537	-	-	5,031	12,691,568
Human Services	22,608,743	-	-	-	22,608,743
Conservation and Recreation	33,839	-	-	-	33,839
Capital Outlay	-	211,050	-	-	211,050
<b>Debt Service:</b>					
Principal Retirement	127,505	-	5,747,514	-	5,875,019
Interest and Fiscal Charges	2,609	114,747	2,134,663	-	2,252,019
<b>Total Expenditures</b>	<b>74,163,163</b>	<b>3,477,409</b>	<b>7,882,177</b>	<b>5,031</b>	<b>85,527,780</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,096,639</b>	<b>95,673</b>	<b>(6,619,948)</b>	<b>5,122</b>	<b>(4,422,514)</b>
<b>Other Financing Sources (Uses):</b>					
Transfers - In	245,316	4,326,375	6,656,890	-	11,228,581
Transfers - Out	(1,250,000)	-	-	-	(1,250,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,004,684)</b>	<b>4,326,375</b>	<b>6,656,890</b>	<b>-</b>	<b>9,978,581</b>
<b>Net Change in Fund Balances</b>	<b>1,091,955</b>	<b>4,422,048</b>	<b>36,942</b>	<b>5,122</b>	<b>5,556,067</b>
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>73,342,557</b>	<b>(13,969,038)</b>	<b>1,075,602</b>	<b>1,042,511</b>	<b>61,491,632</b>
<b>Fund Balances (Deficit) at End of Year</b>	<b>\$ 74,434,512</b>	<b>\$ (9,546,990)</b>	<b>\$ 1,112,544</b>	<b>\$ 1,047,633</b>	<b>\$ 67,047,699</b>

Butler County, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Non-major Special Revenue Funds  
For the Year Ended December 31, 2016

	Mental Health and Addiction Recovery Services Board	Real Estate Assessment	All Other Legislative and Executive	All Other Judicial	All Other Public Safety
Revenues					
Property Taxes	\$ 8,502,329	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-
Charges for Services	54,871	2,232,699	4,142,384	2,516,780	6,193,683
Licenses and Permits	-	-	-	-	867,801
Fines and Forfeitures	-	-	523,732	39,483	39,133
Intergovernmental	4,924,897	-	-	1,593	4,194,625
Special Assessments	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Investment Earnings	-	-	5,082	10	-
Other	59,237	-	18,182	38	515,534
Total Revenues	<u>13,541,334</u>	<u>2,232,699</u>	<u>4,689,380</u>	<u>2,557,904</u>	<u>11,810,776</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	2,199,948	3,314,396	-	-
Judicial	-	-	-	2,087,225	-
Public Safety	-	-	-	-	12,567,660
Public Works	-	-	-	-	-
Health	12,686,537	-	-	-	-
Human Services	-	-	-	-	-
Conservation and Recreation	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>12,686,537</u>	<u>2,199,948</u>	<u>3,314,396</u>	<u>2,087,225</u>	<u>12,567,660</u>
Excess of Revenues Over (Under) Expenditures	<u>854,797</u>	<u>32,751</u>	<u>1,374,984</u>	<u>470,679</u>	<u>(756,884)</u>
Other Financing Sources (Uses)					
Transfers - In	110,000	-	-	-	58,324
Transfers - Out	-	-	(1,250,000)	-	-
Total Other Financing Sources (Uses)	<u>110,000</u>	<u>-</u>	<u>(1,250,000)</u>	<u>-</u>	<u>58,324</u>
Net Change in Fund Balance	964,797	32,751	124,984	470,679	(698,560)
Fund Balances (Deficit) at Beginning of Year	<u>15,596,701</u>	<u>3,043,554</u>	<u>3,167,706</u>	<u>4,375,098</u>	<u>6,118,644</u>
Fund Balances (Deficit) at End of Year	<u>\$ 16,561,498</u>	<u>\$ 3,076,305</u>	<u>\$ 3,292,690</u>	<u>\$ 4,845,777</u>	<u>\$ 5,420,084</u>

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Non-major Special Revenue Funds**  
**For the Year Ended December 31, 2016**

	Motor Vehicle	All Other Public Works	Child Support Enforcement	County Care Facility	Elderly Services Levy
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 8,617,446
Other Local Taxes	2,690,577	-	-	-	-
Charges for Services	482,527	877,976	1,280,602	3,898,178	-
Licenses and Permits	174,109	390	-	-	-
Fines and Forfeitures	159,535	-	-	-	-
Intergovernmental	12,870,776	2,254,170	2,810,233	1,976,705	1,271,383
Special Assessments	-	1,387,329	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Investment Earnings	15,922	3,202	-	-	-
Other	255,585	96,416	-	-	-
Total Revenues	<u>16,649,031</u>	<u>4,619,483</u>	<u>4,090,835</u>	<u>5,874,883</u>	<u>9,888,829</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	14,419,076	4,115,625	-	-	-
Health	-	-	-	-	-
Human Services	-	-	4,523,194	6,642,555	11,107,867
Conservation and Recreation	-	-	-	-	-
Debt Service:					
Principal Retirement	124,288	-	-	3,217	-
Interest and Fiscal Charges	-	-	-	2,609	-
Total Expenditures	<u>14,543,364</u>	<u>4,115,625</u>	<u>4,523,194</u>	<u>6,648,381</u>	<u>11,107,867</u>
Excess of Revenues Over (Under) Expenditures	<u>2,105,667</u>	<u>503,858</u>	<u>(432,359)</u>	<u>(773,498)</u>	<u>(1,219,038)</u>
Other Financing Sources (Uses)					
Transfers - In	-	-	-	-	-
Transfers - Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,105,667	503,858	(432,359)	(773,498)	(1,219,038)
Fund Balances (Deficit) at Beginning of Year	12,451,903	13,429,669	2,945,891	347,692	11,855,201
Fund Balances (Deficit) at End of Year	<u>\$ 14,557,570</u>	<u>\$ 13,933,527</u>	<u>\$ 2,513,532</u>	<u>\$ (425,806)</u>	<u>\$ 10,636,163</u>

(Continued)

**Butler County, Ohio**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Non-major Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2016**

	All Other Human Services	All Other Conservation and Recreation	Total Non-major Special Revenue Funds
<b>Revenues</b>			
Property Taxes	\$ -	\$ -	\$ 17,119,775
Other Local Taxes	-	-	2,690,577
Charges for Services	-	40,736	21,720,436
Licenses and Permits	-	-	1,042,300
Fines and Forfeitures	-	-	761,883
Intergovernmental	257,850	-	30,562,232
Special Assessments	-	-	1,387,329
Payments in Lieu of Taxes	-	-	-
Investment Earnings	-	-	24,216
Other	6,062	-	951,054
<b>Total Revenues</b>	<b>263,912</b>	<b>40,736</b>	<b>76,259,802</b>
<b>Expenditures</b>			
<b>Current:</b>			
<b>General Government</b>			
Legislative and Executive	-	-	5,514,344
Judicial	-	-	2,087,225
Public Safety	-	-	12,567,660
Public Works	-	-	18,534,701
Health	-	-	12,686,537
Human Services	335,127	-	22,608,743
Conservation and Recreation	-	33,839	33,839
<b>Debt Service:</b>			
Principal Retirement	-	-	127,505
Interest and Fiscal Charges	-	-	2,609
<b>Total Expenditures</b>	<b>335,127</b>	<b>33,839</b>	<b>74,163,163</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(71,215)</b>	<b>6,897</b>	<b>2,096,639</b>
<b>Other Financing Sources (Uses)</b>			
Transfers - In	76,992	-	245,316
Transfers - Out	-	-	(1,250,000)
<b>Total Other Financing Sources (Uses)</b>	<b>76,992</b>	<b>-</b>	<b>(1,004,684)</b>
<b>Net Change in Fund Balance</b>	<b>5,777</b>	<b>6,897</b>	<b>1,091,955</b>
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>(23,341)</b>	<b>33,839</b>	<b>73,342,557</b>
<b>Fund Balances (Deficit) at End of Year</b>	<b>\$ (17,564)</b>	<b>\$ 40,736</b>	<b>\$ 74,434,512</b>

Butler County, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-major Capital Projects Funds  
For the Year Ended December 31, 2016

	Technology	Other Capital Improvements	Road Improvements	Buildings Construction and Renovations	Total Non-major Capital Projects Funds
Revenues					
Intergovernmental	\$ -	\$ -	\$ 3,573,082	\$ -	\$ 3,573,082
Expenditures					
Current:					
Public Works	-	-	3,151,612	-	3,151,612
Capital Outlay	36,066	58,136	116,848	-	211,050
Debt Service:					
Interest and Fiscal Charges	5,458	-	27,669	81,620	114,747
Total Expenditures	41,524	58,136	3,296,129	81,620	3,477,409
Excess of Revenues Over (Under) Expenditures	(41,524)	(58,136)	276,953	(81,620)	95,673
Other Financing Sources:					
Transfers-In	1,288,539	-	88,419	2,949,417	4,326,375
Net Change in Fund Balances	1,247,015	(58,136)	365,372	2,867,797	4,422,048
Fund Balances (Deficit) at Beginning of Year	(981,674)	3,000	(2,577,024)	(10,413,340)	(13,969,038)
Fund Balances (Deficit) at End of Year	\$ 265,341	\$ (55,136)	\$ (2,211,652)	\$ (7,545,543)	\$ (9,546,990)



## Internal Service Funds

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

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

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

Jefferson Health Plan – To account for medical claims and premiums for Butler County Developmental Disabilities Board for their self-insured employee medical coverage. The medical and claims activity for this plan occurred in an outside bank account, therefore no budgetary statements are presented.

**Butler County, Ohio**  
**Combining Statement of Fund Net Position**  
**Internal Service Funds**  
**December 31, 2016**

	Health Insurance	Workers' Compensation	Jefferson Health Plan	Total
<b>Assets</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,068,633	\$ 2,566,978	\$ -	\$ 4,635,611
Cash and Cash Equivalents with Fiscal Agent	-	-	267,893	267,893
Prepaid Items	17	1,163,746	-	1,163,763
<b>Total Assets</b>	<b>2,068,650</b>	<b>3,730,724</b>	<b>267,893</b>	<b>6,067,267</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accrued Wages and Benefits Payable	896	4,245	-	5,141
Claims Payable	-	671,215	745,843	1,417,058
Compensated Absences Payable	890	8,482	-	9,372
<b>Total Current Liabilities</b>	<b>1,786</b>	<b>683,942</b>	<b>745,843</b>	<b>1,431,571</b>
<b>Non-Current Liabilities</b>				
Claims Payable	-	2,000,921	206,020	2,206,941
Compensated Absences Payable	2,992	21,692	-	24,684
<b>Total Non-Current Liabilities</b>	<b>2,992</b>	<b>2,022,613</b>	<b>206,020</b>	<b>2,231,625</b>
<b>Total Liabilities</b>	<b>4,778</b>	<b>2,706,555</b>	<b>951,863</b>	<b>3,663,196</b>
<b>Total Net Position</b>	<b>\$ 2,063,872</b>	<b>\$ 1,024,169</b>	<b>\$ (683,970)</b>	<b>\$ 2,404,071</b>

**Butler County, Ohio**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2016**

	Health Insurance	Workers' Compensation	Jefferson Health Plan	Total
Operating Revenues				
Charges for Services	\$ 17,280,453	\$ 2,174,814	\$ 2,296,698	\$ 21,751,965
Other Operating Revenues	-	-	191,485	191,485
Total Operating Revenues	<u>17,280,453</u>	<u>2,174,814</u>	<u>2,488,183</u>	<u>21,943,450</u>
Operating Expenses				
Personal Services	302,150	229,856	-	532,006
Contractual Services	16,989,210	841,631	443,665	18,274,506
Claims and Judgments	-	843,079	2,216,908	3,059,987
Materials and Supplies	28,043	-	-	28,043
Other	648	169,181	-	169,829
Total Operating Expenses	<u>17,320,051</u>	<u>2,083,747</u>	<u>2,660,573</u>	<u>22,064,371</u>
Operating Income (Loss)	<u>(39,598)</u>	<u>91,067</u>	<u>(172,390)</u>	<u>(120,921)</u>
Non-Operating Revenues				
Other Non-Operating Revenues	<u>136,772</u>	<u>219,255</u>	<u>-</u>	<u>356,027</u>
Change in Net Position	97,174	310,322	(172,390)	235,106
Net Position(Deficit) at Beginning of Year	<u>1,966,698</u>	<u>713,847</u>	<u>(511,580)</u>	<u>2,168,965</u>
Net Position (Deficit) at End of Year	<u>\$ 2,063,872</u>	<u>\$ 1,024,169</u>	<u>\$ (683,970)</u>	<u>\$ 2,404,071</u>

**Butler County**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2016**

	Health Insurance	Workers' Compensation	Jefferson Health	Total
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>				
<u>Cash Flows from Operating Activities:</u>				
Cash Paid to Suppliers	\$ (17,017,901)	\$ (2,174,075)	\$ (443,665)	\$ (19,635,641)
Cash Paid to Employees	(315,907)	(227,688)	-	(543,595)
Cash Received from Interfund Services Provided	17,280,453	2,174,814	2,296,698	21,751,965
Other Non-Operating Revenues	136,772	219,255	-	356,027
Other Operating Revenues	-	-	191,485	191,485
Cash Paid for Claims	-	(783,754)	(1,619,748)	(2,403,502)
Net Cash Provided by (Used for) Operating Activities	<u>83,417</u>	<u>(791,448)</u>	<u>424,770</u>	<u>(283,261)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>				
Repayment of Short-Term Advances from Other Funds	-	-	(156,877)	(156,877)
Net Increase (Decrease) in Cash and Cash Equivalents	83,417	(791,448)	267,893	(440,138)
Cash and Cash Equivalents at Beginning of Year	<u>1,985,216</u>	<u>3,358,426</u>	<u>-</u>	<u>5,343,642</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,068,633</u>	<u>\$ 2,566,978</u>	<u>\$ 267,893</u>	<u>\$ 4,903,504</u>
<u>Reconciliation of Operating (Loss) to Net</u>				
<u>Cash Provided by (Used For) Operating Activities:</u>				
Operating Income (Loss)	<u>\$ (39,598)</u>	<u>\$ 91,067</u>	<u>\$ (172,390)</u>	<u>\$ (120,921)</u>
Adjustments to Reconcile Operating (Loss) to Net Cash				
Provided by (Used For) Operating Activities:				
Other Non-Operating Revenues	136,772	219,255	-	356,027
<u>(Increase)Decrease in Assets</u>				
Prepaid Items	-	(1,163,263)	-	(1,163,263)
<u>Increase(Decrease) in Liabilities</u>				
Accrued Wages and Benefits Payable	(5,417)	(6,188)	-	(11,605)
Compensated Absences Payable	(8,340)	8,356	-	16
Claims Payable	-	59,325	597,160	656,485
Total Adjustments	<u>123,015</u>	<u>(882,515)</u>	<u>597,160</u>	<u>(162,340)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 83,417</u>	<u>\$ (791,448)</u>	<u>\$ 424,770</u>	<u>\$ (283,261)</u>

## Agency Funds

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

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

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

**Butler County, Ohio**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2016**

	Undivided Tax	All Other Agency	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 15,249,694	\$ 10,963,456	\$ 26,213,150
Cash and Cash Equivalents in Segregated Accounts	-	6,193,478	6,193,478
Property Taxes Receivable	445,644,919	-	445,644,919
Revenue in Lieu of Taxes Receivable	96,402,915	-	96,402,915
Special Assessments Receivable	10,568,495	-	10,568,495
Due from Other Governments	-	8,769,827	8,769,827
<b>Total Assets</b>	<b>\$ 567,866,023</b>	<b>\$ 25,926,761</b>	<b>\$593,792,784</b>
<b>Liabilities</b>			
Undistributed Monies	-	16,751,658	16,751,658
Deposits Held and Due to Others	-	275,211	275,211
Due to Other Governments	567,866,023	8,775,469	576,641,492
Loans Payable	-	124,423	124,423
<b>Total Liabilities</b>	<b>\$ 567,866,023</b>	<b>\$ 25,926,761</b>	<b>\$ 593,792,784</b>

See accompanying notes to the basic financial statements.

**Butler County, Ohio**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2016**

	Beginning Balance 12/31/15	Additions	Deductions	Ending Balance 12/31/16
<b>Undivided Tax Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 17,233,419	\$ 500,874,487	\$ 502,858,212	\$ 15,249,694
Property Taxes Receivable	435,824,257	445,644,919	435,824,257	445,644,919
Revenue in Lieu of Taxes Receivable	91,325,604	50,520,087	45,442,776	96,402,915
Special Assessments Receivable	10,014,569	10,016,081	9,462,155	10,568,495
Due from Other Governments	841,113	-	841,113	-
<b>Total Assets</b>	<b>\$ 555,238,962</b>	<b>\$ 1,007,055,574</b>	<b>\$ 994,428,513</b>	<b>\$ 567,866,023</b>
<b>Liabilities</b>				
Due to Other Governments	\$ 555,238,962	\$ 507,908,706	\$ 495,281,645	\$ 567,866,023
<b>Total Liabilities</b>	<b>555,238,962</b>	<b>507,908,706</b>	<b>495,281,645</b>	<b>567,866,023</b>
<b>All Other Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 11,727,890	\$ 38,922,273	\$ 39,686,707	\$ 10,963,456
Cash and Cash Equivalents				
In Segregated Accounts	6,527,734		334,256	6,193,478
Due from Other Governments	8,495,881	8,777,309	8,503,363	8,769,827
<b>Total Assets</b>	<b>\$ 26,751,505</b>	<b>\$ 47,699,582</b>	<b>\$ 48,524,326</b>	<b>\$ 25,926,761</b>
<b>Liabilities</b>				
Undistributed Monies	\$ 17,903,790	\$ -	\$ 1,152,132	\$ 16,751,658
Deposits Held and Due to Others	266,929	131,097	122,815	275,211
Due to Other Governments	8,498,881	8,649,654	8,373,066	8,775,469
Loans Payable	81,905	50,000	7,482	124,423
<b>Total Liabilities</b>	<b>\$ 26,751,505</b>	<b>\$ 8,830,751</b>	<b>\$ 9,655,495</b>	<b>\$ 25,926,761</b>

(Continued)

**Butler County, Ohio**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended December 31, 2016 (Continued)**

	Beginning Balance 12/31/15	Additions	Deductions	Ending Balance 12/31/16
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 28,961,309	\$ 539,796,760	\$ 542,544,919	\$ 26,213,150
Cash and Cash Equivalents				
In Segregated Accounts	6,527,734	-	334,256	6,193,478
Property Taxes Receivable	435,824,257	445,644,919	435,824,257	445,644,919
Revenue in Lieu of Taxes Receivable	91,325,604	50,520,087	45,442,776	96,402,915
Special Assessments Receivable	10,014,569	10,016,081	9,462,155	10,568,495
Due from Other Governments	9,336,994	8,777,309	9,344,476	8,769,827
<b>Total Assets</b>	<b>\$ 581,990,467</b>	<b>\$ 1,054,755,156</b>	<b>\$ 1,042,952,839</b>	<b>\$ 593,792,784</b>
<b>Liabilities</b>				
Undistributed Monies	\$ 17,903,790	\$ -	\$ 1,152,132	16,751,658
Deposits Held and Due to Others	266,929	131,097	122,815	275,211
Due to Other Governments	563,737,843	516,558,360	503,654,711	576,641,492
Loans Payable	81,905	50,000	7,482	124,423
<b>Total Liabilities</b>	<b>\$ 581,990,467</b>	<b>\$ 516,739,457</b>	<b>\$ 504,937,140</b>	<b>\$ 593,792,784</b>



Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
General Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 12,679,500	\$ 12,679,500	\$ 12,773,674	\$ 94,174
Sales Taxes	42,367,000	42,367,000	43,889,639	1,522,639
Charges for Services	18,356,103	18,306,003	19,740,189	1,434,186
Licenses and Permits	2,270,050	2,270,050	2,755,788	485,738
Fines and Forfeitures	1,243,300	1,243,300	1,142,454	(100,846)
Intergovernmental	10,054,775	10,605,239	10,682,962	77,723
Interest	1,300,000	1,300,000	2,049,476	749,476
Other	485,215	911,476	895,697	(15,779)
<b>Total Revenues</b>	<b>88,755,943</b>	<b>89,682,568</b>	<b>93,929,879</b>	<b>4,247,311</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
<b>Legislative and Executive</b>				
<b>Information Services</b>				
Personal Services	1,961,885	1,822,399	1,683,934	138,465
Materials and Supplies	65,000	980,840	968,770	12,070
Contractual Services	751,000	738,733	734,789	3,944
Capital Outlay	-	27,242	27,242	-
<b>Total Information Services</b>	<b>2,777,885</b>	<b>3,569,214</b>	<b>3,414,735</b>	<b>154,479</b>
<b>Audit Services</b>				
Contractual Services	130,000	130,000	125,910	4,090
<b>Auditor</b>				
Personal Services	1,109,014	1,109,014	1,073,935	35,079
Materials and Supplies	30,000	33,567	19,373	14,194
Contractual Services	101,739	101,881	58,480	43,401
<b>Total Auditor</b>	<b>1,240,753</b>	<b>1,244,462</b>	<b>1,151,788</b>	<b>92,674</b>
<b>Commissioners</b>				
Personal Services	1,100,796	1,099,668	993,670	105,998
Materials and Supplies	16,900	25,079	18,078	7,001
Contractual Services	27,500	86,383	79,701	6,682
Other	500	500	-	500
<b>Total Commissioners</b>	<b>1,145,696</b>	<b>1,211,630</b>	<b>1,091,449</b>	<b>120,181</b>
<b>Department of Development</b>				
Personal Services	1,219,215	1,219,215	1,149,360	69,855
Materials and Supplies	20,150	29,582	28,461	1,121
Contractual Services	211,800	219,376	201,600	17,776
Other	2,600	2,600	1,622	978
<b>Total Department of Development</b>	<b>1,453,765</b>	<b>1,470,773</b>	<b>1,381,043</b>	<b>89,730</b>
<b>Mailroom</b>				
Personal Services	95,268	95,759	95,632	127
Materials and Supplies	541,799	542,560	542,444	116
Contractual Services	190	190	190	-
<b>Total Mailroom</b>	<b>\$ 637,257</b>	<b>\$ 638,509</b>	<b>\$ 638,266</b>	<b>\$ 243</b>

(continued)

