

Local Government Innovation Fund Application
for
Hamilton County Facility Assessment



March 1, 2012

Tab 1: Contact Information

Applicants must provide the following contact information:

1. Name of main applicant (the political subdivision applying for the award)

HAMILTON COUNTY

2. Address of the main applicant

138 E. COURT STREET
ROOM 603
CINCINNATI, OH 45202

3. Phone numbers (include fax) As of 12/16/11 LGIF Application 2

513.946.4316 (p); 513.946.4444 (f)

4. Email address

john.bruggen@hamilton-co.org

5. Applicant contact information:

Name: JOHN P. BRUGGEN
Title: BUDGET DIRECTOR

6. County:

HAMILTON COUNTY: Population 802,374 (2010 Census)

Tab 2: Collaborative Partners

Applicants applying with collaborative partners must include the following information in Tab 2:

1. SINGLE APPLICANT

Tab 3: Project Information

Applicants must provide project information including:

1. The name of the project:

Hamilton County Facility Assessment

2. A brief project description (limited to two pages, single-spaced):

The Hamilton County Facility Assessment will offer insight into the future of delivering county services and assist in identifying a long-term vision that meets County’s physical space needs for providing these services.

The goal of the assessment is to create a master space plan that can be phased and implemented over a period of many years. It will include a realistic, long-term facilities and space needs program, improve efficiency in delivering county services, and take into account changing needs resulting from population changes in the county.

The facility assessment will address facilities needs and opportunities in the following spaces, as well as options at potential sites for future development and/or relocation within the county.

<u>Facility</u>	<u>Area (SF)</u>	<u>Primary user</u>
Justice Center	704,459	Sheriff, Courts
Courthouse	447,020	Courts, Law Library
800 Broadway	365,848	Courts, Sheriff
Alms & Doepke	305,894	Job and Family Services
Taft Law Center	188,293	Courts, Prosecutor, Public Defender
Administration Building	185,348	Administration, Auditor, Recorder, Treasurer Engineer, Planning & Development
Forensic Institute	33,096	Coroner
250 William Howard Taft	32,616	Environmental Services, Health District
Records Center	31,194	Clerk of Courts

The facility assessment is the first stage of an overall Hamilton County space study. It will include a full assessment of:

- Building data including square footage, construction type, applicable codes, life expectancy analysis and other related data.
- Code analysis that documents the building type, life safety and Americans with Disabilities Act (ADA) compliance.
- A summary building systems assessment of the primary building elements, including condition of the exterior wall systems, the roof systems, interior finishes, mechanical and electrical

systems. The assessment will document the condition of each system, cite observed deficiencies and make recommendations regarding those deficiencies.

- Cost estimates of repair or replacement costs, where appropriate for use in facility analysis and master plan development.
- Annual operating costs
- Categorization of facilities adequacy for current potential uses

Ultimately the facility assessment will provide the basis to develop strategic alternatives for the county's downtown campus in line with the goals and objectives of the County Commissioners and other elected officials. Future stages of the space plan will include the development of re-organization concepts for existing spaces and feasibility for developing future spaces that can more efficiently meet the county's needs.

3. Identification of the type of award the applicant is seeking (for grants—applicants may apply for feasibility studies, planning or management project awards; for loans—applicants may apply for demonstration type projects)

This grant application is seeking \$100,000 to pay for costs associated with a facility assessment regarding the feasibility of building consolidations and reorganization.

4. Proof of feasibility study determination provided by the Department of Development (applicable to applicants applying for loan funds only)

N/A

5. A problem statement (including any information regarding the funds spent on problem related goods or services)

Hamilton County has conducted assessments of individual building conditions, spending as much as \$150,000 to \$200,000 annually to update potential building capital repair needs. While these study address specific needs of individual buildings they have not been sufficient to develop an overall assessment of effective space usage. This has resulted in several potentially underutilized buildings. A comprehensive facilities assessment will identify and prioritize goals for county usage of facilities over a long-term horizon.

6. Identification of one targeted approach to innovation (i.e., efficiency, shared service, coproduction, or shared merger)

The proposed facility assessment will provide for more efficient use of existing county space and inform the most efficient development of new space solutions.