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
General Fund (continued)  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Maintenance				
Personal Services	\$ 259,679	\$ 259,679	\$ 247,599	\$ 12,080
Materials and Supplies	124,000	152,413	150,419	1,994
Contractual Services	2,121,500	2,359,682	2,353,966	5,716
Capital Outlay	-	346,052	344,980	1,072
Total Maintenance	2,505,179	3,117,826	3,096,964	20,862
Records Center				
Personal Services	277,974	279,465	278,364	1,101
Materials and Supplies	3,480	4,289	4,207	82
Contractual Services	26,497	29,668	27,627	2,041
Total Records Center	307,951	313,422	310,198	3,224
Insurance, Pension and Taxes				
Contractual Services	964,588	972,109	824,560	147,549
Other	641,539	641,539	568,387	73,152
Total Insurance, Pension and Taxes	1,606,127	1,613,648	1,392,947	220,701
Commissioners-Other				
Contractual Services	357,838	454,659	426,747	27,912
Other	56,400	37,346	37,346	-
Total Commissioners-Other	414,238	492,005	464,093	27,912
Central HR				
Personal Services	330,153	329,662	327,367	2,295
Materials and Supplies	2,000	2,003	2,003	-
Contractual Services	38,400	59,894	59,007	887
Total Central HR	370,553	391,559	388,377	3,182
Board of Elections				
Personal Services	2,468,984	3,328,510	2,974,844	353,666
Materials and Supplies	338,114	306,849	257,210	49,639
Contractual Services	736,560	350,887	307,575	43,312
Total Board of Elections	3,543,658	3,986,246	3,539,629	446,617
Prosecuting Attorney				
Personal Services	3,603,070	3,709,031	3,707,278	1,753
Materials and Supplies	39,043	44,419	44,098	321
Contractual Services	49,460	87,180	82,833	4,347
Other	57,851	57,851	57,851	-
Total Prosecuting Attorney	3,749,424	3,898,481	3,892,060	6,421
CSEA Prosecutor				
Personal Services	334,621	248,928	248,570	358
Materials and Supplies	5,200	4,810	3,993	817
Contractual Services	26,395	32,259	24,958	7,301
Total CSEA Prosecutor	366,216	285,997	277,521	8,476
Pre-trial Diversion				
Personal Services	51,266	37,466	37,207	259
Other	-	10,200	9,793	407
Total CSEA Prosecutor	\$ 51,266	\$ 47,666	\$ 47,000	\$ 666

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Public Defender Area Courts</b>				
Personal Services	\$ 259,276	\$ 240,651	\$ 231,043	\$ 9,608
Materials and Supplies	1,020	1,020	1,020	-
Contractual Services	1,282	1,282	815	467
<b>Total Public Defender Area Courts</b>	<b>261,578</b>	<b>242,953</b>	<b>232,878</b>	<b>10,075</b>
<b>Public Defender Common Pleas</b>				
Personal Services	954,754	935,354	919,545	15,809
Materials and Supplies	3,831	3,831	3,831	-
Contractual Services	1,425	1,449	1,259	190
<b>Total Public Defender Common Pleas</b>	<b>960,010</b>	<b>940,634</b>	<b>924,635</b>	<b>15,999</b>
<b>Public Defender Municipal</b>				
Personal Services	623,595	661,620	659,351	2,269
Materials and Supplies	2,652	2,652	-	2,652
Contractual Services	700	700	-	700
<b>Total Public Defender Municipal</b>	<b>626,947</b>	<b>664,972</b>	<b>659,351</b>	<b>5,621</b>
<b>Recorder</b>				
Personal Services	749,293	749,293	692,850	56,443
Materials and Supplies	2,000	2,000	999	1,001
Contractual Services	7,500	17,500	15,023	2,477
<b>Total Recorder</b>	<b>758,793</b>	<b>768,793</b>	<b>708,872</b>	<b>59,921</b>
<b>Microfilm Board</b>				
Personal Services	106,489	106,489	93,318	13,171
<b>Treasurer</b>				
Personal Services	771,602	771,602	742,320	29,282
Materials and Supplies	4,680	9,396	8,394	1,002
Contractual Services	134,710	129,693	129,155	538
Other	-	120	120	-
<b>Total Treasurer</b>	<b>910,992</b>	<b>910,811</b>	<b>879,989</b>	<b>30,822</b>
<b>Unclaimed Monies</b>				
Other	3,000	3,000	-	3,000
<b>Total General Government:</b>				
Legislative and Executive	23,927,777	26,049,090	24,711,023	1,338,067
<b>General Government:</b>				
<b>Judicial</b>				
<b>Area Courts</b>				
Personal Services	945,956	945,956	906,116	39,840
Materials and Supplies	19,980	22,820	22,820	-
Contractual Services	82,244	91,517	85,490	6,027
<b>Total Area Courts</b>	<b>1,048,180</b>	<b>1,060,293</b>	<b>1,014,426</b>	<b>45,867</b>
<b>Clerk of Courts</b>				
Personal Services	1,545,874	1,553,874	1,419,973	133,901
Materials and Supplies	378,790	377,690	314,330	63,360
Contractual Services	38,317	39,417	28,346	11,071
<b>Total Clerk of Courts</b>	<b>1,962,981</b>	<b>1,970,981</b>	<b>1,762,649</b>	<b>208,332</b>
<b>Common Pleas Court</b>				
Personal Services	1,642,640	1,642,640	1,624,356	18,284
Materials and Supplies	21,000	30,802	29,598	1,204
Contractual Services	408,400	410,760	353,160	57,600
<b>Total Common Pleas Court</b>	<b>\$ 2,072,040</b>	<b>\$ 2,084,202</b>	<b>\$ 2,007,114</b>	<b>\$ 77,088</b>

(continued)

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
General Fund (continued)  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Court Services				
Personal Services	\$ 416,998	\$ 416,998	\$ 414,512	\$ 2,486
Domestic Relations Court				
Personal Services	1,418,604	1,414,604	1,341,018	73,586
Materials and Supplies	14,690	15,690	15,678	12
Contractual Services	126,639	130,642	114,968	15,674
Other	500	400	-	400
Total Domestic Relations Court	1,560,433	1,561,336	1,471,664	89,672
Parenting Education				
Contractual Services	48,000	50,009	50,009	-
Juvenile Court				
Personal Services	2,408,594	2,418,594	2,400,758	17,836
Materials and Supplies	42,500	75,028	65,520	9,508
Contractual Services	1,645,888	1,671,497	1,518,507	152,990
Other	500	500	-	500
Total Juvenile Court	4,097,482	4,165,619	3,984,785	180,834
Probate Court				
Personal Services	865,110	865,110	841,282	23,828
Materials and Supplies	18,130	16,480	15,594	886
Contractual Services	46,620	48,620	37,238	11,382
Total Probate Court	929,860	930,210	894,114	36,096
Court of Appeals				
Materials and Supplies	563,043	586,515	524,244	62,271
Contractual Services	300	300	-	300
Other	39,000	76,441	73,528	2,913
Total Court of Appeals	602,343	663,256	597,772	65,484
Municipal Courts				
Personal Services	424,490	451,254	451,254	-
Contractual Services	55,000	55,000	52,251	2,749
Total Municipal Courts	479,490	506,254	503,505	2,749
Total General Government:				
Judicial	13,217,807	13,409,158	12,700,550	708,608
Public Safety				
Adult Probation				
Personal Services	1,774,551	1,762,051	1,747,422	14,629
Materials and Supplies	7,500	23,000	21,782	1,218
Contractual Services	141,280	140,933	140,933	-
Total Adult Probation	1,923,331	1,925,984	1,910,137	15,847
Coroner				
Personal Services	622,913	615,413	604,253	11,160
Materials and Supplies	9,000	6,759	6,680	79
Contractual Services	12,500	10,845	10,657	188
Total Coroner	\$ 644,413	\$ 633,017	\$ 621,590	\$ 11,427

(continued)

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
General Fund (continued)  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Coroner's Morgue				
Materials and Supplies	25,000	25,120	25,120	-
Contractual Services	358,500	397,012	397,012	-
Total Coroner's Morgue	\$ 383,500	\$ 422,132	\$ 422,132	\$ -
Juvenile Facilities				
Personal Services	2,022,572	1,987,972	1,881,654	106,318
Materials and Supplies	143,400	187,261	181,728	5,533
Contractual Services	123,300	133,595	119,756	13,839
Capital Outlay	-	917,440	223,410	694,030
Total Juvenile Facilities	2,289,272	3,226,268	2,406,548	819,720
Sheriff's Academy				
Materials and Supplies	10,325	11,200	11,200	-
Contractual Services	19,307	20,477	20,245	232
Total Sheriff's Academy	29,632	31,677	31,445	232
Sheriff's Resolutions				
Personal Services	427,000	427,000	372,102	54,898
Materials and Supplies	595,000	614,989	614,989	-
Contractual Services	2,278,000	2,547,511	2,542,763	4,748
Capital Outlay	-	117,170	117,170	-
Total Sheriff's Resolutions	3,300,000	3,706,670	3,647,024	59,646
Sheriff				
Personal Services	20,320,373	20,879,522	20,763,655	115,867
Materials and Supplies	633,206	709,358	709,254	104
Contractual Services	601,204	738,455	737,233	1,222
Capital Outlay	-	406,515	406,515	-
Other	223,732	231,170	231,170	-
Total Sheriff	21,778,515	22,965,020	22,847,827	117,193
Paramedics				
Personal Services	1,064,554	1,069,801	957,933	111,868
Materials and Supplies	369,752	390,758	390,758	-
Contractual Services	290,000	285,043	283,949	1,094
Other	4,000	4,000	4,000	-
Total Paramedics	1,728,306	1,749,602	1,636,640	112,962
General Communications Sales Tax				
Personal Services	563,633	563,633	551,659	11,974
Materials and Supplies	138,639	151,519	151,519	-
Contractual Services	2,214,717	2,245,312	2,244,473	839
Other	6,800	6,800	6,800	-
Total General Communications Sales Tax	2,923,789	2,967,264	2,954,451	12,813
E911 Dispatch				
Personal Services	2,478,542	2,700,746	2,619,304	81,442
Materials and Supplies	46,060	63,554	63,554	-
Contractual Services	240,650	241,559	239,819	1,740
Other	15,750	24,058	24,056	2
Total E911 Dispatch	2,781,002	3,029,917	2,946,733	83,184
Total Public Safety	\$ 37,781,760	\$ 40,657,551	\$ 39,424,527	\$ 1,233,024

(continued)

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
General Fund (continued)  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Public Works				
Solid Waste Landfill				
Contractual Services	\$ 13,500	\$ 13,500	\$ 13,500	\$ -
Engineers-Plat Room				
Personal Services	191,654	191,654	187,758	3,896
Total Public Works	<u>205,154</u>	<u>205,154</u>	<u>201,258</u>	<u>3,896</u>
Health				
Other-Health				
Contractual Services	738,078	770,711	770,711	-
Registration Vital Statistics				
Other	1,250	1,250	-	1,250
Total Health	<u>739,328</u>	<u>771,961</u>	<u>770,711</u>	<u>1,250</u>
Human Services				
Veterans Memorial				
Materials and Supplies	4,500	4,500	2,155	2,345
Contractual Services	10,000	10,000	9,441	559
Total Veterans Memorial	<u>14,500</u>	<u>14,500</u>	<u>11,596</u>	<u>2,904</u>
Veterans Services				
Personal Services	814,877	814,877	742,593	72,284
Materials and Supplies	29,700	47,029	43,613	3,416
Contractual Services	1,060,600	1,147,313	1,117,887	29,426
Total Veterans Services	<u>1,905,177</u>	<u>2,009,219</u>	<u>1,904,093</u>	<u>105,126</u>
Total Human Services	<u>1,919,677</u>	<u>2,023,719</u>	<u>1,915,689</u>	<u>108,030</u>
Conservation and Recreation				
Agricultural				
Contractual Services	4,638	4,638	4,638	-
Other	386,578	386,578	386,578	-
Total Agricultural	<u>391,216</u>	<u>391,216</u>	<u>391,216</u>	<u>-</u>
Emergency Management				
Materials and Supplies	3,000	2,400	-	2,400
Contractual Services	-	600	595	5
Other	50,000	50,000	50,000	-
Total Emergency Management	<u>53,000</u>	<u>53,000</u>	<u>50,595</u>	<u>2,405</u>
Total Conservation and Recreation	<u>\$ 444,216</u>	<u>\$ 444,216</u>	<u>\$ 441,811</u>	<u>\$ 2,405</u>

(continued)

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**General Fund (continued)**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Debt Service:				
Principal Retirement	831	831	831	-
Interest and Fiscal Charges	77	77	77	-
Total Debt Service	<u>\$ 908</u>	<u>\$ 908</u>	<u>\$ 908</u>	<u>\$ -</u>
 Total Expenditures	 <u>78,236,627</u>	 <u>83,561,757</u>	 <u>80,166,477</u>	 <u>3,395,280</u>
 Excess of Revenues Over Expenditures	 <u>10,519,316</u>	 <u>6,120,811</u>	 <u>13,763,402</u>	 <u>7,642,591</u>
 Other Financing Sources (Uses):				
Other Financing Sources	2,742,466	2,732,466	3,233,845	501,379
Advances - In	500,000	500,000	17,490	(482,510)
Advances - Out	(450,000)	(450,000)	(339,405)	110,595
Transfers - In	1,100,000	1,100,000	1,250,000	150,000
Transfers - Out	(14,412,784)	(12,788,441)	(10,496,262)	2,292,179
Total Other Financing Sources (Uses)	<u>(10,520,318)</u>	<u>(8,905,975)</u>	<u>(6,334,332)</u>	<u>2,571,643</u>
 Net Change in Fund Balance	 (1,002)	 (2,785,164)	 7,429,070	 10,214,234
 Fund Balance at Beginning of Year	 27,292,666	 27,292,666	 27,292,666	 -
Prior Year Encumbrances Appropriated	1,399,831	1,399,831	1,399,831	-
Fund Balance at End of Year	<u>\$ 28,691,495</u>	<u>\$ 25,907,333</u>	<u>\$ 36,121,567</u>	<u>\$ 10,214,234</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Developmental Disabilities-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 18,000,000	\$ 18,000,000	\$ 18,378,894	\$ 378,894
Charges for Services	20,500	20,500	31,327	10,827
Intergovernmental	7,629,380	8,573,380	9,343,872	770,492
Other	447,000	3,000	5,986	2,986
Total Revenues	<u>26,096,880</u>	<u>26,596,880</u>	<u>27,760,079</u>	<u>1,163,199</u>
Expenditures:				
Current:				
Health				
Developmental Disabilities				
Personal Services	14,444,778	14,447,010	13,338,095	1,108,915
Materials and Supplies	395,700	407,582	338,482	69,100
Contractual Services	15,348,919	15,813,866	15,491,155	322,711
Capital Outlay	310,000	260,150	109,936	150,214
Other	154,500	154,763	125,197	29,566
Total Expenditures	<u>30,653,897</u>	<u>31,083,371</u>	<u>29,402,865</u>	<u>1,680,506</u>
Excess of Revenues Under Expenditures	(4,557,017)	(4,486,491)	(1,642,786)	2,843,705
Other Financing Sources :				
Other Financing Sources	<u>64,000</u>	<u>64,000</u>	<u>55,708</u>	<u>(8,292)</u>
Net Change in Fund Balance	(4,493,017)	(4,422,491)	(1,587,078)	2,835,413
Fund Balance at Beginning of Year	31,956,335	31,956,335	31,956,335	-
Prior Year Encumbrances Appropriated	576,973	576,973	576,973	-
Fund Balance at End of Year	<u>\$ 28,040,291</u>	<u>\$ 28,110,817</u>	<u>\$ 30,946,230</u>	<u>\$ 2,835,413</u>



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Job and Family Services/Children Services Agency-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 13,000,000	\$ 13,000,000	\$ 13,285,360	\$ 285,360
Intergovernmental	25,493,489	25,896,130	24,794,055	(1,102,075)
Other	975,501	573,692	172,790	(400,902)
<b>Total Revenues</b>	<b>39,468,990</b>	<b>39,469,822</b>	<b>38,252,205</b>	<b>(1,217,617)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Human Services</b>				
<b>Job and Family/Children Services</b>				
Personal Services	18,224,144	17,915,394	16,507,284	1,408,110
Materials and Supplies	282,000	332,681	279,717	52,964
Contractual Services	14,685,906	16,380,375	14,737,857	1,642,518
Other	13,206,736	12,732,300	10,418,384	2,313,916
<b>Total Human Services</b>	<b>46,398,786</b>	<b>47,360,750</b>	<b>41,943,242</b>	<b>5,417,508</b>
<b>Debt Service:</b>				
Principal Retirement	8,600	8,339	8,339	-
Interest and Fiscal Charges	300	922	893	29
<b>Total Debt Service</b>	<b>8,900</b>	<b>9,261</b>	<b>9,232</b>	<b>29</b>
<b>Total Expenditures</b>	<b>46,407,686</b>	<b>47,370,011</b>	<b>41,952,474</b>	<b>5,417,537</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(6,938,696)</b>	<b>(7,900,189)</b>	<b>(3,700,269)</b>	<b>4,199,920</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	3,992,517	847,324	1,088,100	240,776
Transfers - In	798,714	798,714	804,003	5,289
<b>Total Other Financing Sources</b>	<b>4,791,231</b>	<b>1,646,038</b>	<b>1,892,103</b>	<b>246,065</b>
<b>Net Change in Fund Balance</b>	<b>(2,147,465)</b>	<b>(6,254,151)</b>	<b>(1,808,166)</b>	<b>4,445,985</b>
Fund Balance at Beginning of Year	5,560,443	5,560,443	5,560,443	-
Prior Year Encumbrances Appropriated	1,063,437	1,063,437	1,063,437	-
<b>Fund Balance at End of Year</b>	<b>\$ 4,476,415</b>	<b>\$ 369,729</b>	<b>\$ 4,815,714</b>	<b>\$ 4,445,985</b>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Residential Incentive Districts and Tax Incremental Financings-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,375,099	\$ 2,375,099
Payments in Lieu of Taxes	7,751,281	7,489,002	8,799,306	1,310,304
Total Revenues	<u>7,751,281</u>	<u>7,489,002</u>	<u>11,174,405</u>	<u>3,685,403</u>
Expenditures:				
Current:				
Intergovernmental				
Contractual Services	<u>6,182,397</u>	<u>10,466,033</u>	<u>9,522,384</u>	<u>943,649</u>
Excess of Revenues Over (Under) Expenditures	1,568,884	(2,977,031)	1,652,021	4,629,052
Other Financing Sources (Uses):				
Other Financing Sources	-	-	2,591,869	2,591,869
Transfers - Out	<u>(1,588,884)</u>	<u>(1,700,346)</u>	<u>(1,536,322)</u>	<u>164,024</u>
Total Other Financing Sources (Uses)	<u>(1,588,884)</u>	<u>(1,700,346)</u>	<u>1,055,547</u>	<u>2,755,893</u>
Net Change in Fund Balance	(20,000)	(4,677,377)	2,707,568	7,384,945
Fund Balance at Beginning of Year	<u>8,790,268</u>	<u>8,790,268</u>	<u>8,790,268</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 8,770,268</u>	<u>\$ 4,112,891</u>	<u>\$ 11,497,836</u>	<u>\$ 7,384,945</u>

Butler County, Ohio  
Schedule of Revenues, Expenses, and  
Changes in Fund Equity-Budget and Actual  
Sewer-Enterprise Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 18,653,305	\$ 18,653,305	\$ 18,880,305	\$ 227,000
Contributed Capital	3,763,043	4,046,269	5,646,909	1,600,640
Special Assessments	60,000	60,000	61,248	1,248
Interest Income	2,400	2,400	270	(2,130)
Other Non-Operating Revenues	49,000	49,000	114,302	65,302
Other Operating Revenues	91,815	91,815	81,786	(10,029)
<b>Total Revenues</b>	<b>22,619,563</b>	<b>22,902,789</b>	<b>24,784,820</b>	<b>1,882,031</b>
<b>Expenses:</b>				
Personal Services	5,594,038	5,630,633	5,610,663	19,970
Materials and Supplies	1,832,244	1,794,698	1,663,351	131,347
Contractual Services	4,157,999	5,076,045	4,979,962	96,083
Other Operating Expenses	862,595	723,035	677,181	45,854
Capital Outlay	4,354,451	8,018,910	7,593,327	425,583
Debt Service:				
Principal Retirement	4,388,862	4,388,862	4,385,987	2,875
Interest and Fiscal Charges	1,846,934	1,846,934	1,593,624	253,310
<b>Total Expenses</b>	<b>23,037,123</b>	<b>27,479,117</b>	<b>26,504,095</b>	<b>975,022</b>
<b>Net Change in Fund Equity</b>	<b>(417,560)</b>	<b>(4,576,328)</b>	<b>(1,719,275)</b>	<b>2,857,053</b>
Fund Equity at Beginning of Year	30,852,068	30,852,068	30,852,068	-
Prior Year Encumbrances Appropriated	4,180,171	4,180,171	4,180,171	-
<b>Fund Equity at End of Year</b>	<b>\$ 34,614,679</b>	<b>\$ 30,455,911</b>	<b>\$ 33,312,964</b>	<b>\$ 2,857,053</b>

Butler County, Ohio  
Schedule of Revenues, Expenses, and  
Changes in Fund Equity-Budget and Actual  
Water-Enterprise Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 20,362,103	\$ 20,362,103	\$ 21,393,913	\$ 1,031,810
Contributed Capital	1,659,800	2,024,891	3,522,377	1,497,486
Special Assessments	-	-	56,214	56,214
Other Non-Operating Revenues	70,150	70,150	264,033	193,883
Other Operating Revenues	34,030	34,030	12,763	(21,267)
Proceeds from Loans	571,200	379,063	308,512	(70,551)
<b>Total Revenues</b>	<b>22,697,283</b>	<b>22,870,237</b>	<b>25,557,812</b>	<b>2,687,575</b>
<b>Expenses:</b>				
Personal Services	2,502,043	2,523,543	2,509,385	14,158
Materials and Supplies	648,907	603,756	528,524	75,232
Contractual Services	10,215,088	11,323,084	11,240,569	82,515
Other Operating Expenses	541,940	521,155	443,666	77,489
Capital Outlay	2,556,336	3,571,359	2,721,591	849,768
Debt Service:				
Principal Retirement	4,592,039	4,610,898	4,600,494	10,404
Interest and Fiscal Charges	1,865,632	1,875,326	1,843,627	31,699
<b>Total Expenses</b>	<b>22,921,985</b>	<b>25,029,121</b>	<b>23,887,856</b>	<b>1,141,265</b>
Net Change in Fund Equity	(224,702)	(2,158,884)	1,669,956	3,828,840
Fund Equity at Beginning of Year	14,667,938	14,667,938	14,667,938	-
Prior Year Encumbrances Appropriated	1,788,038	1,788,038	1,788,038	-
<b>Fund Equity at End of Year</b>	<b>\$ 16,231,274</b>	<b>\$ 14,297,092</b>	<b>\$ 18,125,932</b>	<b>\$ 3,828,840</b>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Mental Health and Addiction Recovery Services Board-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 9,509,800	\$ 9,509,800	\$ 8,520,328	\$ (989,472)
Charges for Services	117,712	117,712	78,208	(39,504)
Intergovernmental	3,887,062	3,907,562	5,371,801	1,464,239
Other	-	-	59,237	59,237
Total Revenues	<u>13,514,574</u>	<u>13,535,074</u>	<u>14,029,574</u>	<u>494,500</u>
Expenditures:				
Current:				
Health				
Personal Services	1,332,320	1,269,057	1,211,633	57,424
Materials and Supplies	28,385	52,090	19,713	32,377
Contractual Services	15,390,503	15,505,369	12,970,956	2,534,413
Other	4,550	1,850	16	1,834
Total Expenditures	<u>16,755,758</u>	<u>16,828,366</u>	<u>14,202,318</u>	<u>2,626,048</u>
Excess of Revenues Under Expenditures	<u>(3,241,184)</u>	<u>(3,293,292)</u>	<u>(172,744)</u>	<u>3,120,548</u>
Other Financing Sources:				
Other Financing Sources	250,000	250,000	207,148	(42,852)
Transfers - In	110,000	110,000	110,000	-
Total Other Financing Sources	<u>360,000</u>	<u>360,000</u>	<u>317,148</u>	<u>(42,852)</u>
Net Change in Fund Balance	(2,881,184)	(2,933,292)	144,404	3,077,696
Fund Balance at Beginning of Year	14,912,236	14,912,236	14,912,236	-
Prior Year Encumbrances Appropriated	501,902	501,902	501,902	-
Fund Balance at End of Year	<u>\$ 12,532,954</u>	<u>\$ 12,480,846</u>	<u>\$ 15,558,542</u>	<u>\$ 3,077,696</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Real Estate Assessment-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,703,000	\$ 2,233,000	\$ 2,232,699	\$ (301)
Other	15,000	-	-	-
Total Revenues	<u>2,718,000</u>	<u>2,233,000</u>	<u>2,232,699</u>	<u>(301)</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Real Estate Assessment				
Personal Services	2,067,722	2,067,722	1,877,084	190,638
Materials and Supplies	88,000	110,655	67,146	43,509
Contractual Services	593,000	569,675	348,490	221,185
Capital Outlay	-	30,000	22,500	7,500
Total Expenditures	<u>2,748,722</u>	<u>2,778,052</u>	<u>2,315,220</u>	<u>462,832</u>
Excess of Revenues Under Expenditures	(30,722)	(545,052)	(82,521)	462,531
Other Financing Sources:				
Other Financing Sources	500	500	10	(490)
Net Change in Fund Balance	(30,222)	(544,552)	(82,511)	462,041
Fund Balance at Beginning of Year	3,079,014	3,079,014	3,079,014	-
Prior Year Encumbrances Appropriated	41,521	41,521	41,521	-
Fund Balance at End of Year	<u>\$ 3,090,313</u>	<u>\$ 2,575,983</u>	<u>\$ 3,038,024</u>	<u>\$ 462,041</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
All Other Legislative and Executive-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 4,356,750	\$ 4,129,638	\$ 4,141,846	\$ 12,208
Fines and Forfeitures	575,250	532,969	523,496	(9,473)
Interest	4,000	4,000	5,082	1,082
Other	4,700	4,700	18,182	13,482
Total Revenues	<u>4,940,700</u>	<u>4,671,307</u>	<u>4,688,606</u>	<u>17,299</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive				
Other Legislative and Executive				
Personal Services	2,516,260	2,528,441	2,384,294	144,147
Materials and Supplies	532,651	538,550	390,143	148,407
Contractual Services	806,907	882,877	761,521	121,356
Capital Outlay	-	37,000	36,000	1,000
Other	2,000	2,100	38	2,062
Total Expenditures	<u>3,857,818</u>	<u>3,988,968</u>	<u>3,571,996</u>	<u>416,972</u>
Excess of Revenues Over Expenditures	1,082,882	682,339	1,116,610	434,271
Other Financing Uses:				
Transfers - Out	<u>(1,100,000)</u>	<u>(1,250,000)</u>	<u>(1,250,000)</u>	<u>-</u>
Net Change in Fund Balance	(17,118)	(567,661)	(133,390)	434,271
Fund Balance at Beginning of Year	2,859,343	2,859,343	2,859,343	-
Prior Year Encumbrances Appropriated	155,368	155,368	155,368	-
Fund Balance at End of Year	<u>\$ 2,997,593</u>	<u>\$ 2,447,050</u>	<u>\$ 2,881,321</u>	<u>\$ 434,271</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
All Other Judicial-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 2,534,060	\$ 2,515,918	\$ 2,522,832	\$ 6,914
Fines and Forfeitures	48,000	39,800	39,583	(217)
Intergovernmental	1,500	1,500	1,593	93
Interest	18	18	10	(8)
Other	-	-	38	38
<b>Total Revenues</b>	<b>2,583,578</b>	<b>2,557,236</b>	<b>2,564,056</b>	<b>6,820</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
<b>Judicial</b>				
<b>Other Judicial</b>				
Personal Services	1,487,922	1,569,327	1,508,117	61,210
Materials and Supplies	199,300	306,567	175,743	130,824
Contractual Services	583,819	657,144	517,202	139,942
Capital Outlay	20,000	79,967	72,085	7,882
Other	125,000	35,000	70,922	52,908
<b>Total Expenditures</b>	<b>2,416,041</b>	<b>2,648,005</b>	<b>2,275,239</b>	<b>372,766</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>167,537</b>	<b>(90,769)</b>	<b>288,817</b>	<b>379,586</b>
Fund Balance at Beginning of Year	4,332,699	4,332,699	4,332,699	-
Prior Year Encumbrances Appropriated	153,643	153,643	153,643	-
<b>Fund Balance at End of Year</b>	<b>\$ 4,653,879</b>	<b>\$ 4,395,573</b>	<b>\$ 4,775,159</b>	<b>\$ 379,586</b>



Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
All Other Public Safety-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 4,328,203	\$ 5,028,203	\$ 4,828,023	\$ (200,180)
Licenses and Permits	772,225	872,225	867,801	(4,424)
Fines and Forfeitures	31,750	31,750	39,068	7,318
Intergovernmental	5,322,337	5,451,302	5,083,076	(368,226)
Other	11,867	11,867	523,016	511,149
Total Revenues	10,466,382	11,395,347	11,340,984	(54,363)
Expenditures:				
Current:				
Public Safety				
Other Public Safety				
Personal Services	9,610,909	10,139,637	9,730,025	409,612
Materials and Supplies	412,389	641,700	459,628	182,072
Contractual Services	1,855,200	2,123,942	1,197,698	926,244
Capital Outlay	30,000	211,210	211,087	123
Other	223,446	224,163	223,075	1,088
Total Expenditures	12,131,944	13,340,652	11,821,513	1,519,139
Excess of Revenues Under Expenditures	(1,665,562)	(1,945,305)	(480,529)	1,464,776
Other Financing Sources(Uses):				
Other Financing Sources	500,000	206,513	206,767	254
Advances - In	-	-	41	41
Advances - Out	-	-	(4,760)	(4,760)
Transfers - In	73,752	73,752	58,324	(15,428)
Total Other Financing Sources(Uses)	573,752	280,265	260,372	(19,893)
Net Change in Fund Balance	(1,091,810)	(1,665,040)	(220,157)	1,444,883
Fund Balance at Beginning of Year	4,399,408	4,399,408	4,399,408	-
Prior Year Encumbrances Appropriated	161,664	161,664	161,664	-
Fund Balance at End of Year	\$ 3,469,262	\$ 2,896,032	\$ 4,340,915	\$ 1,444,883

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Motor Vehicle-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Other Local Taxes	\$ 2,500,000	\$ 2,500,000	\$ 2,688,836	\$ 188,836
Charges for Services	261,000	261,000	428,686	167,686
License and Permits	125,500	125,500	174,109	48,609
Fines and Forfeitures	145,000	145,000	160,113	15,113
Intergovernmental	11,990,000	11,990,000	12,870,633	880,633
Interest	10,000	10,000	15,922	5,922
Other	82,500	82,500	255,585	173,085
<b>Total Revenues</b>	<b>15,114,000</b>	<b>15,114,000</b>	<b>16,593,884</b>	<b>1,479,884</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public Works</b>				
<b>Motor Vehicle</b>				
Personal Services	6,354,975	6,363,153	5,705,607	657,546
Materials and Supplies	2,017,850	2,053,372	1,022,282	1,031,090
Contractual Services	11,468,215	13,777,545	8,222,939	5,554,606
Capital Outlay	500,000	545,000	484,608	60,392
Other	225,000	225,000	-	225,000
<b>Total Public Works</b>	<b>20,566,040</b>	<b>22,964,070</b>	<b>15,435,436</b>	<b>7,528,634</b>
<b>Debt Service:</b>				
Principal Retirement	124,300	124,300	124,288	12
<b>Total Debt Service</b>	<b>124,300</b>	<b>124,300</b>	<b>124,288</b>	<b>12</b>
<b>Total Expenditures</b>	<b>20,690,340</b>	<b>23,088,370</b>	<b>15,559,724</b>	<b>7,528,646</b>
<b>Excess of Revenues (Under) Expenditures</b>	<b>(5,576,340)</b>	<b>(7,974,370)</b>	<b>1,034,160</b>	<b>9,008,530</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	400,000	400,000	-	(400,000)
<b>Net Change in Fund Balance</b>	<b>(5,176,340)</b>	<b>(7,574,370)</b>	<b>1,034,160</b>	<b>8,608,530</b>
Fund Balance at Beginning of Year	9,964,782	9,964,782	9,964,782	-
Prior Year Encumbrances Appropriated	1,167,153	1,167,153	1,167,153	-
<b>Fund Balance at End of Year</b>	<b>\$ 5,955,595</b>	<b>\$ 3,557,565</b>	<b>\$ 12,166,095</b>	<b>\$ 8,608,530</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Public Works-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 842,345	\$ 842,345	\$ 877,847	\$ 35,502
Licenses and Permits	300	300	390	90
Intergovernmental	4,922,571	2,681,513	2,459,665	(221,848)
Special Assessments	1,540,000	1,380,000	1,387,329	7,329
Interest	5,400	3,100	3,202	102
Other	102,400	151,334	127,986	(23,348)
<b>Total Revenues</b>	<b>7,413,016</b>	<b>5,058,592</b>	<b>4,856,419</b>	<b>(202,173)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public Works</b>				
<b>Other Public Works</b>				
Personal Services	819,392	1,077,828	993,885	83,943
Materials and Supplies	135,029	281,104	215,736	65,368
Contractual Services	7,114,825	5,789,798	3,516,032	2,273,766
Capital Outlay	-	65,277	15,277	50,000
Other	51,160	55,475	24,401	31,074
<b>Total Public Works</b>	<b>8,120,406</b>	<b>7,269,482</b>	<b>4,765,331</b>	<b>2,504,151</b>
<b>Total Expenditures</b>	<b>8,120,406</b>	<b>7,269,482</b>	<b>4,765,331</b>	<b>2,504,151</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(707,390)</b>	<b>(2,210,890)</b>	<b>91,088</b>	<b>2,301,978</b>
<b>Other Financing Sources (Uses):</b>				
Advances - In	143,251	38,938	38,937	(1)
Advances - Out	-	-	(1,730)	(1,730)
<b>Total Other Financing Sources (Uses)</b>	<b>143,251</b>	<b>38,938</b>	<b>37,207</b>	<b>(1,731)</b>
<b>Net Change in Fund Balance</b>	<b>(564,139)</b>	<b>(2,171,952)</b>	<b>128,295</b>	<b>2,300,247</b>
Fund Balance at Beginning of Year	12,804,385	12,804,385	12,804,385	-
Prior Year Encumbrances Appropriated	355,925	355,925	355,925	-
<b>Fund Balance at End of Year</b>	<b>\$ 12,596,171</b>	<b>\$ 10,988,358</b>	<b>\$ 13,288,605</b>	<b>\$ 2,300,247</b>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Child Support Enforcement-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 1,325,000	\$ 1,325,000	\$ 1,305,587	\$ (19,413)
Intergovernmental	3,801,747	3,271,747	3,096,233	(175,514)
Total Revenues	<u>5,126,747</u>	<u>4,596,747</u>	<u>4,401,820</u>	<u>(194,927)</u>
Expenditures:				
Current:				
Human Services				
Child Support Enforcement				
Personal Services	3,664,623	3,671,525	3,524,389	147,136
Materials and Supplies	120,130	118,228	97,717	20,511
Contractual Services	1,123,686	1,189,550	833,992	355,558
Other	182,790	233,903	233,752	151
Total Expenditures	<u>5,091,229</u>	<u>5,213,206</u>	<u>4,689,850</u>	<u>523,356</u>
Excess of Revenues Over (Under) Expenditures	35,518	(616,459)	(288,030)	328,429
Other Financing Sources:				
Other Financing Sources	18,000	18,000	38,854	20,854
Net Change in Fund Balance	53,518	(598,459)	(249,176)	349,283
Fund Balance at Beginning of Year	2,313,612	2,313,612	2,313,612	-
Prior Year Encumbrances Appropriated	166,948	166,948	166,948	-
Fund Balance at End of Year	<u>\$ 2,534,078</u>	<u>\$ 1,882,101</u>	<u>\$ 2,231,384</u>	<u>\$ 349,283</u>

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
County Care Facility-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>				
Charges for Services	\$ 5,075,000	\$ 4,825,000	\$ 4,101,387	\$ (723,613)
Intergovernmental	2,112,000	2,112,000	2,034,356	(77,644)
Other	10,000	10,000	-	(10,000)
<b>Total Revenues</b>	<b>7,197,000</b>	<b>6,947,000</b>	<b>6,135,743</b>	<b>(811,257)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Human Services</b>				
County Care Facility				
Personal Services	4,788,247	4,822,041	4,801,788	20,253
Materials and Supplies	1,024,800	1,006,788	900,341	106,447
Contractual Services	980,128	1,022,860	993,685	29,175
Capital Outlay	-	53,245	53,245	-
Other	298,589	295,659	295,659	-
<b>Total Human Services</b>	<b>7,091,764</b>	<b>7,200,593</b>	<b>7,044,718</b>	<b>155,875</b>
<b>Debt Service:</b>				
Principal Retirement	4,374	4,216	2,443	1,773
Interest and Fiscal Charges	1,200	5,566	5,566	-
<b>Total Debt Service</b>	<b>5,574</b>	<b>9,782</b>	<b>8,009</b>	<b>1,773</b>
<b>Total Expenditures</b>	<b>7,097,338</b>	<b>7,210,375</b>	<b>7,052,727</b>	<b>157,648</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>99,662</b>	<b>(263,375)</b>	<b>(916,984)</b>	<b>(653,609)</b>
<b>Other Financing Sources:</b>				
Other Financing Sources	3,000	3,000	6,923	3,923
Advances - In	-	-	225,000	225,000
<b>Total Other Financing Sources</b>	<b>3,000</b>	<b>3,000</b>	<b>231,923</b>	<b>228,923</b>
<b>Net Change in Fund Balance</b>	<b>102,662</b>	<b>(260,375)</b>	<b>(685,061)</b>	<b>(424,686)</b>
Fund Balance at Beginning of Year	645,031	645,031	645,031	-
Prior Year Encumbrances Appropriated	180,881	180,881	180,881	-
<b>Fund Balance at End of Year</b>	<b>\$ 928,574</b>	<b>\$ 565,537</b>	<b>\$ 140,851</b>	<b>\$ (424,686)</b>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Elderly Services Levy-Special Revenue Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Property Taxes	\$ 8,200,000	\$ 8,200,000	\$ 8,635,484	\$ 435,484
Intergovernmental	1,000,000	1,000,000	1,271,383	271,383
Total Revenues	9,200,000	9,200,000	9,906,867	706,867
Expenditures:				
Current:				
Human Services				
Elderly Services Levy				
Personal Services	215,074	201,074	159,997	41,077
Materials and Supplies	-	1,000	534	466
Contractual Services	11,495,945	13,404,820	11,528,218	1,876,602
Total Expenditures	11,711,019	13,606,894	11,688,749	1,918,145
Excess of Revenues Under Expenditures	(2,511,019)	(4,406,894)	(1,781,882)	2,625,012
Other Financing Sources:				
Other Financing Sources	2,000	2,000	8	(1,992)
Net Change in Fund Balance	(2,509,019)	(4,404,894)	(1,781,874)	2,623,020
Fund Balance at Beginning of Year	12,407,902	12,407,902	12,407,902	-
Fund Balance at End of Year	\$ 9,898,883	\$ 8,003,008	\$ 10,626,028	\$ 2,623,020

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Human Services-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ 298,957	\$ 333,751	\$ 253,448	\$ (80,303)
Other	-	-	6,062	6,062
Total Revenues	<u>298,957</u>	<u>333,751</u>	<u>259,510</u>	<u>(74,241)</u>
Expenditures:				
Current:				
Human Services				
Other Human Services				
Personal Services	315,081	358,913	286,846	72,067
Materials and Supplies	4,084	35,769	29,932	5,837
Contractual Services	17,136	30,390	13,790	16,600
Other	13,718	16,814	8,125	8,689
Total Expenditures	<u>350,019</u>	<u>441,886</u>	<u>338,693</u>	<u>103,193</u>
Excess of Revenues (Under) Expenditures	(51,062)	(108,135)	(79,183)	28,952
Other Financing Sources (Uses):				
Advances - In	-	-	17,291	17,291
Advances - Out	-	-	(11,000)	(11,000)
Transfers - In	42,407	42,760	76,992	34,232
Total Other Financing Sources (Uses)	<u>42,407</u>	<u>42,760</u>	<u>83,283</u>	<u>40,523</u>
Net Change in Fund Balance	(8,655)	(65,375)	4,100	69,475
Fund Balance at Beginning of Year	66,786	66,786	66,786	-
Prior Year Encumbrances Appropriated	5,451	5,451	5,451	-
Fund Balance at End of Year	<u>\$ 63,582</u>	<u>\$ 6,862</u>	<u>\$ 76,337</u>	<u>\$ 69,475</u>

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**All Other Conservation and Recreation-Special Revenue Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 30,000	\$ 30,000	\$ 40,736	\$ 10,736
Expenditures:				
Current:				
Conversation and Recreation				
Contractual Services	30,000	33,839	33,839	-
Net Change in Fund Balance	-	(3,839)	6,897	10,736
Fund Balance at Beginning of Year	33,839	33,839	33,839	-
Fund Balance at End of Year	\$ 33,839	\$ 30,000	\$ 40,736	\$ 10,736



**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Technology-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital Outlay:				
Contractual Services	6,200	81,200	37,716	43,484
Debt Service:				
Principal Retirement	1,279,000	1,279,000	1,279,000	-
Interest and Fiscal Charges	15,941	9,539	9,539	-
Total Debt Service Expenditures	1,294,941	1,288,539	1,288,539	-
Total Expenditures	1,301,141	1,369,739	1,326,255	43,484
Excess of Revenues Under Expenditures	(1,301,141)	(1,369,739)	(1,326,255)	43,484
Other Financing Sources:				
Transfer - In	1,294,941	1,294,941	1,288,539	(6,402)
Net Change in Fund Balance	(6,200)	(74,798)	(37,716)	37,082
Fund Balance at Beginning of Year	296,757	296,757	296,757	-
Fund Balance at End of Year	\$ 290,557	\$ 221,959	\$ 259,041	\$ 37,082

**Butler County, Ohio**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance-Budget and Actual**  
**Other Capital Improvements-Capital Projects Fund**  
**Budget Basis**  
**For the Year Ended December 31, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 500,000	\$ -	\$ (500,000)
Total Revenues	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
Expenditures:				
Capital Outlay:				
Other Capital Improvements				
Capital Outlay	-	500,000	500,000	-
Total Expenditures	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Excess of Revenues Under Expenditures	<u>-</u>	<u>-</u>	<u>(500,000)</u>	<u>(500,000)</u>
Other Financing Sources:				
Advances - In	-	-	58,136	58,136
Net Change in Fund Balance	-	-	(441,864)	(441,864)
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (441,864)</u>	<u>\$ (441,864)</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Road Improvements-Capital Projects Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 3,268,460	\$ 3,268,460	\$ -
Expenditures:				
Road Improvements				
Public Works				
Contractual Services	-	3,151,612	3,151,612	-
Capital Outlay				
Contractual Services	-	116,848	116,848	-
Debt Service:				
Principal Retirement	2,605,736	2,595,000	2,595,000	-
Interest and Fiscal Charges	30,100	24,734	24,734	-
Total Debt Service Expenditures	2,635,836	2,619,734	2,619,734	-
Total Expenditures	2,635,836	5,888,194	5,888,194	-
Excess of Revenues Under Expenditures	(2,635,836)	(2,619,734)	(2,619,734)	-
Other Financing Sources:				
Notes Issued	2,565,111	2,565,111	2,535,000	(30,111)
Transfers - In	70,725	70,725	88,419	17,694
Total Other Financing Sources	2,635,836	2,635,836	2,623,419	(12,417)
Net Change in Fund Balance	-	16,102	3,685	(12,417)
Fund Balance at Beginning of Year	406	406	406	-
Fund Balance at End of Year	\$ 406	\$ 16,508	\$ 4,091	\$ (12,417)

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Buildings Construction and Renovations-Capital Projects Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:	\$ -	\$ -	\$ -	\$ -
Debt Service:				
Principal Retirement	10,280,157	10,248,000	10,248,000	-
Interest and Fiscal Charges	100,759	80,611	80,611	-
Total Debt Service	<u>10,380,916</u>	<u>10,328,611</u>	<u>10,328,611</u>	<u>-</u>
Total Expenditures	<u>10,380,916</u>	<u>10,328,611</u>	<u>10,328,611</u>	<u>-</u>
Excess of Revenues Under Expenditures	<u>(10,380,916)</u>	<u>(10,328,611)</u>	<u>(10,328,611)</u>	<u>-</u>
Other Financing Sources:				
Notes Issued	7,296,887	7,296,887	7,380,000	83,113
Transfers - In	3,084,029	3,084,029	2,949,417	(134,612)
Total Other Financing Sources	<u>10,380,916</u>	<u>10,380,916</u>	<u>10,329,417</u>	<u>(51,499)</u>
Net Change in Fund Balance	-	52,305	806	(51,499)
Fund Balance at Beginning of Year	37,146	37,146	37,146	-
Fund Balance at End of Year	<u>\$ 37,146</u>	<u>\$ 89,451</u>	<u>\$ 37,952</u>	<u>\$ (51,499)</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Bond Retirement-Debt Service Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Special Assessments	\$ 1,225,289	\$ 1,225,289	\$ 1,262,161	\$ 36,872
Other	-	-	68	68
Total Revenues	<u>1,225,289</u>	<u>1,225,289</u>	<u>1,262,229</u>	<u>36,940</u>
Debt Service:				
Principal Retirement	5,747,510	5,810,610	5,747,510	63,100
Interest and Fiscal Charges	<u>2,317,777</u>	<u>2,254,677</u>	<u>2,134,667</u>	<u>120,010</u>
Total Expenditures	<u>8,065,287</u>	<u>8,065,287</u>	<u>7,882,177</u>	<u>183,110</u>
Excess of Revenues Under Expenditures	<u>(6,839,998)</u>	<u>(6,839,998)</u>	<u>(6,619,948)</u>	<u>220,050</u>
Other Financing Sources				
Transfers - In	<u>6,719,998</u>	<u>6,658,594</u>	<u>6,656,890</u>	<u>(1,704)</u>
Net Change in Fund Balance	(120,000)	(181,404)	36,942	218,346
Fund Balance at Beginning of Year	<u>1,113,303</u>	<u>1,113,303</u>	<u>1,113,303</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 993,303</u>	<u>\$ 931,899</u>	<u>\$ 1,150,245</u>	<u>\$ 218,346</u>