- 7. An explanation of the anticipated return on investment based on the ratio of savings (this item should be derived directly from the project budget required in the financial documentation section of this application)**

Currently, Hamilton County budgets \$150,000 annually for the updating of its master plan for capital repairs. This master plan updates specific known building capital and large maintenance needs only. It does not look at space planning or best uses. The facilities assessment will provide a complete update on all buildings countywide, saving the county at a minimum five years of master plan updates. The budget materials presented in tab four also assumes as much as \$25,000 in annual savings related to ad hoc capital project costs in the three years following the study.

These two returns amount to savings (or cost avoidance) of as much as \$825,000 over five years, a cost benefit ratio of eight to one.

- 8. An explanation regarding the probability of the proposal's success (this should be based on any past project implementation, the likelihood of anticipated savings and the plans for project implementation)**

Management of the facility assessment is well within the scope of work that the county's facilities leadership team currently undertakes, and will be completed promptly by that department. Further implementation of assessment recommendations are dependent upon the management objectives of independent county agencies. The intent of the assessment is to align building uses with appropriate spaces to address operations through the most efficient means possible, so it is anticipated that most of the assessment recommendations will be welcomed by the effected departments.

- 9. A description of the applicant's plans and ability to replicate or scale the proposal to allow for the inclusion of other political subdivisions.**

It is the county's long-term vision that this facilities assessment be expanded to include other elected officials and county-wide agencies (potentially the County Engineer or Developmental Disabilities Services) and even other jurisdictions such as townships. The facilities assessment will also be performed as the county is embarking on a shared-services process with the City of Cincinnati that will consider several service consolidation efforts, to include co-location of some service lines. This simultaneous effort is likely to generate further opportunities to expand the impact of the facilities assessment to other jurisdictions that are providing similar or complimentary lines of service.

- 10. Identification of whether the proposed project is part of a larger consolidation effort by the applicant or collaborative partner(s)**

The feasibility study is the first part of the Hamilton County Master Space Plan. The full plan will provide a full strategic direction for the best uses of Hamilton County buildings and space utilization, including but not limited to repositioning and reorganizing of existing space, development of future facilities and/or the relocation of functions to an existing or new facility.

It is also a part of the Board of County Commissioner's stated policy to "seek every opportunity to pursue shared service functions with the City of Cincinnati and other municipalities and townships in Hamilton County."

11. Identification of past success on an innovation (efficiency, shared service, coproduction or shared merger) project.

Hamilton County has been active in finding efficiencies both county-wide and within individual departments. Below is a list of efficiencies involving County Facilities:

- County Facilities provides property maintenance for numerous county departments (these services were previously provided within each department separately). Within recent years, Facilities has consolidated property maintenance for Job and Family Services and the Juvenile Court (including its Hillcrest Youth Center).
- County Facilities provides project management for several agencies outside of the traditional County Commissioner's scope, including Cincinnati Museum Center (currently providing management for \$10.5 million renovation project) and Developmental Disabilities Services.
- The Facilities department is also recently issued energy conservation bonds to create efficiencies through all managed county buildings, and has achieved LEADS certification on several buildings.
- County administration has also made bold facilities management innovations in recent years, consolidating Job and Family Services into a single space to allow for the sale of another county property, closing the leased Queensgate jail facility upon the onset of the financial crisis and instead investing in criminal justice re-entry solutions, and exploring with the Juvenile Court various operating models that may lead to the sale of the Hillcrest treatment facility.

12. A description of how the proposed project is responding to current substantial changes in economic demand for local or regional government services (if applicable)

The county does not currently have a policy on space usage, when and whether to lease or own space, and currently does not have a Master Space/Facilities Plan with associated five, 10, and 15 year forecasts for future space and property needs. County Administration and Facilities have continued to place development of such a plan into the long term capital work plan; however, limited operational and capital dollars have prevented its funding.

The county has downsized significantly over the past several years which has led to more vacancy within facilities than has existed at any time during the past decade. This downsizing presents an opportunity for space consolidation—with such consolidation opening additional possibilities of selling or reprogramming county assets.

13. Identification of intent to implement recommendations of a performance or any other audit recommendations (applicants are required to provide the actual audit findings in the supporting documentation section of this application).

N/A

14. An explanation of how the project facilitates an improved business environment and/or promotes community attraction.

The facility's assessment's intended purpose is to better align the county's spaces with the business environment. One result of the better alignment is a more effective, efficient business space for the county citizens to interact with government.

Tab 4: Financial Documentation

Applicants are required to submit the following financial documentation.