Butler County, Ohio  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance-Budget and Actual  
Developmental Disabilities Trust-Permanent Fund  
Budget Basis  
For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Interest	\$ 1,300	\$ 1,300	\$ 1,802	\$ 502
Other	10,000	5,353	8,351	2,998
Total Revenues	11,300	6,653	10,153	3,500
Expenditures:				
Health				
Materials and Supplies	5,000	5,000	169	4,831
Contractual Services	15,000	15,000	10,000	5,000
Total Expenditures	20,000	20,000	10,169	9,831
Net Change in Fund Balance	(8,700)	(13,347)	(16)	13,331
Fund Balance at Beginning of Year	1,042,649	1,042,649	1,042,649	-
Fund Balance at End of Year	\$ 1,033,949	\$ 1,029,302	\$ 1,042,633	\$ 13,331

Butler County, Ohio  
 Schedule of Revenues, Expenses, and  
 Changes in Fund Equity-Budget and Actual  
 Health Insurance-Internal Service Fund  
 Budget Basis  
 For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 17,170,000	\$ 17,170,000	\$ 17,280,453	\$ 110,453
Other Non-Operating Revenues	171,250	171,250	136,772	(34,478)
Total Revenues	17,341,250	17,341,250	17,417,225	75,975
Expenses:				
Personal Services	382,666	382,666	315,907	66,759
Materials and Supplies	10,000	31,105	30,209	896
Contractual Services	17,074,675	17,059,177	17,039,389	19,788
Other	-	648	648	-
Total Expenses	17,467,341	17,473,596	17,386,153	87,443
Net Change in Fund Equity	(126,091)	(132,346)	31,072	163,418
Fund Equity at Beginning of Year	1,971,469	1,971,469	1,971,646	-
Prior Year Encumbrances Appropriated	13,570	13,570	13,570	-
Fund Equity at End of Year	\$ 1,858,948	\$ 1,852,693	\$ 2,016,288	\$ 163,418

Butler County, Ohio  
 Schedule of Revenues, Expenses, and  
 Changes in Fund Equity-Budget and Actual  
 Workers' Compensation -Internal Service Fund  
 Budget Basis  
 For the Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Charges for Services	\$ 2,058,217	\$ 2,058,217	\$ 2,174,814	\$ 116,597
Other Non-Operating Revenues	13,375	13,375	219,255	205,880
Total Revenues	<u>2,071,592</u>	<u>2,071,592</u>	<u>2,394,069</u>	<u>322,477</u>
Expenses:				
Personal Services	229,279	229,279	227,688	1,591
Materials and Supplies	1,000	1,000	-	1,000
Contractual Services	907,175	2,178,824	2,053,761	125,063
Claims and Judgments	850,000	1,204,290	783,754	420,536
Other Non-Operating Expenses	-	169,181	169,181	-
Total Expenses	<u>1,987,454</u>	<u>3,782,574</u>	<u>3,234,384</u>	<u>548,190</u>
Net Change in Fund Equity	84,138	(1,710,982)	(840,315)	870,667
Fund Equity at Beginning of Year	3,348,223	3,348,223	3,348,220	-
Prior Year Encumbrances Appropriated	10,205	10,205	10,205	-
Fund Equity at End of Year	<u>\$ 3,442,566</u>	<u>\$ 1,647,446</u>	<u>\$ 2,518,110</u>	<u>\$ 870,667</u>



## Statistical Section

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## Statistical Section

This part of Butler County Ohio's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b>	<b>159-165</b>
These schedules contain trend information to help the reader understand how the County's financial position has changed over time.	
<b>Revenue Capacity</b>	<b>167-178</b>
These schedules contain information to help the reader understand and assess the factors affecting the County's ability to generate its most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>179-183</b>
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	<b>184-187</b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	<b>188-191</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	

### **Sources:**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**Butler County, Ohio**  
**Net Position by Component**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 303,647,268	\$ 309,737,672	\$ 311,399,939	\$ 313,384,171	\$ 312,402,885	\$ 319,654,234	\$ 320,405,167	\$ 321,739,181	\$ 330,113,913	\$ 333,939,216
Restricted	143,098,392	117,767,313	149,211,906	151,719,352	159,827,217	148,423,905	147,496,497	140,605,100	141,199,448	128,860,677
Unrestricted (Deficit)	16,544,219	(3,264,872)	(19,510,956)	(25,202,909)	(27,286,822)	(17,588,530)	(7,656,325)	(82,645,866)	(69,159,929)	(40,576,071)
<b>Total Governmental Activities Net Position</b>	<b>465,489,879</b>	<b>424,240,113</b>	<b>441,100,889</b>	<b>439,900,614</b>	<b>444,943,280</b>	<b>450,488,609</b>	<b>460,245,359</b>	<b>379,698,415</b>	<b>402,153,432</b>	<b>422,223,822</b>
<b>Business-type Activities:</b>										
Net Investment in Capital Assets	220,104,614	206,941,720	204,061,114	208,564,765	213,941,106	219,910,300	217,905,641	216,149,252	218,780,552	220,397,827
Restricted	11,791,705	11,551,342	6,000,000	6,000,000	6,000,000	6,000,000	4,840,083	5,300,000	5,300,000	5,300,000
Unrestricted	38,024,420	50,594,713	55,953,474	50,135,882	41,967,367	33,837,392	36,591,193	30,885,002	39,028,037	46,282,583
<b>Total Business-Type Activities Net Position</b>	<b>289,920,739</b>	<b>269,087,775</b>	<b>286,014,588</b>	<b>264,700,647</b>	<b>261,908,493</b>	<b>259,747,692</b>	<b>259,336,917</b>	<b>252,334,254</b>	<b>263,108,589</b>	<b>271,980,210</b>
<b>Primary Government:</b>										
Net Investment in Capital Assets	523,951,882	516,679,392	515,461,053	521,948,936	526,343,991	539,564,534	538,310,828	537,888,433	548,894,465	554,336,843
Restricted	154,890,097	129,318,655	155,211,906	157,719,352	165,827,217	154,423,905	152,336,580	145,905,100	146,499,448	134,160,677
Unrestricted	56,568,639	47,329,841	36,442,518	24,932,973	14,680,565	16,248,862	28,934,868	(51,760,864)	(30,131,892)	5,706,512
<b>Total Primary Government Net Position</b>	<b>\$ 735,410,618</b>	<b>\$ 693,327,888</b>	<b>\$ 707,115,477</b>	<b>\$ 704,601,261</b>	<b>\$ 706,851,773</b>	<b>\$ 710,237,301</b>	<b>\$ 719,582,276</b>	<b>\$ 632,032,669</b>	<b>\$ 665,262,021</b>	<b>\$ 694,204,032</b>

Note: The County reported the impact of GASB Statement No. 68 beginning in 2014.

**Butler County, Ohio**  
**Changes in Net Position of Governmental Activities**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>									
Activities									
Invoices									
Grant and Executive									
Intergovernmental									
<b>Expenses</b>									
Operating Grants, Contributions and Interest									
Contributions and Interest									
Administrative									
Capital									
Program									
Revenue									
Other									
Total									
<b>Net Change</b>									
<b>Beginning Balance</b>									
<b>Ending Balance</b>									

**Butler County, Ohio**  
**Changes in Net Position of Governmental Activities**  
**Last Ten Years**  
**(accrual basis of accounting)**  
**(Continued)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2018
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>General Government:</b>										
Legislative and Executive	\$ 35,086,479	\$ 37,280,435	\$ 27,727,443	\$ 29,955,984	\$ 29,823,465	\$ 26,369,763	\$ 26,478,363	\$ 26,811,419	\$ 27,378,605	\$ 29,065,148
Legislative and Executive - Intergovernmental	-	-	-	-	-	-	-	8,220,239	10,896,773	9,140,959
Judicial	16,766,093	16,976,319	17,732,020	16,189,897	14,869,492	13,545,194	13,543,957	14,147,921	14,062,880	15,551,688
Public Safety	51,218,782	48,709,320	48,697,900	41,154,980	44,980,435	47,294,271	46,095,345	48,432,082	48,837,270	54,284,890
Public Works	24,981,832	25,416,281	24,661,639	25,701,107	22,218,862	23,895,460	24,338,688	25,448,175	16,645,367	14,593,918
Public Works - Intergovernmental	-	-	-	-	-	-	-	29,572,347	2,072,738	-
Health	54,781,525	62,270,201	58,320,120	62,355,137	68,348,134	58,682,052	43,168,486	42,998,085	45,296,552	43,102,788
Human Services	69,695,591	93,725,373	90,877,303	72,649,003	66,342,441	63,415,959	61,432,102	62,154,796	60,022,447	62,614,766
Conservation and Recreation	686,496	587,061	571,952	593,168	453,611	426,186	463,733	475,591	485,924	417,809
Other	-	-	-	11,860	-	-	-	-	-	-
Intergovernmental	-	5,572,290	4,780,375	4,710,532	7,839,719	4,665,872	4,124,409	-	-	-
Interest and Fiscal Charges	5,459,844	5,822,661	4,886,734	4,884,161	4,321,857	4,891,571	3,823,988	3,431,350	2,042,899	2,184,394
<b>Total Governmental Activities Expenses</b>	<b>278,676,642</b>	<b>296,341,941</b>	<b>276,455,488</b>	<b>258,205,829</b>	<b>259,199,016</b>	<b>243,186,328</b>	<b>223,267,031</b>	<b>281,492,015</b>	<b>227,541,455</b>	<b>230,956,340</b>
<b>Business-type Activities</b>										
Sewer	27,027,272	26,429,926	24,587,715	23,256,101	23,474,260	23,083,649	22,536,707	24,186,307	24,241,026	22,774,378
Water	29,630,418	26,946,953	26,323,570	26,275,587	24,153,925	26,483,008	24,964,373	26,569,602	21,574,949	23,283,227
GSC Parking Garage	162,063	62,346	220,725	91,310	91,195	-	-	-	-	-
<b>Total Business-type Activities Expenses</b>	<b>56,819,753</b>	<b>53,459,225</b>	<b>51,132,010</b>	<b>49,622,998</b>	<b>47,719,380</b>	<b>49,566,657</b>	<b>47,501,080</b>	<b>50,755,909</b>	<b>45,815,975</b>	<b>46,037,605</b>
<b>Total Primary Government Expenses</b>	<b>335,496,395</b>	<b>349,801,166</b>	<b>327,587,498</b>	<b>307,828,827</b>	<b>306,918,396</b>	<b>292,752,985</b>	<b>270,768,111</b>	<b>312,247,924</b>	<b>273,357,430</b>	<b>276,993,945</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(107,902,180)	(137,324,320)	(96,124,092)	(112,415,389)	(111,817,952)	(109,552,947)	(104,800,622)	(137,488,748)	(109,293,283)	(110,485,495)
Business-type Activities	4,396,210	(1,951,832)	(4,138,952)	(2,003,191)	(3,707,432)	(2,816,486)	(1,123,040)	(2,616,743)	6,685,782	8,398,467
<b>Total Primary Government Net (Expense)/Revenue</b>	<b>(103,505,950)</b>	<b>(139,278,152)</b>	<b>(100,263,044)</b>	<b>(114,418,580)</b>	<b>(115,525,384)</b>	<b>(112,369,413)</b>	<b>(105,923,662)</b>	<b>(140,115,491)</b>	<b>(100,607,501)</b>	<b>(102,087,028)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
<b>Property Taxes Levied for:</b>										
General Purposes	14,620,159	14,191,594	15,079,052	12,790,528	13,087,764	12,571,502	12,324,899	12,424,675	12,720,083	12,728,340
Health - Developmental Disabilities	19,665,938	19,073,043	19,323,359	17,194,685	17,754,189	17,833,937	17,557,248	17,741,486	18,320,664	18,309,413
Human Services - Children Services Agency	14,269,273	13,884,835	14,495,323	13,171,183	13,540,033	13,091,271	12,815,070	12,942,369	13,245,299	13,237,893
Health - Mental Health	9,343,505	9,023,904	8,240,166	8,284,372	8,540,022	8,173,776	8,178,273	8,266,486	8,491,029	8,487,542
Human Services - Elderly Services Levy	13,992,100	13,280,836	8,908,487	8,069,527	8,851,206	8,509,329	8,345,075	8,412,542	6,609,443	8,604,631
Animal Shelter	3,340,811	-	-	-	-	-	-	-	-	-
Sales Tax	41,317,071	33,408,493	31,843,566	30,225,506	30,779,103	32,955,898	35,170,710	37,836,169	41,852,127	43,918,843
Local Taxes	2,450,376	2,454,986	2,430,185	2,472,087	2,478,974	2,479,528	2,531,643	2,573,824	2,630,441	2,690,577
Payments in Lieu of Taxes (1)	3,620,542	4,438,718	3,981,481	6,129,462	9,911,360	7,529,320	8,145,695	7,877,467	11,121,787	8,796,701
Grants and Entitlements not Restricted to Specific Programs	7,659,749	7,664,080	6,603,883	6,370,821	8,771,385	8,122,035	8,594,227	10,151,118	11,646,619	9,903,298
Investment Earnings	14,879,642	10,362,722	3,675,844	3,380,084	2,889,678	2,066,480	822,879	1,647,518	2,021,819	1,937,439
Gain on Sale of Capital Assets	281,924	-	-	11,145	-	-	-	-	-	-
Other	5,238,068	3,707,444	4,278,573	2,679,825	2,192,682	1,789,005	2,270,553	1,738,420	1,089,009	1,943,208
Transfers	-	-	-	-	-	(2,805)	-	(3,415)	-	-
<b>Total Governmental Activities</b>	<b>\$ 150,679,160</b>	<b>\$ 131,490,655</b>	<b>\$ 119,059,919</b>	<b>\$ 112,779,223</b>	<b>\$ 116,794,396</b>	<b>\$ 115,099,276</b>	<b>\$ 114,556,372</b>	<b>\$ 121,410,659</b>	<b>\$ 131,748,300</b>	<b>\$ 130,555,885</b>

(Continued)

**Butler County, Ohio**  
**Changes in Net Position of Governmental Activities**  
**Last Ten Years**  
**(accrual basis of accounting)**  
**(Continued)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Business-Type Activities:</b>										
Investment Earnings	\$ 462,058	\$ 125,300	\$ 468	\$ -	\$ -	\$ 1,419	\$ -	\$ 3,183	\$ 3,192	\$ 270
Gain (Loss) on Sale of Capital Assets						14,079				
Other	1,123,014	769,887	1,065,297	689,250	981,500	637,362	712,265	584,496	2,085,361	472,884
Transfers						2,805		3,415		
<b>Total Business-Type Activities</b>	<b>1,585,072</b>	<b>895,187</b>	<b>1,065,765</b>	<b>689,250</b>	<b>981,500</b>	<b>655,665</b>	<b>712,265</b>	<b>571,094</b>	<b>2,088,553</b>	<b>473,154</b>
<b>Total Primary Government</b>	<b>152,264,232</b>	<b>132,385,842</b>	<b>120,125,684</b>	<b>113,468,473</b>	<b>117,775,896</b>	<b>115,754,941</b>	<b>115,269,637</b>	<b>121,981,753</b>	<b>133,836,853</b>	<b>131,029,039</b>
<b>Change in Net Position</b>										
Governmental Activities	42,777,000	(5,833,665)	22,935,627	363,834	4,976,444	5,546,329	9,755,750	(16,088,089)	22,455,017	20,070,390
Business-type Activities	5,981,282	(1,056,645)	(3,073,187)	(1,313,941)	(2,725,932)	(2,180,801)	(410,775)	(2,045,649)	10,774,335	8,671,621
<b>Total Primary Government Change in Net Position</b>	<b>\$ 48,758,282</b>	<b>\$ (6,890,310)</b>	<b>\$ 19,862,640</b>	<b>\$ (950,107)</b>	<b>\$ 2,250,512</b>	<b>\$ 3,385,528</b>	<b>\$ 9,344,975</b>	<b>\$ (18,133,738)</b>	<b>\$ 33,229,352</b>	<b>\$ 28,942,011</b>

(1) In 2008, the County changed the accounting treatment applied to payment in lieu of taxes transactions. The County now views these transactions as exchange transactions, whereas in prior years, they were viewed as non-exchange transactions

Note: Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

**Butler County, Ohio**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

	2007	2008	2009 (1)	2010 (1)	2011 (1)	2012(1)	2013(1)	2014(1)	2015(1)	2016(1)
<b>General Fund</b>										
Reserved	\$ 8,048,067	\$ 11,396,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, Designated	16,953,260	8,409,077	-	-	-	-	-	-	-	-
Unreserved, Undesignated	13,287,018	11,656,994	-	-	-	-	-	-	-	-
Restatements										
Nonspendable:										
Prepaid Items	-	-	454,547	454,547	594,255	594,255	594,255	594,255	596,531	596,531
Materials and Supplies Inventory	-	-	64,571	64,198	64,198	64,198	64,198	64,198	139,520	139,520
Loans Receivables	-	-	480,243	423,283	314,326	257,388	229,685	208,749	81,904	124,422
Advances to Other Funds	-	-	369,040	261,400	227,128	152,243	710,025	1,447,398	961,756	1,266,753
Long Term:										
Intergovernmental Receivables	-	-	4,265,000	4,075,000	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Other Purposes	-	-	2,400,467	729,254	369,363	85,102	4,575	-	-	-
Assigned	-	-	273,326	796,556	1,888,807	2,995,397	2,635,044	2,680,105	1,402,283	2,680,105
Unassigned	-	-	12,889,189	10,831,199	12,891,143	8,571,886	12,494,511	18,349,284	27,282,400	37,531,238
<b>Total General Fund</b>	<b>38,288,345</b>	<b>31,462,713</b>	<b>21,196,383</b>	<b>17,635,437</b>	<b>16,349,220</b>	<b>12,720,469</b>	<b>16,732,293</b>	<b>23,343,989</b>	<b>30,464,394</b>	<b>42,338,569</b>
<b>All Other Governmental Funds</b>										
Reserved	8,496,349	13,340,880	-	-	-	-	-	-	-	-
Unreserved, Undesignated, (Deficit) Reported In:										
Special Revenue Funds	75,216,379	66,039,506	-	-	-	-	-	-	-	-
Debt Service Funds	10,709,381	1,742,251	-	-	-	-	-	-	-	-
Capital Projects Funds	(21,970,837)	(25,582,374)	-	-	-	-	-	-	-	-
Restatements										
Nonspendable										
Prepaid Items	-	-	1,463,731	1,463,731	1,119,178	1,119,178	1,119,178	1,119,178	319,891	319,891
Materials and Supplies Inventory	-	-	674,546	646,318	780,362	784,544	784,544	784,544	1,190,728	1,184,462
Loans Receivables	-	-	320,966	320,966	700,214	622,267	556,391	690,122	569,651	538,081
Long Term:										
Developmental Disabilities Trust	-	-	761,517	761,305	761,305	761,305	755,683	751,332	951,853	956,975
Restricted for:										
Developmental Disabilities	-	-	29,188,851	31,672,581	33,478,752	30,815,747	32,576,317	34,973,022	32,242,987	31,891,337
Job and Family Services/Children Services	-	-	-	-	-	-	-	-	-	-
Agency	-	-	5,667,385	7,436,664	5,232,558	4,840,626	3,745,954	1,762,517	4,903,867	9,575,294
Mental Health and Addiction Recovery Services	-	-	14,464,029	15,715,664	12,231,531	12,495,832	11,331,114	12,680,063	15,573,814	16,538,611
Elderly Services Levy	-	-	16,199,270	15,733,274	15,048,579	13,976,026	12,324,221	11,279,201	11,855,151	10,636,113
Motor Vehicle	-	-	7,403,582	7,741,238	11,352,723	8,875,549	11,665,027	11,698,318	11,392,410	13,498,077
All Other Public Works	-	-	5,704,597	8,669,799	9,999,695	11,765,724	10,983,631	12,187,831	12,849,805	13,380,583
Other Purposes	-	-	15,449,544	16,469,451	19,878,826	23,035,541	25,433,287	24,920,216	29,670,932	32,229,109
Committed										
Debt Service Payments	-	-	-	3,244	3,244	3,244	-	-	-	-
Unassigned (Deficit)	-	-	(27,655,793)	(17,964,933)	(18,008,152)	(17,537,514)	(16,479,275)	(15,149,619)	(14,000,029)	(10,271,862)
<b>Total All Other Governmental Funds</b>	<b>72,451,272</b>	<b>55,540,263</b>	<b>69,642,225</b>	<b>88,669,302</b>	<b>92,578,815</b>	<b>91,558,069</b>	<b>94,796,072</b>	<b>97,696,725</b>	<b>107,521,060</b>	<b>120,476,671</b>
<b>Total Governmental Funds</b>	<b>\$ 110,739,617</b>	<b>\$ 87,002,976</b>	<b>\$ 90,838,608</b>	<b>\$ 106,304,739</b>	<b>\$ 108,928,035</b>	<b>\$ 104,278,538</b>	<b>\$ 111,528,365</b>	<b>\$ 121,040,714</b>	<b>\$ 137,985,454</b>	<b>\$ 162,815,240</b>

Note 1: The change in fund balance accounts has occurred due to the implementation of GASB 54 for 2010, 2011, 2012, 2013, 2014, 2015 and 2016



**Butler County, Ohio**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**  
**(Continued)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Property Taxes	\$ 74,811,809	\$ 69,674,972	\$ 66,870,321	\$ 58,738,278	\$ 60,757,076	\$ 61,338,933	\$ 60,103,315	\$ 59,986,895	\$ 61,536,541	\$ 61,463,640
Sales Taxes (2)	41,256,564	34,238,835	29,479,864	29,655,211	33,161,633	29,951,357	34,813,101	37,289,664	40,922,754	43,896,978
Other Local Taxes (1)	2,450,378	2,454,986	2,430,185	2,472,087	2,476,974	2,479,528	2,531,643	2,573,824	2,630,441	2,690,577
Charges for Services	45,676,573	42,536,158	41,316,620	37,075,325	38,380,844	37,054,922	39,021,515	40,443,544	39,833,047	42,142,533
Licenses and Permits	528,432	741,296	690,948	775,503	2,128,229	2,214,987	2,867,383	3,799,895	3,954,477	3,796,088
Fines and Forfeitures	2,123,869	2,231,081	2,090,293	2,875,370	2,573,506	2,135,277	2,155,184	2,001,844	1,906,537	1,893,771
Intergovernmental	127,289,857	119,929,792	128,666,114	118,933,561	104,798,723	98,805,479	82,320,578	82,872,890	86,084,562	86,375,363
Special Assessments	3,797,896	2,578,575	2,588,571	2,578,775	2,521,458	2,537,425	2,634,512	2,616,659	2,287,794	2,144,839
Payments in Lieu of Taxes	3,371,248	4,063,662	3,981,481	5,952,578	9,874,908	7,446,940	5,088,099	9,870,090	11,150,364	8,799,306
Investment Earnings	14,863,587	10,371,186	4,190,583	3,485,998	3,063,178	2,074,377	641,654	1,560,226	1,974,553	1,861,823
Other	5,238,068	4,312,857	4,343,465	2,747,025	2,229,039	1,834,969	1,872,417	1,387,914	2,137,034	1,669,381
<b>Total Revenues</b>	<b>321,408,281</b>	<b>293,133,400</b>	<b>286,646,445</b>	<b>265,289,711</b>	<b>281,963,566</b>	<b>247,874,194</b>	<b>233,849,401</b>	<b>244,403,445</b>	<b>254,418,104</b>	<b>256,736,299</b>
<b>Expenditures</b>										
<b>Current:</b>										
<b>General Government:</b>										
Legislative and Executive	33,006,531	34,806,814	25,460,279	27,443,929	27,459,038	24,937,200	24,512,246	24,725,581	25,300,412	25,818,286
Judicial	16,293,690	16,701,077	17,584,347	15,714,806	14,413,062	13,440,985	13,277,907	13,932,405	13,757,953	14,697,589
Public Safety	60,514,200	56,351,505	50,753,912	40,499,329	41,027,667	44,404,141	44,131,231	45,194,689	45,934,264	49,445,922
Public Works	30,092,525	26,885,234	25,174,244	26,508,452	23,817,489	25,751,081	18,747,459	24,231,779	23,123,425	21,878,076
Health	54,243,058	61,761,021	57,606,967	61,607,948	65,519,364	58,659,569	42,827,854	42,509,194	44,413,903	41,501,229
Human Services	89,324,671	93,732,570	91,078,866	72,220,003	66,298,451	63,706,610	61,907,564	62,192,995	60,365,901	60,659,205
Conservation and Recreation	686,496	587,061	571,952	593,168	453,611	426,186	463,733	475,591	485,924	417,809
Other	-	-	-	11,860	-	-	-	-	-	-
Intergovernmental	-	5,572,290	4,780,375	4,710,532	7,839,719	4,665,872	4,124,409	8,220,239	10,696,773	9,140,959
Capital Outlay	4,254,031	10,115,027	2,388,023	-	730,315	5,041,559	5,253,315	1,337,215	-	211,050
<b>Debt Service:</b>										
Principal Retirement	5,943,125	6,770,900	7,410,684	7,673,850	7,879,589	9,475,040	8,023,809	8,544,307	10,625,881	5,883,411
Interest and Fiscal Charges	5,454,896	5,730,463	4,996,253	4,560,525	4,405,341	4,154,955	3,585,073	3,395,564	2,689,424	2,252,977
Issuance Costs	210,797	60,948	65,618	292,023	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	239,700	-
Current Refunding	-	-	-	192,750	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>300,024,020</b>	<b>319,074,930</b>	<b>287,871,520</b>	<b>262,029,175</b>	<b>259,843,646</b>	<b>254,663,198</b>	<b>226,854,402</b>	<b>234,759,559</b>	<b>237,633,560</b>	<b>231,906,513</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ 21,384,261</b>	<b>\$ (25,941,530)</b>	<b>\$ (1,225,075)</b>	<b>\$ 3,260,536</b>	<b>\$ 2,119,920</b>	<b>\$ (6,789,004)</b>	<b>\$ 6,994,999</b>	<b>\$ 9,643,886</b>	<b>\$ 16,784,544</b>	<b>\$ 24,829,786</b>

(Continued)

**Butler County, Ohio**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
(modified accrual basis of accounting)  
(Continued)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Other Financing Sources (Uses)</b>										
General Obligation Bonds Issued	\$ -	\$ -	\$ 1,935,000	\$ 11,410,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premium on Debt Issued	960,332	83,744	30,433	662,746	-	979,990	-	633,634	935,454	-
Discount on Debt Issued	-	-	-	(49,894)	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	118,942	-	-	19,064	35,754	21,594	-	-	-	-
Notes Issued	-	-	-	-	-	-	-	-	-	-
Refunding Bonds Issued	17,095,000	-	-	7,200,000	-	8,885,000	-	7,520,000	10,015,000	-
Special Assessment Bonds Issued	-	3,315,000	-	-	-	-	-	-	-	-
Proceeds of Loans	374,761	-	773,396	651,103	368,646	50,899	-	-	-	-
Accrued Interest Received on Debt Issued	-	-	-	-	-	-	-	-	-	-
Payment to Refund Bond Escrow Agent	(17,836,926)	-	-	(7,707,424)	-	(7,873,107)	-	(8,030,000)	(10,790,258)	-
Inception of Capital Lease	1,532,939	1,216,866	1,476,982	-	-	78,138	3,072	-	-	-
Transfers - In	2,803,627	3,089,344	3,211,274	11,362,283	11,983,359	12,531,641	13,501,104	13,726,787	14,962,260	13,282,584
Transfers - Out	(2,803,627)	(3,089,344)	(3,211,274)	(11,362,283)	(11,954,797)	(12,534,446)	(13,501,104)	(13,730,182)	(14,962,260)	(13,282,584)
<b>Total Other Financing Sources</b>	<b>2,245,048</b>	<b>4,617,610</b>	<b>4,215,811</b>	<b>12,205,595</b>	<b>432,962</b>	<b>2,139,507</b>	<b>3,072</b>	<b>120,219</b>	<b>160,196</b>	<b>-</b>
Prior Year Restatement of Fund Balance	(16,973,312)	(2,412,721)	844,896	-	-	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ 8,655,997</b>	<b>\$ (23,736,641)</b>	<b>\$ 3,835,632</b>	<b>\$ 15,466,131</b>	<b>\$ 2,552,882</b>	<b>\$ (4,649,497)</b>	<b>\$ 6,998,071</b>	<b>\$ 9,764,105</b>	<b>\$ 18,944,740</b>	<b>\$ 24,829,786</b>
Debt Service as a Percentage of Noncapital Expenditures	4.12%	4.22%	4.49%	4.95%	4.73%	5.51%	5.30%	5.13%	5.81%	3.59%

\*Prior to 2007 Other Local Taxes was included with Property Taxes revenue.

\*\* .50 Sales Tax imposed in 2006 and in January 2008 .25 of the Sales Tax was removed.

Butler County, Ohio  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Years

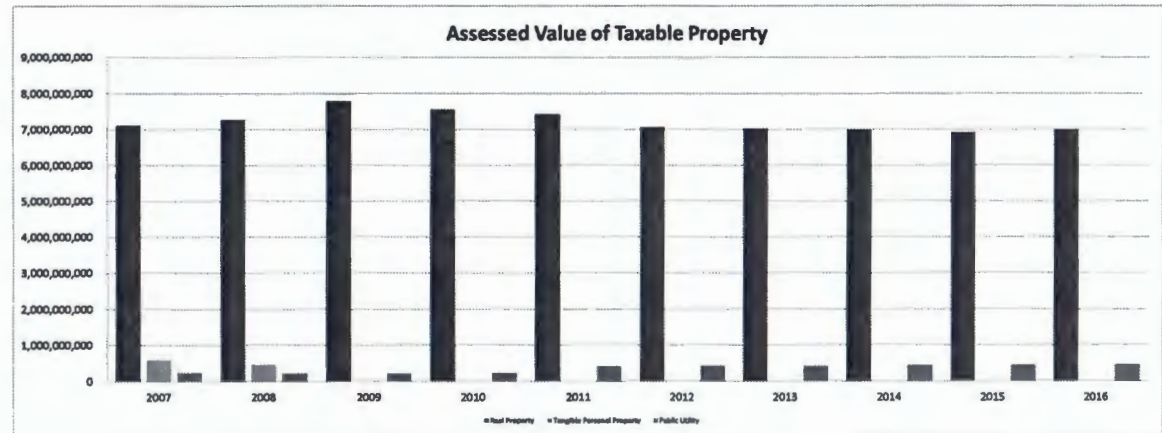
Collection Year	Real Property			Tangible Personal Property		Public Utility		Total			Weighted Average Tax Rate
	Assessed Value		Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
	Residential/Agricultural	Commercial/Industrial/PU									
2007	\$ 5,593,932,480	\$ 1,530,799,300	\$ 20,358,378,514	\$ 804,188,591	\$ 4,833,508,728	\$ 236,856,000	\$ 288,927,272	\$ 7,865,576,371	\$ 25,458,812,514	31.29%	10.11
2008	5,888,882,860	1,583,855,220	20,772,888,029	483,957,189	742,331,502	221,178,070	251,335,307	7,655,670,369	21,768,632,838	36.55%	9.57
2009	5,893,230,710	1,803,894,330	22,277,414,400	15,182,330	151,823,300	224,161,810	254,717,988	8,038,439,160	22,684,055,688	35.43%	8.84
2010	5,719,180,580	1,844,459,770	21,810,401,000	8,135,430	162,708,600	228,848,530	280,884,239	7,801,424,310	22,034,073,839	35.41%	8.93
2011	5,713,922,440	1,720,781,870	21,241,954,800	-	-	431,163,570	489,881,330	7,885,867,880	21,731,935,830	38.18%	9.05
2012	5,495,218,880	1,589,213,370	20,184,092,088	-	-	438,885,180	488,480,432	7,501,317,410	20,880,552,518	36.27%	9.19
2013	5,498,588,970	1,537,812,480	20,088,227,000	-	-	424,274,100	482,129,859	7,458,853,950	20,880,358,859	36.24%	9.22
2014	5,488,390,880	1,531,888,470	20,000,228,714	-	-	437,041,780	488,838,388	7,437,121,140	20,498,885,112	36.28%	9.23
2015	5,428,401,270	1,485,244,980	19,778,132,143	-	-	449,125,710	510,370,125	7,370,771,860	20,288,502,288	36.33%	9.23
2016	5,478,129,780	1,518,383,730	19,980,038,543	-	-	454,788,380	518,779,943	7,451,270,840	20,808,818,488	36.34%	9.25

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for machinery and equipment and 23 percent for inventories. The general business tangible personal property tax is being phased out beginning in 2009. The listing percentage is 12.5% for 2007, 8.25% for 2008 and zero for 2009. Effective for 2008, telecommunications is the only remaining type of personal property tax. This will be phased out by 2011. The percentages for telecommunications are 10% for 2009, 9% for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, and 2 1/2% and homestead exemptions before being billed.

Source: Butler County Auditor



**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
**(Per \$1,000 Assessed Value)**  
**Last Ten Years**  
**(Continued)**

Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Unvoted Millage</b>										
Operating	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000	1.920000
Miami Conservancy	0.030000	0.030000	0.030000	0.025000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Voted Millage - by levy</b>										
<b>2000 Developmental Disabilities</b>										
Residential/Agricultural Real	1.562380	1.557960	1.491100	1.571612	1.491100	1.647328	1.651984	1.656632	1.656632	1.676606
Commercial/Industrial and Public Utility Real	1.889570	1.879520	1.690228	1.771412	1.690230	2.000000	2.000000	2.000000	2.000000	1.994858
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
<b>2004 Developmental Disabilities</b>										
Residential/Agricultural Real	0.922533	0.919930	0.880446	0.927985	0.880440	0.972693	0.975442	0.978186	0.978186	0.989981
Commercial/Industrial and Public Utility Real	0.995289	0.989994	0.890289	0.933051	0.890290	1.000000	1.000000	1.000000	1.000000	0.997429
General Business and Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
<b>1985 Mental Health Board</b>										
Residential/Agricultural Real	0.225140	0.224507	0.214873	0.226475	0.214873	0.237386	0.238057	0.238728	0.238728	0.241605
Commercial/Industrial and Public Utility Real	0.302460	0.300847	0.270548	0.283543	0.270548	0.322558	0.331246	0.334759	0.334759	0.342866
General Business and Public Utility Personal	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000
<b>2006 Mental Health Board</b>										
Residential/Agricultural Real	0.992597	0.989791	0.947314	0.998464	0.947314	1.000000	1.000000	1.000000	1.000000	0.999100
Commercial/Industrial and Public Utility Real	1.000000	0.994679	0.894502	0.937466	0.894502	1.000000	1.000000	1.000000	1.000000	0.997429
General Business and Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
<b>2006 Animal Shelter</b>										
Residential/Agricultural Real	0.496298	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.500000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.500000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>1989 Childrens Services Agency</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>2008 Childrens Services Agency</b>										
Residential/Agricultural Real	1.839160	1.833960	1.910580	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	1.998200
Commercial/Industrial and Public Utility Real	1.990580	1.979990	1.800000	1.884962	1.943610	2.000000	2.000000	2.000000	2.000000	1.994858
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
**(Per \$1,000 Assessed Value)**  
**Last Ten Years**  
**(Continued)**

Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>2001 Senior Citizens</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>2005 Senior Citizens</b>										
Residential/Agricultural Real	1.805933	1.854074	1.153429	1.215708	1.300000	1.300000	1.300000	1.300000	1.300000	1.298830
Commercial/Industrial and Public Utility Real	1.990580	1.979988	1.157376	1.212966	1.300000	1.300000	1.300000	1.300000	1.300000	1.296658
General Business and Public Utility Personal	2.000000	2.000000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000	1.300000
<b>Total voted millage by type of property</b>										
Residential/Agricultural Real	7.897440	7.380220	6.601330	6.940244	7.291217	7.157407	7.165483	7.173545	7.173545	7.204322
Commercial/Industrial and Public Utility Real	8.668480	8.125020	6.701520	7.023400	7.030946	7.622558	7.631246	7.634759	7.634759	7.624098
General Business and Public Utility Personal	9.000000	8.500000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000	7.800000
<b>Total millage by type of property</b>										
Residential/Agricultural Real	9.847440	9.330210	8.551330	8.885244	8.950946	9.077407	9.085483	9.093545	9.093545	9.124322
Commercial/Industrial and Public Utility Real	10.618480	10.075010	8.651517	8.968400	9.211217	9.542558	9.551246	9.554759	9.554759	9.544098
General Business and Public Utility Personal	10.950000	10.450000	9.750000	9.745000	9.720000	9.720000	9.720000	9.720000	9.720000	9.720000
<b>Total Weighted Average Tax Rate</b>										
	10.110000	9.570000	8.640000	8.930000	9.050000	9.190000	9.220000	9.230000	9.230000	9.250000
<b>Rates by Taxing District</b>										
<b>Cities</b>										
<b>Fairfield</b>										
Residential/Agricultural Real	5.012060	5.005792	4.883836	5.103153	5.107734	5.233149	5.239598	5.251479	5.251479	5.375778
Commercial/Industrial and Public Utility Real	5.429240	5.422343	4.993511	5.227276	5.280825	5.633398	5.732364	5.689086	5.689086	5.791312
General Business and Public Utility Personal	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000	5.940000
<b>Hamilton</b>										
Residential/Agricultural Real	6.689172	6.688394	6.654314	6.739920	6.394930	6.512534	6.522906	6.531444	6.531444	6.697280
Commercial/Industrial and Public Utility Real	7.119230	7.141428	6.944668	7.038468	6.736200	6.810000	6.810000	6.810000	6.810000	6.810000
General Business and Public Utility Personal	7.160000	7.160000	7.160000	7.160000	6.810000	6.810000	6.810000	6.810000	6.810000	6.810000
<b>Middletown</b>										
Residential/Agricultural Real	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000	6.900000	6.900000	6.900000	6.900000
Commercial/Industrial and Public Utility Real	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000	6.900000	6.900000	6.900000	6.898758
General Business and Public Utility Personal	5.900000	5.900000	5.900000	5.900000	5.900000	5.900000	6.900000	6.900000	6.900000	6.900000
<b>Monroe</b>										
Residential/Agricultural Real	6.181140	6.143540	5.922472	4.909746	4.906790	6.297308	6.288710	4.965216	4.965216	4.914048
Commercial/Industrial and Public Utility Real	8.519890	8.552396	8.071304	6.984608	7.160564	8.967780	9.004830	7.771596	7.771596	7.867520
General Business and Public Utility Personal	9.320000	9.320000	9.320000	8.000000	8.000000	9.320000	9.320000	8.000000	8.000000	8.000000

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Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Oxford</b>										
Residential/Agricultural Real	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
Commercial/Industrial and Public Utility Real	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
General Business and Public Utility Personal	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000	3.650000
<b>Trenton</b>										
Residential/Agricultural Real	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000	5.760000	5.760000	5.760000	7.740000
Commercial/Industrial and Public Utility Real	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000	5.760000	5.760000	5.760000	7.740000
General Business and Public Utility Personal	3.240000	3.240000	3.240000	3.240000	3.240000	3.240000	5.760000	5.760000	5.760000	7.740000
<b>Villages</b>										
<b>College Corner</b>										
Residential/Agricultural Real	5.492928	5.492701	4.817569	4.972263	11.968741	12.050696	12.065509	12.123845	12.123845	12.481074
Commercial/Industrial and Public Utility Real	6.383665	6.383665	6.254188	6.254188	13.254188	13.439252	13.439252	13.453521	13.453521	13.534271
General Business and Public Utility Personal	14.400000	14.400000	14.400000	14.400000	21.400000	21.400000	21.400000	21.400000	21.400000	21.400000
<b>Jacksonburg</b>										
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial and Public Utility Real	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
<b>Millville</b>										
Residential/Agricultural Real	2.300000	2.300000	2.300000	2.300000	5.300000	4.798710	5.300000	5.300000	5.300000	5.299640
Commercial/Industrial and Public Utility Real	2.300000	2.300000	2.300000	2.300000	5.300000	4.800000	5.300000	5.300000	5.300000	5.300000
General Business and Public Utility Personal	2.300000	2.300000	2.300000	2.300000	5.300000	4.800000	5.300000	5.300000	5.300000	5.300000
<b>New Miami</b>										
Residential/Agricultural Real	7.057468	3.300000	3.137033	6.733900	6.744869	6.899237	8.010550	8.061295	8.061295	8.696295
Commercial/Industrial and Public Utility Real	7.055503	3.300000	3.193293	6.797783	6.821690	7.407265	8.444300	8.464560	8.464560	8.845935
General Business and Public Utility Personal	8.300000	3.300000	3.300000	8.300000	8.300000	8.300000	9.300000	9.300000	9.300000	9.300000
<b>Sevenmile</b>										
Residential/Agricultural Real	3.705286	3.706631	3.615387	2.730000	2.730000	2.730000	5.730000	5.730000	5.730000	5.730000
Commercial/Industrial and Public Utility Real	4.709944	4.709945	4.569314	2.730000	2.730000	2.730000	5.730000	5.730000	5.730000	5.730000
General Business and Public Utility Personal	5.420000	5.420000	5.420000	2.730000	2.730000	2.730000	5.730000	5.730000	5.730000	5.730000
<b>Somerville</b>										
Residential/Agricultural Real	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	7.090000	7.090000	7.082228
Commercial/Industrial and Public Utility Real	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	7.090000	7.090000	6.759856
General Business and Public Utility Personal	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	3.090000	7.090000	7.090000	7.090000

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Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Townships</b>										
<b>Fairfield</b>										
Residential/Agricultural Real	5.634990	5.620972	5.400695	5.613072	5.617184	5.858677	5.867840	5.874011	5.874011	9.820840
Commercial/Industrial and Public Utility Real	6.075460	5.338238	5.566851	5.814574	5.739544	5.676597	5.866064	5.887646	5.887646	9.854794
General Business and Public Utility Personal	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	7.190000	11.090000
<b>Fairfield - Fire District</b>										
Residential/Agricultural Real	9.315810	9.289817	8.884015	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	10.081580	8.696778	9.130686	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	12.190000	12.190000	12.190000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Hanover</b>										
Residential/Agricultural Real	4.463410	4.457841	4.394456	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.404006
Commercial/Industrial and Public Utility Real	4.458660	4.459544	4.364491	4.463079	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000
General Business and Public Utility Personal	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000
<b>Liberty</b>										
Residential/Agricultural Real	9.072858	9.037356	8.883259	10.013705	10.558480	10.668367	10.662295	10.664601	10.664601	10.289122
Commercial/Industrial and Public Utility Real	9.765146	9.527537	8.767764	8.933331	10.171996	10.349200	10.477753	10.505728	10.505728	10.857652
General Business and Public Utility Personal	11.090000	11.090000	11.090000	11.090000	11.590000	11.590000	11.590000	11.590000	11.590000	11.590000
<b>Madison</b>										
Residential/Agricultural Real	1.626605	1.626586	1.621594	1.642768	3.643671	3.646562	3.648490	3.650379	3.650379	4.651019
Commercial/Industrial and Public Utility Real	1.852322	1.848355	1.808983	1.809461	3.818551	3.848440	3.868866	3.865775	3.865775	4.925639
General Business and Public Utility Personal	2.260000	2.260000	2.260000	2.260000	4.260000	4.260000	4.260000	4.260000	4.260000	5.260000
<b>Milford</b>										
Residential/Agricultural Real	6.325170	6.310499	5.947213	6.089780	6.093804	6.250048	6.252813	6.255158	6.255158	6.157891
Commercial/Industrial and Public Utility Real	6.887879	6.857308	6.336943	6.338946	6.389011	6.830722	6.853778	6.853778	6.853778	6.819311
General Business and Public Utility Personal	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000	7.740000
<b>Morgan</b>										
Residential/Agricultural Real	5.588967	5.584894	6.066668	6.183757	6.188990	6.911653	6.919726	7.948553	7.948553	7.842142
Commercial/Industrial and Public Utility Real	5.684251	5.684251	5.974980	6.124875	6.115224	6.922000	6.922000	7.970000	7.970000	7.970000
General Business and Public Utility Personal	5.720000	5.720000	6.220000	6.220000	6.220000	6.970000	6.970000	7.970000	7.970000	7.970000
<b>Oxford</b>										
Residential/Agricultural Real	6.172409	6.148158	5.761907	6.016532	6.031050	6.067536	6.066469	6.065240	6.065240	9.029936
Commercial/Industrial and Public Utility Real	6.480600	6.216652	3.556455	3.556455	3.590540	3.633912	3.633912	3.633912	3.633912	7.845992
General Business and Public Utility Personal	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	9.590000	13.590000