1. The most recent three years of financial history (must include balance sheet, income statement and a statement of cash flows)

Audited statements for Hamilton County for years 2007, 2008 and 2009 are included as Attachment A.

Pending special audits of the Hamilton County Department of Job and Family Services by (1) the Ohio Auditor of State and (2) the Ohio Department of Job and Family Services have prevented the completion (at this time) of the county's 2004, 2005 and 2006 audited financial statements and delayed the later years. The Auditor of State has completed the 2007-2009 audits, and we anticipate the 2010 audit will be released in the spring of 2012.

2. The anticipated project costs:

- Include the amount and type of funds requested (requested funds may be no more than \$100,000 per feasibility study, planning or management type project.

Hamilton County Administration is requesting a grant of \$100,000 to pay for costs associated with a facility assessment study.

- Include the percentage of local matching funds available and documentation explaining how the match will be met (must be at least 10% of the total project costs)

Hamilton County anticipates matching 200% of the grant amount, as the facilities assessment is projected to cost approximately \$300,000.

- Include documentation of any in-kind contributions (documentation must conform to the requirements of §2.06 of the LGIF Policies)

County Facilities management staff will work closely with the consultants to oversee the project, but their time is not contemplated as an in-kind contribution to the project, as the county has detailed a 200% cash match above.

3. At least three years of financial projections identifying the anticipated savings that will occur as a result of this project.

It is difficult to project in which areas savings might be generated by this project until the facility assessment is complete. Savings may come in the form of cost avoidance for currently identified space needs in the Board of Elections and the Public Defender's office, in County Facilities project-estimating costs over the next five years, in operating costs of better aligned county departments, or though the more efficient investment of limited capital improvement funding.

For the sake of the chart below, we have limited the budget impacts to the most quantifiable impacts on the costs to the County Facilities department for managing the county's downtown office buildings. It assumes savings of as much as \$150,000 annually on county-wide project estimating, as well as \$25,000 on ad hoc repair and maintenance costs. Actual impacts of the facility assessment are likely to have a much broader effect across many county departments as described above.

Projected Impact of Grant Funding on County Facilities Budget, 2013-2015

Expenses Category	2009	2010	2011	...	2013	2014	2015
Public Utilities	3,764,295	3,332,765	3,069,653		3,069,653	3,069,653	3,069,653
Contractual Services	2,344,640	2,039,834	2,162,606		2,012,606	2,012,606	2,012,606
Salaries	2,352,879	2,088,603	1,991,364		1,991,364	1,991,364	1,991,364
Repair & Maintenance	440,843	589,294	758,486		733,486	733,486	733,486
Supplies	778,002	446,463	476,482		476,482	476,482	476,482
Fringe Benefits	484,616	398,800	317,942		317,942	317,942	317,942
Health Care	349,759	286,298	307,566		307,566	307,566	307,566
Other Expenses	41,931	25,401	49,158		49,158	49,158	49,158
Rentals	50,187	28,364	34,900		34,900	34,900	34,900
Capital Outlays	-	12,546	10,741		10,741	10,741	10,741
Travel	3,877	1,494	692		692	692	692
TOTAL	10,611,028	9,249,861	9,179,590	...	9,004,590	9,004,590	9,004,590

Tab 5: Supporting Documents

Applicants must separately identify and label the following supporting documentation:

1. Feasibility study determinations made by the Department of Development prior to the submission of an application (applicable to applicants applying for loan funds only)

N/A

2. Executed partnership agreements with other participating entities

N/A, Single Applicant

3. Resolution of support from the applicant's and/or collaborative partners' governing entity

Resolution is included as Attachment B.

4. Audit, performance or other, conducted within the past five years (if applicable)

An April 2007 property maintenance performance review of the County Facilities department as part of the county's Competition and Efficiency Committee is included as Attachment C.

5. Identification of each municipality, county or township served (must include information from the 2010 census)

The political subdivision served by this project is Hamilton County.