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Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Reily</b>										
Residential/Agricultural Real	7.045005	7.042639	7.012669	7.202841	7.206026	7.063216	7.073807	6.640000	6.640000	6.473499
Commercial/Industrial and Public Utility Real	7.327889	7.327889	7.351738	7.291594	7.291594	7.390000	7.390000	6.640000	6.640000	6.640000
General Business and Public Utility Personal	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	7.390000	6.640000	6.640000	6.640000
<b>Ross</b>										
Residential/Agricultural Real	6.578420	6.567461	6.165227	6.316230	6.322609	6.438277	6.440503	8.343982	8.343982	10.808063
Commercial/Industrial and Public Utility Real	6.652570	6.644201	6.020518	6.123685	6.124436	6.305091	6.329339	8.229349	8.229349	11.072097
General Business and Public Utility Personal	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	6.720000	8.470000	8.470000	11.220000
<b>St Clair</b>										
Residential/Agricultural Real	4.445978	4.445095	4.158202	4.249082	4.253621	4.305582	4.311927	7.818704	7.818704	7.743739
Commercial/Industrial and Public Utility Real	4.444570	4.449051	4.419493	4.470000	4.470000	4.470000	4.470000	7.970000	7.970000	7.970000
General Business and Public Utility Personal	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	4.470000	7.970000	7.970000	7.970000
<b>Wayne</b>										
Residential/Agricultural Real	4.596910	3.456438	3.368540	4.729232	4.731047	4.732366	4.735551	4.737237	4.737237	5.139395
Commercial/Industrial and Public Utility Real	4.812741	3.550552	3.460201	4.770201	4.770201	4.787191	4.787191	4.890000	4.890000	5.077389
General Business and Public Utility Personal	4.880000	3.580000	3.580000	4.890000	4.890000	4.890000	4.890000	4.890000	4.890000	5.140000
<b>West Chester</b>										
Residential/Agricultural Real	13.298642	13.246766	12.602738	13.028126	14.419072	14.590000	14.590000	14.590000	14.590000	14.467761
Commercial/Industrial and Public Utility Real	14.429398	14.245764	12.696286	13.165746	14.262004	14.590000	14.590000	14.590000	14.590000	14.318781
General Business and Public Utility Personal	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000	14.590000
<b>Joint Vocational Schools</b>										
<b>Butler County JVS</b>										
Residential/Agricultural Real	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
Commercial/Industrial and Public Utility Real	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
General Business and Public Utility Personal	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000	1.930000
<b>Great oaks JVS</b>										
Residential/Agricultural Real	2.000000	2.000000	2.000000	2.015685	2.030848	2.199458	2.215053	2.219959	2.219959	2.128656
Commercial/Industrial and Public Utility Real	2.219364	2.210809	2.113835	2.138073	2.213681	2.407903	2.434979	2.458407	2.458407	2.530556
General Business and Public Utility Personal	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000	2.700000
<b>Miami Valley Tech JVS</b>										
Residential/Agricultural Real	2.098318	2.066068	2.039676	2.053296	2.053789	2.443774	2.444678	2.445961	2.445961	2.382594
Commercial/Industrial and Public Utility Real	2.259504	2.239154	2.165135	2.190694	2.219158	2.511325	2.517462	2.520872	2.520872	2.528283
General Business and Public Utility Personal	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000	2.580000



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Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Schools</b>										
<b>Edgewood City</b>										
Residential/Agricultural Real	35.280013	35.130009	32.630020	36.802972	35.715764	36.738135	36.502051	36.653753	36.653753	32.833201
Commercial/Industrial and Public Utility Real	39.807444	39.712012	36.101977	40.731181	40.172190	41.404253	41.182151	43.260425	43.260425	39.948020
General Business and Public Utility Personal	50.640000	50.490000	47.990000	50.990000	49.876000	50.435000	50.157000	50.258000	50.258000	46.660000
<b>Fairfield City</b>										
Residential/Agricultural Real	31.401270	31.351328	28.714319	29.740269	29.842606	37.191046	37.428749	36.978252	36.978252	39.164781
Commercial/Industrial and Public Utility Real	36.141470	35.823366	31.666282	32.972128	33.336082	41.681090	42.387252	41.560544	41.560544	43.849556
General Business and Public Utility Personal	58.600000	58.600000	56.590000	56.520000	56.600000	63.100000	63.300000	62.800000	62.800000	64.500000
<b>Hamilton City</b>										
Residential/Agricultural Real	32.607930	32.607554	32.486564	33.681083	33.742977	35.218492	35.344503	35.641596	35.641596	38.843479
Commercial/Industrial and Public Utility Real	38.679349	38.964789	36.448336	37.690444	38.378912	41.591945	41.926297	42.972815	42.972815	45.580650
General Business and Public Utility Personal	53.420000	53.420000	53.310000	53.420000	53.420000	53.420000	53.420000	53.610000	53.610000	54.810000
<b>Lakota Local</b>										
Residential/Agricultural Real	37.012536	36.845748	35.757201	36.683458	37.227670	38.668826	38.693566	44.012824	44.012824	42.322508
Commercial/Industrial and Public Utility Real	41.906875	41.339911	37.509908	38.455457	40.307800	43.329024	44.218176	49.750789	49.750789	49.104752
General Business and Public Utility Personal	65.390000	65.390000	65.340000	65.340000	65.840000	65.840000	65.840000	71.140000	71.140000	70.140000
<b>Madison Local</b>										
Residential/Agricultural Real	36.537476	36.043960	36.350004	37.856213	38.142340	38.934774	39.415847	39.604506	39.604506	39.210491
Commercial/Industrial and Public Utility Real	37.291347	36.644537	36.350016	36.868837	37.472410	39.555174	40.743020	40.813495	40.813495	40.640000
General Business and Public Utility Personal	39.340000	38.850000	39.190000	39.690000	39.940000	40.540000	40.940000	41.040000	41.040000	40.640000
<b>Middletown City</b>										
Residential/Agricultural Real	41.940000	42.576939	42.861275	45.669670	45.716950	47.162000	48.949000	49.079000	49.079000	54.540000
Commercial/Industrial and Public Utility Real	42.201794	43.004439	42.560003	44.522186	44.917230	46.713362	48.825403	49.079000	49.079000	54.540000
General Business and Public Utility Personal	45.130000	45.750000	45.750000	47.000000	46.994000	47.162000	48.949000	49.079000	49.079000	54.540000
<b>Monroe Local</b>										
Residential/Agricultural Real	41.440008	40.850008	40.100008	38.934155	37.463740	40.137006	43.452006	45.798006	45.798006	46.720006
Commercial/Industrial and Public Utility Real	42.290586	41.780025	40.100008	38.206936	38.185060	40.762571	44.223622	46.882715	46.882715	48.120000
General Business and Public Utility Personal	44.870000	44.280000	43.530000	41.038000	39.580000	41.537000	44.852000	47.198000	47.198000	48.120000
<b>New Miami Local</b>										
Residential/Agricultural Real	24.241093	24.240991	24.174075	25.316237	25.393200	26.017594	24.667746	24.801294	24.801294	26.399450
Commercial/Industrial and Public Utility Real	24.277540	24.276447	24.227391	24.517561	24.549360	25.009944	23.614310	23.665125	23.665125	25.325464
General Business and Public Utility Personal	29.420000	29.420000	29.420000	29.570000	29.570000	29.570000	28.090000	28.090000	28.090000	28.440000

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
**(Per \$1,000 Assessed Value)**  
**Last Ten Years**  
**(Continued)**

Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Ross Local</b>										
Residential/Agricultural Real	26.700024	26.500011	26.180016	25.650243	25.379749	25.644102	25.665714	25.692156	25.692156	25.240366
Commercial/Industrial and Public Utility Real	29.874938	29.648716	26.882420	26.181202	26.004626	26.733007	26.910336	26.996802	26.996802	27.788606
General Business and Public Utility Personal	51.730000	51.530000	51.210000	50.030000	49.730000	49.730000	49.730000	49.730000	49.730000	49.730000
<b>Talawanda City</b>										
Residential/Agricultural Real	23.170026	23.150032	27.820025	28.754159	28.733986	28.774471	28.864147	28.680309	28.680309	27.847600
Commercial/Industrial and Public Utility Real	25.638202	25.656717	28.002809	29.551230	30.583940	32.014534	32.410679	32.259141	32.259141	31.128406
General Business and Public Utility Personal	51.470000	51.450000	56.120000	56.170000	56.130000	56.130000	56.130000	55.800000	55.800000	55.300000
<b>Out-of-County School Districts</b>										
<b>College Corner Local</b>										
Residential/Agricultural Real	24.384300	24.383859	23.699491	24.161005	24.265730	25.944728	25.975432	26.104764	26.104764	24.884870
Commercial/Industrial and Public Utility Real	24.764910	24.764913	24.662707	24.662707	24.559660	27.111058	27.111058	27.146472	27.146472	27.493842
General Business and Public Utility Personal	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000	32.100000
<b>Mason Local</b>										
Residential/Agricultural Real	41.001409	42.491636	42.419539	45.489175	45.506050	45.524206	47.157071	47.176742	47.176742	43.262353
Commercial/Industrial and Public Utility Real	43.762300	45.158847	44.952516	43.980983	44.161320	45.012027	47.640296	48.079396	48.079396	46.913639
General Business and Public Utility Personal	81.760000	83.450000	83.450000	83.450000	83.450000	83.450000	83.970000	83.970000	83.970000	83.110000
<b>Northwest Local</b>										
Residential/Agricultural Real	23.823540	27.684315	28.158611	28.190966	28.258058	31.003183	36.441259	36.527471	36.527471	36.836002
Commercial/Industrial and Public Utility Real	27.989296	31.568016	31.648585	32.084438	32.804058	35.933239	42.231033	42.367443	42.367443	42.214051
General Business and Public Utility Personal	49.500000	53.390000	53.560000	53.570000	53.600000	54.220000	59.570000	59.570000	59.570000	58.870000
<b>Preble Shawnee Local</b>										
Residential/Agricultural Real	23.399192	23.399040	23.374305	23.374884	23.375830	23.096386	23.096524	23.096538	23.096538	20.357620
Commercial/Industrial and Public Utility Real	23.442185	23.442186	23.432161	23.432091	23.431880	23.180055	23.200000	23.200000	23.200000	20.487074
General Business and Public Utility Personal	23.490000	23.490000	23.490000	23.490000	23.490000	23.200000	23.200000	23.200000	23.200000	20.500000
<b>Princeton Local</b>										
Residential/Agricultural Real	23.423617	23.428671	23.534428	23.664862	25.193000	26.967911	37.493144	37.555856	37.555856	39.052755
Commercial/Industrial and Public Utility Real	30.370811	29.929559	29.123722	29.745365	33.112690	35.370055	46.322503	46.804232	46.804232	49.038449
General Business and Public Utility Personal	49.030000	49.030000	48.990000	48.990000	50.480000	50.830000	61.280000	61.280000	61.280000	62.580000
<b>Southwest Local</b>										
Residential/Agricultural Real	23.620010	23.620025	23.460014	23.350033	23.048470	24.018820	24.077998	24.087677	24.087677	23.866171
Commercial/Industrial and Public Utility Real	26.131420	26.080145	25.007211	24.917567	24.856550	25.295877	26.063800	26.163730	26.163730	26.843463
General Business and Public Utility Personal	45.300000	45.300000	45.140000	44.980000	44.680000	44.180000	44.180000	44.180000	44.180000	44.180000

**Butler County, Ohio**  
**Property Tax Rates - Direct and Overlapping Governments**  
**(Per \$1,000 Assessed Value)**  
**Last Ten Years**  
**(Continued)**

Collection Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Libraries</b>										
<b>Lane Public Library</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
<b>Midpointe Library</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.747336
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.742133
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
<b>Park District</b>										
<b>Metroparks of Butler County</b>										
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000	0.499550
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000	0.987150
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000	0.500000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Source: Butler County Auditor

**Butler County, Ohio**  
**Property Tax Levies and Collections (1)**  
**Last Ten Years**

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2007	\$ 80,547,889	\$ 74,545,921	92.55%	\$ 2,937,556	\$ 77,483,477	96.20%
2008	76,057,818	69,182,604	90.96	3,554,162	72,736,766	95.63
2009	69,043,097	64,983,254	94.12	2,629,019	67,612,273	97.93
2010	69,597,356	65,714,900	94.42	1,640,881	67,355,781	96.78
2011	71,186,424	67,414,921	94.70	2,638,007	70,052,928	98.41
2012	72,912,802	66,248,675	90.86	2,373,181	68,621,856	94.11
2013	72,497,141	66,524,422	91.76	2,004,961	68,529,383	94.53
2014	72,289,179	68,398,293	94.62	2,145,050	70,543,343	97.58
2015	67,997,431	66,687,255	98.07	2,191,771	68,879,026	101.30
2016	68,896,152	67,459,479	97.91	2,187,670	69,647,149	101.09

**Source: Butler County Auditor**

**(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.**

**(2) The County does not identify delinquent tax collections by tax year.**

**Note: Resources have not been externally restricted for the repayment of debt.**

**Butler County, Ohio  
Principal Taxpayers  
Real Estate Tax  
2016 and 2008 (1)**

Name of Taxpayer	2016	
	Assessed Value	Percent of Real Property Assessed Value
Duke Realty Ohio	\$ 13,515,000	0.19%
Boymel Family LLC	12,007,420	0.17%
Meijer Stores LTD PRT	11,701,020	0.17%
Millercoors	11,652,070	0.17%
AK Steel Corporation	10,444,310	0.15%
First Industrial LP	9,153,030	0.13%
US Industrial Reit	9,014,360	0.13%
Lesaint Venture LLC	8,877,010	0.13%
FFIII OH West Chester	8,050,000	0.12%
Cincinnati Financial Corporation	7,944,520	0.10%
<b>Totals</b>	<b>\$ 102,358,740</b>	<b>1.46%</b>
<b>Total Assessed Valuation</b>	<b>\$ 6,996,513,490</b>	

Name of Taxpayer	2008	
	Assessed Value	Percent of Real Property Assessed Value
Miller Breweries Inc	\$ 20,271,590	0.28%
First Industrial L P	18,726,820	0.26%
Cincinnati Financial Corp	16,913,280	0.23%
AK Steel Corp	15,574,390	0.21%
Dugan Financing LLC	13,657,460	0.19%
Meijer Stores LTD PRT	12,403,830	0.17%
Duke Realty Ohio	11,133,980	0.15%
Dugan Realty LLC	10,857,570	0.15%
Cincinnati LeSaint Industrial	10,727,500	0.15%
Sam Boymel TR	9,720,740	0.13%
<b>Totals</b>	<b>\$ 139,987,160</b>	<b>1.92%</b>
<b>Total Assessed Valuation</b>	<b>\$ 7,270,538,110</b>	

Source: Butler County Auditor

(1) The amounts presented represent the assessed values upon which 2016 and 2008 collections were based. 2007 data was not available, 2008 data used.

**Butler County, Ohio  
Principal Taxpayers  
Public Utilities Personal Property Tax  
2016 and 2008(1)**

Name of Taxpayer	2016	
	Assessed Value	Percent of Public Utility Assessed Value
Duke Energy Ohio Inc.	\$ 243,471,060	53.54%
Rockies Express Pipeline LLC	107,738,550	23.69%
Duke Energy Indiana	35,710,010	7.85%
Duke Energy Kentucky Inc	33,766,830	7.43%
Butler Rural Electric	13,437,130	2.95%
Texas Eastern Transmission Corp	5,944,260	1.31%
Dayton Power and Light	4,227,000	0.93%
Texas Gas Transmission LLC	3,081,470	0.68%
Duke Energy Dicks Creek	2,977,060	0.65%
Bank of America Leasing	1,967,180	0.43%
Glenwood Energy	1,139,340	0.25%
<b>Total</b>	<b>\$ 453,459,890</b>	<b>99.71</b>
<b>Total Assessed Valuation</b>	<b>\$ 454,766,350</b>	

Name of Taxpayer	2008	
	Assessed Value	Percent of Public Utility Assessed Value
Duke Energy Ohio Inc.	\$ 169,696,910	76.73%
Duke Energy Kentucky Inc	23,881,040	10.80%
Butler Rural Electric	9,066,610	4.10%
Texas Eastern Transmission Corp	6,297,040	2.85%
Dayton Power and Light	3,217,690	1.45%
Texas Gas Transmission LLC	2,583,120	1.17%
CSX Transportation Inc	2,208,090	1.00%
Norfolk Southern Combimed	1,907,810	0.86%
PSI Energy Inc	594,830	0.27%
Oxford Natural Gas Company	490,670	0.22%
<b>Total</b>	<b>\$ 219,943,810</b>	<b>99.45%</b>
<b>Total Assessed Valuation</b>	<b>\$ 221,175,070</b>	

(1) The amounts presented represent the assessed values upon which 2015 and 2007 collections were based. 2007 data was not available, 2008 data used.

Source: Butler County Auditor

**Butler County, Ohio**  
**Ratios of Outstanding Debt By Type**  
**Last Ten Years**

Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Sales Tax Bonds	Special Assessment Bonds	Loans Payable	Capital Leases	General Obligation Bonds	Water Judgement Bonds	Revenue Bonds	Loans Payable	Capital Leases			
2007	\$ 61,605,330	\$ 26,532,756	\$ 9,466,643	\$ 1,824,765	\$ 2,532,262	\$ 4,656,680	\$ 32,976,751	\$ 91,499,366	\$ 5,883,636	\$ -	\$ 236,978,189	1.86	662
2008	58,498,514	24,751,340	12,305,218	1,643,071	2,512,592	4,630,087	31,904,658	85,567,039	5,696,103	-	227,508,622	1.72	631
2009	57,022,131	22,909,924	11,658,332	2,119,417	2,704,140	18,205,306	30,677,565	60,427,852	8,422,166	-	214,146,833	1.66	590
2010	72,648,168	13,267,896	10,930,900	2,488,072	1,461,478	15,117,345	29,405,472	58,026,745	12,476,499	-	215,822,575	1.61	586
2011	68,653,423	11,290,746	10,167,413	2,553,276	439,631	11,908,086	28,083,379	55,543,608	12,885,469	-	201,525,031	1.40	545
2012	64,899,037	9,652,942	9,418,701	2,276,076	70,526	8,845,716	27,387,066	54,512,826	18,838,194	10,475	195,911,559	1.31	529
2013	59,897,578	7,404,735	8,573,963	1,923,516	53,030	8,100,518	25,686,379	49,909,388	29,861,697	8,391	191,419,195	1.27	488
2014	54,437,763	5,046,499	7,703,585	1,701,478	31,911	7,343,250	23,970,692	45,955,125	29,950,717	5,935	176,146,955	1.11	445
2015	49,751,387	-	6,792,537	1,527,744	11,613	6,563,812	22,185,000	40,669,351	30,040,388	3,291	157,545,123	0.99	411
2016	44,557,658	-	5,845,799	1,403,456	-	5,762,104	20,595,000	35,186,088	28,950,821	-	142,300,926	0.91	377

(1) See page 180 for personal income and population data.

Source: Butler County Auditor

**Butler County, Ohio**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Years**

Year	General Obligation Bonds	Total Estimated Actual Value	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
2007	\$ 66,262,010	\$ 25,458,812,514	0.26	\$ 185.03
2008	63,128,601	21,766,632,838	0.29	174.98
2009	75,227,437	22,684,055,666	0.33	207.13
2010	87,765,513	22,034,073,839	0.40	238.41
2011	80,561,509	21,731,935,930	0.37	217.73
2012	73,744,753	20,680,522,518	0.36	198.99
2013	67,998,096	20,580,356,659	0.33	183.15
2014	61,781,013	20,496,865,112	0.30	165.12
2015	56,315,199	20,286,502,268	0.28	149.63
2016	50,319,762	20,506,818,486	0.25	133.28

Source: Butler County Auditor



**Butler County, Ohio**  
**Computation of Legal Debt Margin**  
**Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Tax Valuation	\$ 7,965,576,371	\$ 7,955,670,369	\$ 8,036,439,180	\$ 7,801,424,310	\$ 7,865,867,680	\$ 7,501,317,410	\$ 7,458,653,550	\$ 7,437,121,140	\$ 7,370,771,960	\$ 7,451,279,840
Debt Limit (1)	\$ 197,639,409	\$ 197,391,759	\$ 199,410,980	\$ 193,535,608	\$ 195,146,692	\$ 186,032,935	\$ 184,966,339	\$ 184,428,029	\$ 182,769,299	\$ 184,781,996
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	30,213,576	28,524,099	26,367,977	35,532,759	33,098,058	30,558,472	27,646,367	15,001,367	11,617,329	9,601,142
General Obligation Notes	15,355,000	15,995,000	15,900,000	13,855,000	14,605,000	13,475,000	12,354,000	11,217,000	10,618,000	7,380,000
General Obligation Loans	458,768	403,310	529,136	396,852	264,568	132,284	-	-	-	-
Less Amount Available in Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount of Debt Subject to Limit	46,027,344	44,922,409	42,797,113	49,784,611	47,967,626	44,165,756	40,000,367	26,218,367	22,235,329	16,981,142
Legal Debt Margin	\$ 151,612,065	\$ 152,469,350	\$ 156,613,867	\$ 143,750,997	\$ 147,179,066	\$ 141,867,179	\$ 144,965,972	\$ 158,209,662	\$ 160,533,970	\$ 167,800,854
Legal Debt Margin as a Percentage of the										
Unvoted Debt Limit (2)	\$ 79,655,764	\$ 79,556,704	\$ 80,364,392	\$ 78,014,243	\$ 78,658,677	\$ 75,013,174	\$ 74,586,536	\$ 74,371,211	\$ 73,707,720	\$ 74,512,798
Amount of Debt Subject to Limit	46,027,344	44,922,409	42,797,113	49,784,611	47,967,626	44,165,756	40,000,367	26,218,367	22,235,329	16,981,142
Unvoted Legal Debt Margin	\$ 33,628,420	\$ 34,634,295	\$ 37,567,279	\$ 28,229,632	\$ 30,691,051	\$ 30,847,418	\$ 34,586,169	\$ 48,152,844	\$ 51,472,391	\$ 57,531,656
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	42.22%	43.53%	46.75%	36.19%	39.02%	41.12%	46.37%	64.75%	69.83%	77.21%

(1) Ohio Bond Law sets a limit calculated as follows:  
 Three percent of the first \$100,000,000 of the tax valuation  
 One and one-half percent of the next \$200,000,000 of the tax valuation  
 Two and one-half percent of the amount of the tax valuation in excess of \$300,000,000

(2) Ohio Bond Law sets a limit of one percent of the tax valuation

Source: Butler County Auditor

**Butler County, Ohio  
Pledged Revenue Coverage  
Last Ten Years**

Sewer Pledged Revenue											
Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other (2)	Net Non-Operating Rev (Exp) (3)	Net Available Revenue (4)	Debt Service (5)			Coverage
								Principal (6)	Interest (6)	Total	
2007	\$ 21,011,439	\$ 14,409,447	\$ 6,601,992	\$ 3,952,630	\$ 561,743	\$ 4,514,373	\$ 11,116,365	\$ 3,980,580	\$ 2,639,131	\$ 6,619,711	1.68
2008	21,385,170	12,766,850	8,618,320	3,388,044	141,025	3,529,069	12,147,389	4,132,360	2,486,488	6,618,848	1.84
2009	18,759,922	11,551,662	7,208,260	3,310,028	675,006	3,985,034	11,193,294	1,354,220	1,871,886	3,226,106	3.47
2010	18,311,915	10,339,223	7,972,692	2,779,677	75,781	2,855,458	10,828,150	1,475,687	1,779,554	3,255,241	3.33
2011	17,771,799	10,937,193	6,834,606	4,166,615	69,839	4,236,454	11,071,060	1,526,471	1,727,360	3,253,831	3.40
2012	19,077,592	10,410,274	8,667,318	3,477,323	47,365	3,524,688	12,192,006	1,583,932	1,675,847	3,259,779	3.74
2013	18,362,995	10,862,894	7,500,101	3,669,666	104,781	3,774,447	11,274,548	3,155,845	1,625,176	4,781,021	2.36
2014	18,991,377	12,044,125	6,947,252	3,891,959	158,484	4,050,443	10,997,695	3,941,127	2,324,855	6,265,982	1.76
2015	18,322,175	12,394,918	5,927,257	5,790,609	781,614	6,572,223	12,499,480	3,848,648	1,636,920	5,485,568	2.28
2016	19,281,308	10,855,581	8,425,727	5,363,683	110,025	5,473,708	13,899,435	4,331,354	1,446,391	5,777,745	2.41

Water Pledged Revenue											
Year	Operating Revenues	Less: Operating Expenses (1)	Net Operating Revenue	Capacity Fees	Non-Operating Revenue (Expenses) Other (2)	Net Non-Operating Rev (Exp) (3)	Net Available Revenue (4)	Debt Service (5)			Coverage
								Principal (6)	Interest (6)	Total	
2007	26,395,879	20,168,090	6,227,789	2,265,660	660,300	2,925,960	9,153,749	2,113,882	1,900,573	4,014,455	2.28
2008	23,839,865	17,094,090	6,745,775	1,953,742	284,638	2,238,380	8,984,155	2,217,533	1,823,212	4,040,745	2.22
2009	20,468,437	16,456,494	4,011,943	1,688,432	534,571	2,223,003	6,234,946	1,195,000	1,064,913	2,259,913	2.76
2010	20,939,038	16,810,215	4,128,823	1,226,297	320,381	1,546,678	5,675,501	1,493,896	1,187,180	2,681,076	2.12
2011	20,567,888	14,807,125	5,760,763	1,211,259	320,770	1,532,029	7,292,792	1,683,197	1,191,859	2,875,056	2.54
2012	20,917,124	16,120,625	4,796,499	1,518,623	(210,130)	1,308,493	6,104,992	1,804,215	562,281	2,366,496	2.58
2013	20,163,511	15,594,563	4,568,948	2,213,341	(280,390)	1,932,951	6,501,899	1,887,844	1,125,737	3,013,581	2.16
2014	20,353,110	17,556,781	2,796,329	3,004,947	79,498	3,084,445	5,880,774	1,024,266	1,094,848	2,119,114	2.78
2015	20,168,588	12,534,690	7,633,898	4,140,676	819,326	4,960,002	12,593,900	2,168,305	716,135	2,884,440	4.37
2016	21,606,306	13,251,203	8,355,103	3,129,342	262,624	3,391,966	11,747,069	2,261,385	683,843	2,945,228	3.99

- (1) Operating expenses are shown exclusive of depreciation, per bond covenant.
- (2) Non-Operating Revenue (Expense) Other excludes capital grants ,contributions, and transfers
- (3) Net non-operating Rev(exp) are shown exclusive of interest and fiscal charges, per bond covenant.
- (4) Net Available Revenue includes Net Operating Revenue combined with Net Non-Operating Rev(exp).
- (5) Debt Service per bond redemption schedules for revenue bonds and loans.
- (6) Principal and Interest Expense shown are less amounts for current refunding bonds

(Continued)

Source: Butler County Auditor

**Butler County, Ohio**  
**Pledged Revenue Coverage**  
**Last Ten Years**  
**(continued)**

Year	Sales Tax Revenue Bonds					Special Assessment Bonds				
	Sales Tax Revenues	Debt Service			Coverage	Special Assessment Collections	Debt Service			Coverage
		Principal	Interest	Total Debt			Principal	Interest	Total Debt	
2007	\$ 41,317,071	\$ 1,200,000	\$ 1,242,975	\$ 2,442,975	16.91	\$ 1,405,765	\$ 610,170	\$ 505,912	\$ 1,116,082	1.26
2008	33,408,493	1,765,000	1,200,975	2,965,975	11.26	1,101,044	570,670	434,080	1,004,750	1.10
2009	31,843,586	1,825,000	1,134,100	2,959,100	10.76	1,234,683	653,200	607,958	1,261,158	0.98
2010	30,225,506	9,600,000	1,075,325	10,675,325	2.83	1,553,034	733,740	530,357	1,264,097	1.23
2011	30,779,103	1,965,000	614,225	2,579,225	11.93	1,484,639	759,300	497,674	1,256,974	1.18
2012	32,955,898	2,070,000	535,625	2,605,625	12.65	1,362,387	784,900	468,039	1,252,939	1.09
2013	35,170,710	2,124,971	457,998	2,582,969	13.62	1,434,618	830,510	477,712	1,308,222	1.10
2014	37,838,169	2,235,000	351,750	2,586,750	14.63	1,430,871	856,150	443,330	1,299,480	1.10
2015*	41,852,127	2,345,000	240,000	2,585,000	16.19	1,248,585	896,820	400,926	1,297,746	0.96
2016*	-	-	-	-	-	1,262,161	932,510	351,913	1,284,423	0.98

\* Sales Tax Revenue Bonds were paid off in June 2015.

Source: Butler County Auditor

**Butler County, Ohio**  
**Demographic and Economic Statistics**  
**Last Ten Years**

Year	Population (1)	Total Personal Income	Per Capita Personal Income (3)	Unemployment Rate (2)
2007	358,116	\$ 12,760,389,312	\$ 35,632	5.1%
2008	360,775	13,219,878,325	36,643	5.9%
2009	363,184	12,903,927,520	35,530	9.4%
2010	368,130	13,391,465,010	36,377	9.3%
2011	369,999	14,358,551,193	38,807	8.6%
2012	370,589	14,945,483,781	40,329	7.1%
2013	371,272	14,254,245,896	38,393	6.9%
2014	374,158	14,993,633,534	40,073	5.4%
2015	376,353	15,631,445,502	41,534	4.6%
2016*	377,537	15,680,621,758	41,534	4.4%

**Note 1: Bureau of Economic Analysis. The 2006 to 2009 and 2011 through 2014 population is estimated.**

**US Census data was used for the 2010 population numbers.**

**Note 2: Data came from the US Department of Labor.**

**Note 3: (-) Bureau of Economic Analysis: the bureau used census midyear population estimates.**

**\* 2016 completed information was not available for population, Total Personal Income and per capita personal income. 2015 numbers were used**

**Butler County, Ohio  
Principal Employers  
2015 and 2007**

Employer	Nature of Business	2015*		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	3,282	1	2.60 %
Cincinnati Financial Corp.	Financial	3,280	2	2.60
AK Steel	Steel Manufacturing	2,412	3	1.91
GE Aviation	Aerospace	2,000	4	1.59
Lakota Local School District	Education	1,827	5	1.45
Butler County Government	Government	1,700	6	1.35
Mercy Regional Hospital	Health Care	1,210	7	0.96
Ohio Casualty Insurance Group	Insurance	1,209	8	0.96
Hamilton City Schools	Education	1,150	9	0.91
Ft. Hamilton Hospital	Health Care	1,017	10	0.81
<b>Total</b>		<b>19,087</b>		<b>15.14 %</b>
<b>Total Employment within the County</b>		<b>126,095</b>		

Employer	Nature of Business	2007*		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	4,250	1	2.13
AK Steel	Steel Manufacturing	3,100	2	1.55
Butler County	Government	2,655	3	1.33
Cincinnati Insurance	Insurance	2,600	4	1.30
Fort Hamilton Hospital	Health Care	2,000	5	1.00
Middletown Regional Hospital	Health Care	1,800	6	0.90
Mercy Regional Hospital	Health Care	1,601	7	0.80
Lakota School District	Education	1,600	8	0.80
Ohio Casulty Insurance	Insurance	1,340	9	0.67
Hamilton City Schools	Education	1,150	10	0.58
<b>Total</b>		<b>22,096</b>		<b>11.06 %</b>
<b>Total Employment within the County</b>		<b>200,000</b>		

Source: Census Bureau  
Butler County Department of Development as of 12/31/15  
\* 2016 & 2008 data not available

Butler County, Ohio  
County Government Employees by Function/Activity  
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014**	2015**	2016**
<b>General Government</b>										
<b>Legislative and Executive</b>										
Auditor	27	22	22	22	17	19	19	15	14	12
Auditor Bureau of Motor Vehicles	9	8	-	-	-	-	-	-	-	-
Auditor Elected Official	1	1	1	1	1	1	1	1	1	1
Auditor Information Services	21	1	1	1	1	1	1	1	1	1
Auditor Real Estate	38	39	33	30	24	28	30	27	23	24
Board of Elections	57	97	85	91	109	116	110	28	28	23
* Board of Elections Election Pay	-	-	1,735	2,672	3,071	4,121	4,482	1,550	1,301	2,013
Commissioners	9	8	6	7	8	8	14	12	12	9
Commissioners Criminal Justice Board	1	-	-	-	-	-	-	-	-	-
Commissioners Department of Development	25	23	16	12	11	11	12	13	11	16
Commissioners Dog and Kennel	5	5	5	5	4	4	4	-	-	-
Commissioners Entitlement	5	6	6	6	7	6	4	3	4	4
Commissioners Information Services	-	25	23	19	19	19	18	17	21	23
Commissioners Mail Room	3	3	2	2	2	2	2	2	2	2
Commissioners Maintenance	6	7	6	4	5	5	4	4	5	5
Commissioners Central Human Resources	-	-	-	-	-	-	-	3	3	3
Commissioners Parking Garage	3	3	3	3	3	2	2	3	3	4
Commissioners Records Center	12	9	4	3	4	3	3	4	4	4
Commissioners Tax Abatement	1	1	-	-	-	-	-	-	-	-
Commissioners Elected Officials	3	3	3	3	3	3	3	3	3	3
Law Library	2	2	2	4	4	3	3	3	3	3
Microfilm Board	-	-	-	-	-	-	-	-	3	3
Prosecuting Attorney	52	55	54	51	53	52	51	51	49	48
Prosecuting Attorney CSEA	4	5	4	4	3	4	4	5	3	6
Prosecuting Attorney Domestic Violence	1	1	1	-	-	-	-	-	-	-
Prosecuting Attorney DTAC	6	8	7	6	7	6	3	3	3	3
Prosecuting Attorney Elected Official	1	1	1	1	1	1	1	1	1	1
Public Defender	-	-	-	6	38	42	42	39	38	40
Recorder	17	17	17	14	13	13	13	12	12	12
Recorder Elected Official	1	1	1	1	1	1	1	1	1	1
Treasurer	16	17	11	11	10	10	10	6	8	13
Treasurer DTAC	5	4	8	8	8	8	7	6	6	2
Treasurer Elected Official	1	1	1	1	1	1	1	1	1	1
Treasurer PPTax Collection	2	1	1	-	-	-	-	-	-	-
Treasurer Prepayment Interest	1	1	1	-	-	2	-	3	-	-
<b>Judicial</b>										
Area Courts	26	26	27	16	20	14	15	15	16	16
Area Courts Elected Official	3	4	4	4	3	3	3	3	3	3
Area Courts Special Projects	23	21	21	20	18	18	19	18	14	15
Clerk of Courts	46	43	39	38	41	36	35	33	31	35
Clerk of Courts Elected Official	1	1	1	1	1	1	1	1	1	1
Clerk of Courts Title	36	38	43	43	30	31	31	27	30	29
Common Pleas Court	29	31	31	29	30	25	23	18	23	18
Common Pleas Drug Court	8	8	7	7	6	6	6	6	6	5
Common Pleas Elected Official	7	7	7	7	7	7	7	7	7	7
Common Pleas General Division Special Projects	8	8	8	8	7	9	9	7	6	6
Common Pleas Jury Commission	2	2	2	2	2	2	2	2	2	2
Domestic Relations Court	29	32	27	24	22	21	25	22	21	23
Domestic Relations Elected Official	2	2	2	2	3	1	2	2	2	2
Domestic Relations Special Projects	-	-	-	-	-	-	-	-	1	1
Juvenile Court	53	59	53	47	48	46	44	42	41	41
Juvenile Court Driver Improvement	1	-	-	-	-	-	-	-	-	-
Juvenile Court Elected Official	2	2	2	2	3	2	2	2	2	2
Juvenile Court Special Projects	1	2	2	2	2	2	3	3	2	3
Juvenile Detention	52	54	45	37	39	39	41	43	35	40
Juvenile Family Drug Court	2	-	-	-	-	-	-	-	-	-
Juvenile Reclaim Grant	26	26	21	22	24	23	22	24	24	25
Juvenile Rehab	49	46	41	38	39	39	40	26	33	28
Juvenile Subsidy Grant	9	9	8	-	-	-	-	-	-	-
Municipal Court	36	39	39	40	42	41	20	12	11	10
Municipal Court Criminal Prosecutors	1	1	1	-	-	-	-	-	-	-
Municipal Court Elected Official	5	5	5	5	4	4	3	3	3	3
Probate Court	17	17	14	15	14	15	14	17	18	19
Probate Court Computer Fees	2	2	2	1	1	1	1	1	1	1
Probate Court Elected Official	1	1	1	1	1	1	1	1	1	1

(Continued)

Butler County, Ohio  
County Government Employees by Function/Activity  
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014***	2015***	2016***
<b>Public Safety</b>										
Adult Probation	34	33	34	32	32	38	38	37	39	33
Adult Probation Grants	12	11	10	15	13	13	14	13	10	19
Adult Probation Services	4	8	8	5	4	4	4	7	9	5
Auditor Dog and Kennel	2	2	1	1	1	1	1	1	1	1
Coroner	7	8	13	11	9	10	10	8	8	11
Coroner Elected Official	1	1	1	1	1	1	1	1	1	1
Coroner Lab and Morgue	2	2	2	1	1	1	1	-	-	-
Sheriff	336	337	320	268	326	317	334	359	380	389
Sheriff Elected Official	1	1	1	1	1	1	1	1	1	1
Sheriff Paramedic	35	37	34	34	37	39	26	21	16	27
Sheriff Resolutions	-	-	-	-	-	-	-	-	-	-
Sheriff Dog and Kennel	-	-	-	-	-	-	-	3	4	5
Emergency Management	3	4	4	5	5	5	5	5	3	3
<b>Public Works</b>										
Commissioners Regional Airport	1	1	1	1	1	1	1	1	1	1
Engineers	87	91	87	97	90	95	94	71	71	71
Engineers Elected Official	1	1	1	1	1	1	1	1	1	1
Engineers Plot Room	3	3	3	3	3	3	3	3	2	2
<b>Health</b>										
Alcohol and Drug Addiction	6	6	5	7	8	7	6	5	-	-
Board of Developmental Disabilities	297	256	243	233	242	221	227	198	191	162
Mental Health Board	10	10	10	8	9	8	8	8	-	-
Mental Health and Addiction Recovery Services Board	-	-	-	-	-	-	-	-	12	12
<b>Human Services</b>										
Child Support Enforcement Agency	89	83	81	75	67	62	66	69	69	69
County Care Facility	179	173	172	172	161	170	157	126	112	119
Job and Family Services/Children Services Agency	400	370	344	326	274	244	262	249	265	277
Job and Family Services SYEP	-	-	8	-	-	-	1	-	-	-
Prosecuting Attorney VOCA	3	3	3	3	3	3	3	3	3	3
Sheriff VOCA	1	1	3	2	2	1	2	1	1	2
Sheriff's Victim Assistance Program	1	1	1	1	1	1	1	1	1	1
Veteran Services	10	10	10	10	11	10	12	10	11	11
Veteran Services Commissioners	4	5	5	5	5	5	5	5	5	5
<b>Internal Services</b>										
Commissioners Workers Compensation	4	4	3	3	3	3	4	3	3	2
Commissioners Health Insurance - Wellness	-	-	-	-	-	-	-	1	1	1
Auditor Health Insurance	1	1	1	1	1	1	1	1	1	1
<b>Enterprise</b>										
Water And Sewer	156	144	131	114	126	101	97	96	95	96
<b>Agency</b>										
** Court of Appeals - 12th District	22	26	25	25	24	24	24	-	-	-
Health Department	37	35	60	66	67	67	75	36	37	38
Metro Parks	29	42	36	34	52	53	68	68	71	74
Regional Transit Authority	12	17	-	-	-	-	-	-	-	-
Soil and Water Conservation	6	7	7	3	4	4	4	4	4	4
<b>Total</b>	<b>2,621</b>	<b>2,597</b>	<b>4,182</b>	<b>4,963</b>	<b>5,403</b>	<b>6,378</b>	<b>6,762</b>	<b>3,570</b>	<b>3,327</b>	<b>4,061</b>

\* Board of Elections Election Pay individuals began being treated as employees in 2009. Not included in employment numbers for Principal Employers

\*\* Court of Appeals - 12th District employees are employees paid by the State and not by Butler County beginning in 2014.

\*\*\* Beginning in 2014, employee counts are based on the last payroll of the year, plus board of elections pollworkers.

NOTE: This report counts employees not positions. Large fluctuations are often a result of employee turnover, part time and intermittent employees

Source: Butler County Auditor

**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Government</b>										
<b>Legislative and Executive</b>										
<b>Commissioners</b>										
Number of resolutions	2,377	2,361	2,250	1,942	6,257	7,154	5,610	5,536	5,168	4,593
Number of meetings	56	61	73	68	75	59	60	59	60	53
<b>Auditor</b>										
Number of exempt conveyances	5,261	5,128	4,885	4,622	4,525	4,798	5,303	5,045	5,038	4,796
Number of real estate transfers	8,497	6,525	6,181	5,678	5,708	6,694	7,824	7,219	7,760	6,152
Number of parcels billed	147,558	148,658	156,579	156,951	150,361	150,306	150,480	150,480	151,098	151,632
Number of vendor invoices processed	-	-	-	-	-	-	-	61,692	67,454	72,520
Number of appropriation checks issued	75,060	75,873	69,643	61,656	56,240	48,394	56,636	37,250	33,162	29,535
Number of electronic vendor payments issued	-	-	-	-	-	-	-	4,909	9,975	15,103
Number of payroll checks issued	12,693	15,702	13,051	11,050	8,410	6,130	1,341	2,185	952	946
Number of direct deposits issued	-	-	-	-	-	-	-	64,298	62,303	68,147
Number of purchase orders issued	31,355	30,304	22,927	20,914	20,067	17,888	17,180	11,052	8,966	8,672
<b>BMV</b>										
Number of tags issued	62,552	60,583	-	-	-	-	-	-	-	-
<b>Treasurer</b>										
Number of parcels collected	159,485	151,189	144,157	151,806	144,727	147,151	144,686	147,296	144,909	145,342
<b>Prosecuting Attorney</b>										
Number of cases - criminal	2,485	2,456	2,138	2,064	2,379	2,373	2,373*	2,144	2,117	2,103
<b>Board of Elections</b>										
Number of registered voters	238,219	262,380	236,598	240,541	227,868	239,993	232,711	236,500	233,421	248,120
Number of voters last general election	65,797	175,132	68,097	121,742	109,965	205,413	63,279	88,508	94,803	176,301
Percentage of register voters that voted	28.00	66.75	37.23	50.61	48	86	27	37.42	40.61	71.05
<b>Recorder</b>										
Number of deeds recorded	16,128	13,512	12,586	11,740	10,626	12,117	13,975	13,081	13,413	13,561
Number of mortgages recorded	21,965	15,827	18,425	16,459	13,914	17,010	16,359	11,333	12,550	13,897
Number of military discharges recorded	35	30	35	32	15	13	12	11	8	332
<b>Community and Economic Development</b>										
Number of projects	51	124	123	152	149	26	40	16	42	24
Number of jobs created	105	-	-	-	821	1,620	1,915	852	2,243	1,390
<b>Judicial</b>										
<b>Common Pleas Court</b>										
Number of civil cases filed	2,215	5,617	5,617	5,246	5,928	5,277	4,039	3,280	3,600	3,421
Number of criminal cases filed	5,022	2,244	2,137	2,064	2,451	2,054	2,069	1,966	1,908	1,927
<b>Probate Court</b>										
Number of civil cases filed	47	54	41	39	43	56	51	38	65	43
<b>Juvenile Court</b>										
Number of civil cases filed	3,591	2,623	2,806	2,640	2,401	-	-	3,082	1,643	1,440
Number of criminal cases filed	4,914	4,886	3,905	3,533	3,055	-	-	3,029	3,215	2,890
Number of adjudged delinquent cases filed	2,582	2,216	1,913	1,706	1,446	-	-	1,439	1,545	1,382
<b>Area Courts</b>										
Number of civil cases filed	3,264	3,558	3,267	3,795	3,351	4,233	2,644	2,870	2,712	2,949
Number of criminal cases filed	25,569	21,097	20,284	18,475	17,814	19,276	20,706	19,538	19,149	17,606
Number of small claims cases filed	423	311	360	386	290	281	298	332	519	252
<b>Clerk of Courts</b>										
Number of civil cases filed	5,022	5,617	5,708	5,246	4,558	4,586	3,557	3,281	2,976	2,788
Number of criminal cases filed	2,215	2,244	2,138	2,064	2,151	2,063	2,068	1,966	1,908	1,922
<b>Domestic Relations</b>										
Number of divorce cases files	1,559	1,547	1,516	1,515	1,449	1,416	1,301	1,286	1,093	1,243
Number of motions files	12,499	19,794	17,106	10,206	9,748	10,023	9,580	9,916	8,647	9,188
Number of protective orders	1,482	1,555	1,761	1,573	1,269	1,084	1,014	987	974	669



**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Public Safety</b>										
Sheriff										
Average daily jail census	1,056	1,045	956	921	890	854	820	818	786	906
Prisoners booked	16,145	15,801	13,513	13,973	13,642	12,805	13,995	13,020	12,967	13,911
Prisoners released	16,381	15,707	13,651	14,013	13,609	12,825	14,079	13,097	12,828	13,816
Out of county bed days used	4,320	3,564	4,254	23,105	8,035	2,575	4,843	4,993	2,424	3,654
Enforcement										
Number of incidents reported	9,464	9,524	7,986	5,888	6,961	7,195	7,195*	3,277	8,423	8,617
Number of citations issued	5,812	5,967	3,460	2,173	2,987	3,074	3,074*	2,995	1,019	3,437
Concealed Weapons Permit										
Number of permits issued	1,104	1,031	2,061	1,755	1,608	2,117	2,320	4,077	3,535	4,467
Number of permits renewed/replaced	-	-	-	-	-	-	-	-	-	1,603
Adult Probation										
Offenders supervised	2,311	2,649	2,698	2,666	2,865	3,041	3,041*	3,302	3,309	2,992
Coroner										
Number of cases investigated	360	338	330	325	344	325	339	400	-	453
Number of autopsies performed	224	219	230	228	207	168	222	220	-	243
<b>Public Works</b>										
Engineer										
Miles of roads resurfaced	11	9	29	14	17	19	62	13	53	64
Number of bridges replaced/improved	28	10	4	7	8	10	3	3	8	2
Number of culverts built/replaced/improved	19	13	22	22	16	11	22	24	15	23
Building Department										
Number of permits issued	4,176	3,820	3,325	3,182	3,241	3,685	3,644	3,929	4,845	4,573
Number of inspections performed	19,302	15,642	11,292	10,237	10,245	10,539	11,672	13,176	15,199	14,306
Sewer District										
Average daily sewage treated	17	18	17	18	22	18	19	19	19	18
Number of tap-ins	1,055	535	518	378	383	432	542	592	576	643
Number of customers	40,444	41,573	42,338	42,720	43,272	42,773	43,659	44,158	38,137	38,171
Water District										
Average daily water distributed	13	13	12	13	12	13	13	13	13	14
Average daily water billed	69,388	63,914	57,296	57,707	57,777	-	10,182	10,171	10,486	10,865
Number of tap-ins	632	357	287	256	383	286	384	445	372	481
Number of customers	36,244	38,967	37,294	37,576	37,719	37,942	38,642	38,759	39,231	38,159
<b>Health</b>										
MHARS (*)										
Average Client Count	2,168	1,204	1,270	1,290	1,207	1,197	902	1,140	-	-
Tx Episodes	2,235	1,804	1,651	1,699	1,690	1,308	1,017	1,120	-	-
Average client count - intensive	2,230	2,694	2,830	3,187	3,493	-	-	-	-	-
Average client count - non-intensive	1,328	2,394	2,227	2,498	2,619	-	-	-	-	-
Average client count - early intervention	2,471	2,502	2,600	2,929	3,291	-	-	-	-	-
BCDD										
Number of Children Served										
Early intervention program	870	1,026	1,099	1,100	1,100	1,077	767	1,009	921	972
School age	400	446	440	483	464	372	514	514	977	1,090
Number of Adults Served										
Served directly	439	432	238	223	196	127	134	134	130	122
Served indirectly	274	270	290	326	364	457	440	457	1,344	1,416
Number Served in Residential										
Supported living services	10	4	1	-	-	-	-	8	12	40
Individual options waiver	247	268	295	311	302	318	342	342	380	534
Level one waiver	179	216	280	324	359	371	435	435	444	448
ICFIID	190	167	146	146	146	158	10	10	139	131
Member receiving support coordination services	1,030	1,004	1,005	1,096	1,085	1,161	1,432	1,432	1,947	2,142
Member receiving family support services	533	552	716	688	731	731	756	756	1,455	2,089

**Butler County, Ohio**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Human Services</b>										
Jobs and Family Services										
Average client count - food stamps	26,652	29,798	39,380	46,176	48,758	48,346	50,603	47,781	45,473	40,701
Average client count - Medicaid	42,851	45,015	50,013	54,858	56,582	61,944	66,092	76,321	85,288	86,621
Average client count - day care	1,779	1,926	2,112	2,313	2,476	1,943	2,371	2,542	2,439	2,802
Average client count - WIA	434	567	712	652	937	634	326	326	-	2,200
Children's Services										
Average client count - foster care	355	359	324	346	331	369	369*	455	-	397
Average client count - adoption	36	39	51	52	98	48	48*	56	-	91
Child Support Enforcement Agency										
Average number of active support orders	17,974	17,710	19,199	19,168	19,782	19,389	19,072	18,962	18,726	18,374
Percentage collected	71.3%	69.9%	69.0%	68.0%	69.25%	70.29%	70.20%	69.77%	73.20%	72.65%
Veteran Services										
Number of veterans and/or dependents served	10,508	17,568	15,877	13,327	11,002	10,611	5,353	5,729	5,792	4,553
Amount of benefits paid to county veterans	616,469	824,332	869,962	711,824	581,882	473,448	473,448	839,686	810,734	894,184

Note: (-) Information not available.