U.S. Census Profile for Hamilton County, Ohio	
Population, 2010	802,374
Population, percent change, 2000 to 2010	-5.1%
Age	
Persons under 5 years, percent, 2010	6.6%
Persons under 18 years, percent, 2010	23.6%
Persons 65 years and over, percent, 2010	13.3%
Gender	
Female persons, percent, 2010	52.0%
Race	
White persons, percent, 2010	68.8%
Black persons, percent, 2010	25.7%
American Indian and Alaska Native persons, percent, 2010	0.2%
Asian persons, percent, 2010	2.0%
Native Hawaiian and Other Pacific Islander, percent, 2010	less than one percent
Persons reporting two or more races, percent, 2010	2.1%
Ethnicity	
Persons of Hispanic or Latino origin, percent, 2010	2.6%
White persons not Hispanic, percent, 2010	67.6%
Education	
High school graduates, percent of persons age 25+, 2006-2010	87.7%
Bachelor's degree or higher, pct of persons age 25+, 2006-2010	32.5%
Additional Information	
Veterans, 2006-2010	57,190
Mean travel time to work (minutes), workers age 16+, 2006-2010	22.5
Housing units, 2010	377,364
Homeownership rate, 2006-2010	61.2%
Housing units in multi-unit structures, percent, 2006-2010	37.4%
Median value of owner-occupied housing units, 2006-2010	\$148,200
Households, 2006-2010	327,864
Persons per household, 2006-2010	2.39
Per capita money income in past 12 months (2010 dollars) 2006-2010	\$28,799
Median household income 2006-2010	\$48,234
Persons below poverty level, percent, 2006-2010	15.4%
Geography QuickFacts	
Land area in square miles, 2010	405.91
Persons per square mile, 2010	1,976.7

6. Self-score assessment (using LGIF project selection methodology)

The county's self-score assessment is included.

COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
December 31, 2009

ATTACHMENT A-1

(Amounts in Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Convention Facility Authority
ASSETS				
Equity in Pooled Cash and Investments	\$ 287,090	\$ 27,230	\$ 314,320	\$ 4,359
Cash and Cash Equivalents—Segregated Accounts	303	17,782	18,085	-
Accounts Receivable	6,018	37,499	43,517	-
Sales Tax Receivable	9,734	5,522	15,256	-
Interest Receivable	1,982	-	1,982	2
Intergovernmental Receivable	87,764	839	88,603	-
Real and Other Taxes Receivable	273,244	-	273,244	1,700
Internal Balances	105	(105)	-	-
Prepaid Expenses	-	3,018	3,018	1,261
Inventories	3,671	-	3,671	-
Due from Advances to Other Funds	650	-	650	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	11,332	11,332	-
Amount to Be Transferred to Surplus Account	-	36,201	36,201	-
Held by Trustees:				
Cash and Cash Equivalents	-	61,515	61,515	-
Investments—Held to Maturity	-	270,836	270,836	-
Special Assessments Receivable	6,368	-	6,368	-
Loans to Political Subdivisions or Other Funds	900	-	900	-
Nondepreciable Capital Assets	107,275	423,811	531,086	-
Depreciable Capital Assets, Net	371,640	1,404,673	1,776,313	-
Unamortized Financing Cost	694	13,043	13,737	826
Other Long-Term Assets	-	582	582	-
TOTAL ASSETS	1,157,438	2,313,778	3,471,216	8,148
LIABILITIES				
Accounts Payable	41,989	11,139	53,128	-
Accrued Wages and Benefits Payable	6,088	2,526	8,614	-
Matured Compensated Absences Payable	750	3,372	4,122	-
Intergovernmental Payable	2,107	25	2,132	-
Accrued Interest Payable	377	6,182	6,559	333
Construction Accounts Payable	-	10,612	10,612	-
Retainage Payable	427	859	1,286	-
Due to Other Governments	-	-	-	2,160
Due to Component Unit	1,183	-	1,183	-
Advances from Other Funds	650	-	650	-
Loans from Other Funds	900	-	900	-
Deferred Revenue	276,878	17,403	294,281	-
Escheat	4,460	-	4,460	-
Estimated Future Claims	8,246	298	8,544	-
Long-Term Liabilities:				
Due Within One Year	14,804	38,210	53,014	2,300
Due in More Than One Year	140,249	1,393,012	1,533,261	85,489
TOTAL LIABILITIES	499,108	1,483,638	1,982,746	90,282
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	379,653	506,395	886,048	-
Restricted for:				
Debt Service	8,125	6,460	14,585	-
Capital Projects	273	-	273	-
Special Revenue Funds	275,034	-	275,034	-
Unrestricted	(4,755)	317,285	312,530	(82,134)
TOTAL NET ASSETS	\$ 658,330	\$ 830,140	\$ 1,488,470	\$ (82,134)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

(Amounts in Thousands)

FUNCTION/PROGRAMS	Program Revenues					Net (Expense) Revenue and Changes in Net Assets			Component Unit Convention Facility Authority
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-Type Activities	Total	
Governmental Activities									
General Government	\$ 83,610	\$ (6,849)	\$ 42,938	\$ 10,237	\$ -	\$ (23,586)	\$ -	\$ (23,586)	\$
Judicial	101,347	136	24,723	19,428	-	(57,332)	-	(57,332)	
Public Safety	101,128	-	16,245	4,849	158	(79,876)	-	(79,876)	
Social Services	271,457	6,086	5,924	238,440	-	(33,179)	-	(33,179)	
Health	252,592	19	6,579	107,301	-	(138,731)	-	(138,731)	
Public Works	43,870	191	4,205	2,269	1,638	(35,949)	-	(35,949)	
Environmental Control	7,077	333	3,536	5,447	-	1,573	-	1,573	
Economic Development	6,799	75	(1,332)	512	-	(7,694)	-	(7,694)	
Parks and Recreation	8,446	9	-	144	-	(8,311)	-	(8,311)	
Debt Service:									
Interest	4,812	-	-	-	-	(4,812)	-	(4,812)	
Fiscal Charges	68	-	-	-	-	(68)	-	(68)	
Total Governmental Activities	881,206	-	102,818	388,627	1,796	(387,965)	-	(387,965)	
Business-Type Activities									
Metropolitan Sewer District	167,871	-	201,273	-	6,230	-	39,632	39,632	
Paul Brown Stadium	39,836	-	774	-	-	-	(39,062)	(39,062)	
Baseball Stadium	25,932	-	980	-	-	-	(24,952)	(24,952)	
Riverfront Development	9,771	-	5,731	-	11,794	-	7,754	7,754	
Main Street Parking Garage	904	-	758	-	-	-	(146)	(146)	
Sales Tax Stabilization	-	-	-	-	(5,639)	-	(5,639)	(5,639)	
Rotary Funds	6,212	-	6,238	-	-	-	26	26	
Communications Center	8,034	-	4,962	-	-	-	(3,072)	(3,072)	
Total Business-Type Activities	258,560	-	220,716	-	12,385	-	(25,459)	(25,459)	
Total Primary Government	\$ 1,139,766	\$ -	\$ 323,534	\$ 388,627	\$ 14,181	(387,965)	(25,459)	(413,424)	
Component Unit:									
Convention Facility Authority	\$ 6,259	\$ -	\$ -	\$ -	\$ 1,300				(4,959)
General Revenues									
Property Taxes						241,924	-	241,924	-
Sales and Use Taxes						67,072	49,026	116,098	-
Motor Fuel Taxes						13,961	-	13,961	-
Hotel Occupancy Taxes						-	-	-	7,184
Other Taxes						30,245	-	30,245	-
Grants and Entitlements not Restricted to Specific Programs						59,590	-	59,590	-
Unrestricted Investment Earnings						8,902	4,733	13,635	-
Increase in Fair Value of Equity in Pooled Cash and Investments						684	156	840	-
Decrease in Fair Value of Equity in Pooled Cash and Investments						(1,462)	(292)	(1,754)	-
Change in Fair Value of MSD Investments						-	(4,988)	(4,988)	-
Transfers (Note IV E)						(16,006)	16,006	-	-
Total General Revenues and Transfers						404,910	64,641	469,551	7,184
Change in Net Assets						16,945	39,182	56,127	2,225
Net Assets—Beginning, as restated (Note II)						641,385	790,958	1,432,343	(84,359)
Net Assets—Ending						\$ 658,330	\$ 830,140	\$ 1,488,470	# \$ (82,134)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 33,673	\$ 18,716	\$ 149,797	\$ 80,758	\$ 282,944
Cash and Cash Equivalents—Segregated Accounts	-	-	-	303	303
Accounts Receivable	2,649	34	1,024	2,170	5,877
Sales Tax Receivable	9,734	-	-	-	9,734
Interest Receivable	1,982	-	-	-	1,982
Intergovernmental Receivable	11,349	37,521	12,277	26,617	87,764
Real and Other Taxes Receivable	44,209	-	218,249	10,786	273,244
Due from Other Funds	7,324	9,843	2,965	317	20,449
Inventories	-	-	-	3,671	3,671
Due from Advances to Other Funds	650	-	-	-	650
Special Assessments Receivable	-	-	-	6,368	6,368
Loans to Political Subdivisions or Other Funds	900	-	-	-	900
TOTAL ASSETS	\$ 112,470	\$ 66,114	\$ 384,312	\$ 130,990	\$ 693,886
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 4,330	\$ 10,417	\$ 13,875	\$ 12,601	\$ 41,223
Accrued Wages and Benefits Payable	2,450	1,418	721	1,476	6,065
Matured Compensated Absences Payable	481	174	-	65	720
Intergovernmental Payable	264	434	953	456	2,107
Retainage Payable	6	2	116	303	427
Due to Component Unit	-	-	-	1,183	1,183
Due to Other Funds	84	4,332	11,262	4,799	20,477
Advances from Other Funds	-	-	-	650	650
Loans from Other Funds	-	-	-	900	900
Deferred Revenue	51,912	42,570	220,688	48,825	363,995
Escheat	4,460	-	-	-	4,460
TOTAL LIABILITIES	63,987	59,347	247,615	71,258	442,207
FUND BALANCES					
Reserved for:					
Judgments and Claims	729	-	-	-	729
Advances to Other Funds	650	-	-	-	650
Encumbrances	8,537	4,299	19,077	16,717	48,630
Inventories	-	-	-	3,671	3,671
Loans	900	-	-	-	900
Unreserved:					
Designated for Capital Outlay	-	-	5,497	-	5,497
Undesignated, Reported in:					
General Fund	37,667	-	-	-	37,667
Special Revenue Funds	-	2,468	112,123	36,978	151,569
Debt Service Funds	-	-	-	2,094	2,094
Capital Projects Fund	-	-	-	272	272
TOTAL FUND BALANCES	48,483	6,767	136,697	59,732	251,679
TOTAL LIABILITIES AND FUND BALANCES	\$ 112,470	\$ 66,114	\$ 384,312	\$ 130,990	\$ 693,886