(\*) Alcohol & Drug Addiction Services and Mental Health Boards merged into one agency (MHARS) in July 2015

Source: Butler County Auditor

**Butler County, Ohio  
Capital Asset Statistics by Function/Activity  
Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Government</b>										
<b>Legislative and Executive</b>										
<b>Commissioners</b>										
Administrative office space (sq. ft.)	9,480	9,480	9,480	9,480	9,480	9,480	9,480*	9,480	9,480	9,480
<b>Information Services</b>										
Auditor										
Administrative office space	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072	16,072
<b>Treasurer</b>										
Administrative office space	5,096	5,096	5,096	5,096	5,096	5,096	5,096	5,096	5,096	5,096
<b>Prosecuting Attorney</b>										
Administrative office space	16,320	16,320	16,320	16,320	16,320	16,320	16,320*	3,498	3,498	3,498
<b>Board of Elections</b>										
Administrative office space	9,304	27,241	27,241	27,241	27,241	27,241	27,241	27,241	27,241	27,241
Voting machines	1,599	1,688	1,688	1,688	1,688	1,688	1,688*	1,688*	1,563	1,583
E-Poll books	-	-	-	-	-	-	-	-	400	400
<b>Recorder</b>										
Administrative office space	8,728	8,728	8,728	8,728	8,728	8,728	8,728	8,728	8,728	8,728
<b>Buildings and Grounds</b>										
Administrative office space	600	600	600	600	600	600	600*	600	600	600
<b>Judicial</b>										
Number of court rooms	7	7	7	7	7	7	7*	7	7	7
<b>Probate Court</b>										
Number of court rooms	2	2	2	2	2	2	2*	2	2	2
<b>Juvenile Court</b>										
Number of court rooms	7	7	7	7	8	8	8*	8	8	8
<b>Clerk of Courts</b>										
Administrative office space	11,016	11,016	11,016	11,016	11,016	11,016	11,016*	11,016	11,016	11,016
<b>Domestic Relations</b>										
Administrative office space	24,128	24,128	24,128	24,128	24,128	24,128	24,128*	24,128	24,128	24,128
<b>Public Works</b>										
<b>Engineer</b>										
Centerline miles of roads	268	275	275	267	267	267	267*	268	267	267
Number of bridges	378	395	396	401	399	399	399*	404	404	404
Number of culverts	1,072	1,062	1,061	1,024	1,023	1,023	1,023*	1,025	1,025	1,025
Number of traffic signs	-	-	-	-	-	7,213	7,213*	7,213	7,213	7,213
<b>Building Department</b>										
Administrative office space	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344	2,344
<b>Human Services</b>										
<b>Jobs and Family Services</b>										
Administrative office space	32,640	32,640	32,640	32,640	32,640	32,640	32,640*	29,423	29,423	29,423
<b>Child Support Enforcement Agency</b>										
Administrative office space	16,320	16,320	16,320	16,320	16,320	16,320	16,320*	16,320	1,830	1,830
<b>Veteran Services</b>										
Administrative office space	3,136	3,136	3,136	3,136	3,136	3,136	3,136*	3,136	3,136	3,136
<b>Enterprise</b>										
<b>Sewer District</b>										
Number of treatment facilities	6	6	6	6	6	6	6	6	6	6
Number of pumping stations	34	34	30	30	30	30	30	30	30	30
Miles of sewer lines	720	731	733	725	739	739	739*	736	760	770
<b>Water District</b>										
Number of pumping stations	5	5	5	5	5	5	5	5	5	5
Miles of water lines	606	617	616	591	617	617	617*	628	639	645
Administrative office space	-	-	-	7,275	7,275	7,275	7,275	7,275	7,275	7,275
<b>Public Safety</b>										
<b>Sheriff</b>										
Administrative office space	-	-	-	8,500	8,500	8,500	8,500*	8,500	8,500	8,500
<b>Coroner</b>										
Administrative office space	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550

(-) Information not available.

(\*) 2012 data used

(\*\*) 2014 data used

Source: Butler County Auditor

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**BUTLER COUNTY, OHIO**

*SUPPLEMENTAL REPORT*

FOR THE YEAR ENDED  
DECEMBER 31, 2016

**ROGER REYNOLDS, CPA, COUNTY AUDITOR**

**BUTLER COUNTY**

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**BUTLER COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through/ Entity Number	Federal CFDA Number	Passed Through to Subrecipient	(A),(B) Cash Federal Disbursements
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>				
<i>Passed Through Ohio Department of Education:</i>				
<b>Child Nutrition Cluster:</b>				
(C),(G) School Breakfast Program	2016	10.553		\$ 50,672
(C),(G) National School Lunch Program	2016	10.555		98,192
<b>Total Child Nutrition Cluster</b>				<u>148,864</u>
<i>Passed Through Ohio Department of Jobs &amp; Family Services:</i>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	G-1617-11-5490	10.561		<u>1,659,945</u>
<b>Total U.S. Department of Agriculture</b>				<u><b>1,808,809</b></u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>				
(E),(J),(L) Community Development Block Grants/Entitlement Grants	B-14-UC-39-0008	14.218	10,872	343,410
(E),(J),(L) Community Development Block Grants/Entitlement Grants	B-15-UC-39-0008	14.218	154,491	627,426
(E),(J),(L) Community Development Block Grants/Entitlement Grants	B-16-UC-39-0008	14.218	16,916	16,916
<b>Total Community Development Block Grants/Entitlement Grants</b>			<u>182,279</u>	<u>987,752</u>
(E) Shelter Plus Care	OH0430L5E071403	14.238		132,577
(E) Shelter Plus Care	OH0431L5E071403	14.238		122,949
(E) Shelter Plus Care	OH0159L5E071402	14.238		146,722
(E) Shelter Plus Care	OH0430L5E071504	14.238		52,779
(E) Shelter Plus Care	OH0431L5E071504	14.238		50,580
<b>Total Shelter Plus Care</b>				<u>505,607</u>
(E) Home Investment Partnerships Program	M-13-DC-39-0222	14.239	-	1,041
(E),(J) Home Investment Partnerships Program	M-14-DC-39-0222	14.239	121,000	226,182
(E),(J) Home Investment Partnerships Program	M-15-DC-39-0222	14.239	149,633	488,293
(E),(J) Home Investment Partnerships Program	M-16-DC-39-0222	14.239	18,410	18,410
<b>Total Home Investment Partnerships Program</b>			<u>289,043</u>	<u>733,926</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u><b>471,322</b></u>	<u><b>2,227,285</b></u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>				
(E) State Criminal Alien Assistance Program	2016-AP-BX-0797	16.606		<u>87,295</u>
(E) Edward Byrne Memorial Justice Assistance Grant Program	2014-DJ-BX-0811	16.738		11,935
(E) Edward Byrne Memorial Justice Assistance Grant Program	2015-DJ-BX-0242	16.738		28,804
(E) Edward Byrne Memorial Justice Assistance Grant Program	2015-JG-A01-6801	16.738		36,582
<b>Total Edward Byrne Memorial Justice Assistance Grant Program</b>				<u>77,321</u>
<i>Passed Through Ohio Office of Criminal Justice Services:</i>				
Violence Against Women Formula Grants	2015-WF-VA5-8807	16.588		<u>45,794</u>
<i>Passed Through Ohio Attorney General's Office:</i>				
Crime Victim Assistance	2016-VOCA-19810790	16.575		83,706
Crime Victim Assistance	2017-VOCA-43552856	16.575		36,161
Crime Victim Assistance	2017-VOCA-43551983	16.575		21,341
Crime Victim Assistance	2015-VOCA-19810772	16.575		75,716
<b>Total Crime Victim Assistance</b>				<u>216,924</u>
<b>Total U.S. Department of Justice</b>				<u><b>427,334</b></u>

(Continued)

**BUTLER COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through/ Entity Number	Federal CFDA Number	Passed Through to Subrecipient	(A),(B) Cash Federal Disbursements
<b><u>U.S. DEPARTMENT OF LABOR</u></b>				
<i>Passed Through Ohio Department of Jobs &amp; Family Services:</i>				
<b>Workforce Investment and Opportunity Act Cluster:</b>				
(F),(K)	Workforce Investment and Opportunity Act - Adult Program	N/A	17.258	707,996
(F),(K)	Workforce Investment and Opportunity Act - Adult Administrative	N/A	17.258	21,942
(F),(K)	Workforce Investment and Opportunity Act - Transitional Funds	N/A	17.258	7,835
	<b>Total Workforce Investment and Opportunity Act - Adult Program</b>			<u>737,773</u>
(F),(K)	Workforce Investment and Opportunity Act - Youth Activities	N/A	17.259	336,496
(F),(K)	Workforce Investment and Opportunity Act - Youth Administrative	N/A	17.259	14,063
	<b>Total Workforce Investment and Opportunity Act - Youth Activities</b>			<u>350,559</u>
(F),(K)	Workforce Investment and Opportunity Act - Dislocated Worker Formula	N/A	17.278	941,948
(F),(K)	Workforce Investment and Opportunity Act - Dislocated Worker Formula Grants - Administrative	N/A	17.278	11,230
	<b>Total Workforce Investment and Opportunity Act - Dislocated Workers Formula Grants</b>			<u>953,178</u>
	<b>Total Workforce Investment and Opportunity Act Cluster</b>			<u>2,041,510</u>
	<b>Total U.S. Department of Labor</b>			<u><b>2,041,510</b></u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION / FEDERAL HIGHWAY ADMINISTRATION</u></b>				
<i>Passed Through Ohio Department of Transportation:</i>				
	Highway Planning and Construction	PID 90755	20.205	1,622,671
	Highway Planning and Construction	PID 91888	20.205	70,837
	Highway Planning and Construction	PID 94288	20.205	838,222
	Highway Planning and Construction	PID 98577	20.205	337,112
	Highway Planning and Construction	PID 87088	20.205	8,062
	<b>Total Highway Planning and Construction</b>			<u>2,876,904</u>
<i>Passed through the Ohio Department of Public Safety:</i>				
<b>Highway Safety Cluster:</b>				
(D)	State and Community Highway Safety	STEP-2016-9-00-00-00462-00	20.600	24,247
(D)	State and Community Highway Safety	STEP-2016-9-00-00-00481-00	20.600	11,558
(D)	National Priority Safety Programs	IDEP-2016-9-00-00-00389-00	20.616	34,466
(D)	National Priority Safety Programs	IDEP-2017-9-00-00-00418-00	20.616	12,332
	<b>Total Highway Safety Cluster</b>			<u>82,603</u>
(E)	Airport Improvement Program	N/A	20.106	35,358
	<b>Total U.S. Department of Transportation / Federal Highway Administration</b>			<u><b>2,994,865</b></u>

(Continued)



**BUTLER COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through/ Entity Number	Federal CFDA Number	Passed Through to Subrecipient	(A),(B) Cash Federal Disbursements
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>				
<i>Passed Through Ohio Emergency Management Agency:</i>				
Emergency Management Performance Grant	EMW-2015-EP-0034-S01	97.042		68,048
Emergency Management Performance Grant	EMC-2016-EP-00003-S01	97.042		70,965
<b>Total Emergency Management Performance Grant</b>				<u>139,013</u>
Homeland Security Grant Program	EMW-2015-SS-00086	97.067		<u>3,134</u>
<b>Total U.S. Department of Homeland Security</b>				<u><b>142,147</b></u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>				
(E) Drug-Free Communities Support Program Grants	N/A	93.276		<u>110,923</u>
<i>Passed Through Ohio Department of Mental Health:</i>				
(K) Projects for Assistance in Transition from Homelessness (PATH)	N/A	93.150		<u>59,780</u>
(K) Block Grants for Community Mental Health Services	N/A	93.958		<u>221,899</u>
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>				
(K) Block Grants for Prevention and Treatment of Substance Abuse	N/A	93.959		<u>2,061,039</u>
<i>Passed Through Ohio Department of Jobs &amp; Family Services:</i>				
Promoting Safe and Stable Families	G-1617-11-5490	93.556		<u>204,936</u>
Temporary Assistance for Needy Families	G-1617-11-5490	93.558		<u>2,797,308</u>
Child Support Enforcement	G-1617-11-5490	93.563		<u>3,053,402</u>
Child Care and Development Block Grant	G-1617-11-5490	93.575		<u>310,912</u>
Stephanie Tubbs Jones Child Welfare Services Program	G-1617-11-5490	93.645		<u>298,431</u>
Foster Care_Title IV-E	G-1617-11-5490	93.658		<u>3,794,119</u>
Adoption Assistance	G-1617-11-5490	93.659		<u>2,095,535</u>
(H),(K) Social Services Block Grant	G-1617-11-5490	93.667		2,614,279
(I),(K) Social Services Block Grant	N/A	93.667		194,643
(I),(K) Social Services Block Grant	N/A	93.667		183,497
<b>Total Title XX Social Service Block Grant</b>				<u>2,992,419</u>
Chaffee Foster Care Independence Program	G-1617-11-5490	93.674		<u>108,271</u>
(I),(K) Medical Assistance Program	G-1617-11-5490	93.778		2,402,753
(I),(K) Medical Assistance Program	N/A	93.778		774,482
<b>Total Title XIX Medical Assistance Program</b>				<u>3,177,235</u>
<b>Total U.S. Department of Health and Human Services</b>				<u><b>21,286,209</b></u>
<b>Total Federal Financial Assistance</b>			<u><b>\$ 471,322</b></u>	<u><b>\$ 30,928,159</b></u>

(Continued)

**BUTLER COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(Continued)**

**Notes to the Schedule of Expenditures of Federal Awards:**

(A) This schedule includes the federal award activity of Butler County under programs of the federal government for the year ended December 31, 2016 and is prepared in accordance with the cash basis of accounting. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Butler County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Butler County.

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

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

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

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

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

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

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

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

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

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

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

These loans are collateralized by mortgages on the property. At December 31, 2016, the gross amount of loans outstanding under this program was \$225,566.

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



**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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

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

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butler County, Ohio, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements and have issued our report thereon dated June 28, 2017. Our report refers to other auditors who audited the financial statements of the Butler County Port Authority, a discretely presented component unit of Butler County, as described in our report on Butler County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

***Internal Control Over Financial Reporting***

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

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

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

Board of County Commissioners  
Butler County

***Compliance and Other Matters***

As part of reasonably assuring whether Butler County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2016-001 through 2016-003.

***Butler County's Response to Findings***

Butler County's responses to the findings identified in our audit are described in the accompanying corrective action plan. We did not audit Butler County's responses and, accordingly, we express no opinion on them.

***Purpose of this Report***

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



Julian & Grube, Inc.  
June 28, 2017



**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

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

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

Butler County  
130 High Street  
Hamilton, Ohio 45011

To the Board of County Commissioners:

***Report on Compliance for Each Major Federal Program***

We have audited Butler County's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of Butler County's major federal programs for the year ended December 31, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies Butler County's major federal programs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, Butler County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2016.

Board of Commissioners  
Butler County

***Report on Internal Control Over Compliance***

Butler County's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered Butler County's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of Butler County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely-presented component units, each major fund and the aggregate remaining fund information of Butler County as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Butler County's basic financial statements. We issued our unmodified report thereon dated June 28, 2017. We conducted our audit to opine on Butler County's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. Our opinion also explained that the Butler County Port Authority, a discretely presented component unit, was audited by other auditors.



Julian & Grube, Inc.  
June 28, 2017

**BUTLER COUNTY**

**SCHEDULE OF FINDINGS**

*2 CFR § 200.515*

**DECEMBER 31, 2016**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Temporary Assistance for Needy Families (CFDA #93.558); Social Services Block Grant (CFDA #93.667); Medical Assistance Program (CFDA #93.778); Block Grants for Prevention and Treatment of Substance Abuse (CFDA #93.959)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$927,845 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

**BUTLER COUNTY**  
**SCHEDULE OF FINDINGS**  
*2 CFR § 200.515*  
**DECEMBER 31, 2016**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>	
Finding Number	2016-001

Material Noncompliance

Ohio Revised Code Section 5705.36 in part, requires subdivisions to request increased or reduced amended certificates of estimated resources upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the last certified amended certificate.

The County did not request timely amended certificates throughout the fiscal year upon notice of increased or decreased resources.

The County is not properly certifying its most current estimated resources to the appropriate authorities and thus causing appropriations to exceed estimated resources, throughout the fiscal year and at fiscal year-end.

We recommend that the County review its available resources versus its appropriations throughout the fiscal year and file amended certificates when necessary. This will facilitate the County's appropriation process.

Finding Number	2016-002
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Material Noncompliance

Ohio Revised Code Section 5705.39 requires that a subdivision's total appropriations from each fund should not exceed total estimated resources.

The County had total appropriations exceeding total estimated resources in the following funds at December 31, 2016:

Governmental Fund	Appropriations	Resources	Excess
Job and Family Services Fund	\$ 27,219,170	\$ 25,288,057	\$ 1,931,113
FAA Airport Grant Fund	166,842	(83,157)	249,999
Sheff's VOCA-Even Fund	97,227	41,365	55,862

With appropriations exceeding estimated resources, the County may spend more funds than in the Treasury or in process of collection and cause fund deficits.

We recommend the County comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 and continually monitor appropriations versus estimated resources records. If it is determined that estimated resources will be different than initially anticipated, the County should amend its estimate and also amend the appropriations as necessary; however, appropriations should not exceed estimated resources.



**BUTLER COUNTY**  
**SCHEDULE OF FINDINGS**  
*2 CFR § 200.515*  
**DECEMBER 31, 2016**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2016-003

Material Noncompliance

Ohio Revised Code Section 5705.36 (A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the Budget Commission, and the Budget Commission shall certify an amended certificate reflecting the deficiency.

The County had appropriations in excess of actual resources, which consists of actual revenues and beginning unencumbered fund balance, in the following funds at December 31, 2016:

Governmental Fund	Appropriations	Estimated Resources	Excess
Job and Family Services Fund	\$ 27,219,170	\$ 25,288,057	\$ 1,931,113
FAA Airport Grant Fund	166,842	(83,158)	250,000
Sheff's VOCA-Even Fund	97,227	41,366	55,861

By appropriating more funds than actual resources, the County is at risk of spending more money than is available; this may result in negative fund balances.

We recommend the County monitor estimated resources in comparison with actual resources and appropriations, and if necessary, obtain a decreased amended certificate and amend appropriations accordingly. Further guidance may be found in Auditor of State bulletin 97-010.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None

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**BUTLER COUNTY**

**CORRECTIVE ACTION PLAN**

**2 CFR § 200.511(c)**

**DECEMBER 31, 2016**

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2016-001	The County departments will monitor revenues and expenditure budgets on a continual basis, entering budget amendments as necessary to increase or decrease the certificate of appropriation. The Budget Commission will require departments requesting revenue reductions to enter budget amendments in Munis reducing budget appropriations, if the revenue reduction will create an excess of appropriations.	December 31, 2017	Barb Fabelo, Chief Financial Officer of the Job and Family Services Department; Ron Davis, Airport Director; Vickie Barger, Finance Director for the Sheriff's Department
2016-002	The County departments will monitor the budget on a continual basis and make modifications as necessary to ensure appropriations do not exceed estimated resources.	December 31, 2017	Barb Fabelo, Chief Financial Officer of the Job and Family Services Department; Ron Davis, Airport Director; Vickie Barger, Finance Director for the Sheriff's Department
2016-003	The County departments will monitor the budget on a continual basis and make modifications as necessary to ensure appropriations do not exceed actual resources.	December 31, 2017	Barb Fabelo, Chief Financial Officer of the Job and Family Services Department; Ron Davis, Airport Director; Vickie Barger, Finance Director for the Sheriff's Department

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# Dave Yost • Auditor of State

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 7, 2017**