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2009
(Amounts in Thousands)

Total Governmental Funds Balances		\$ 251,679
Amounts reported for governmental activities in the Statement of Net Assets are different from the amounts reported in the governmental funds because of the following:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	\$ 1,253,071	
Accumulated Depreciation	(774,293)	
Total		478,778
Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.		
Property Taxes	20,291	
Grants	60,440	
Nongrants	18	
Special Assessments	6,368	
Total		87,117
Unamortized bond issuance costs associated with the bond refunding, reported as expenditures in the governmental fund, are deferred in the Statement of Net Assets.		
		694
Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and the Multi-County System Agencies to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Assets.		
		(4,599)
Long-term liabilities, including bonds and notes payable, loans and loan contracts, compensated absences, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.		
General Obligation Bonds and Notes	(101,050)	
Deferred Amount on Refunding	1,481	
Unamortized Premium	(1,483)	
Special Assessment Bonds	(4,600)	
Loan Contracts	(4,661)	
State Loan	(4,445)	
Compensated Absences	(40,204)	
Accrued Interest Payable	(377)	
Total		(155,339)
Net Assets of Governmental Activities		\$ 658,330

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Special Assessments	\$ 40,523	\$ -	\$ 196,754	\$ 2,995	\$ 240,272
Sales and Use Tax	60,208	-	-	6,864	67,072
State Shared Taxes	23,380	-	-	21,167	44,547
Licenses and Permits	1,749	-	-	3,200	4,949
Charges for Services	39,720	1,792	201	25,426	67,139
Fines and Forfeitures	9,590	-	-	3,158	12,748
Investment Earnings	8,183	(84)	(877)	(316)	6,906
Intergovernmental	14,329	146,270	130,231	119,071	409,901
Other	3,008	1,316	6,615	10,304	21,243
TOTAL REVENUES	<u>200,690</u>	<u>149,294</u>	<u>332,924</u>	<u>191,869</u>	<u>874,777</u>
EXPENDITURES					
Current:					
General Government	35,704	-	9,103	18,644	63,451
Judicial	71,243	-	6,341	22,474	100,058
Public Safety	74,441	-	14,037	8,885	97,363
Social Services	1,368	156,110	94,027	27,565	279,070
Health	-	-	186,502	64,811	251,313
Public Works	419	-	-	25,894	26,313
Environmental Control	-	-	-	7,246	7,246
Economic Development	1,128	-	-	5,835	6,963
Parks and Recreation	-	-	8,455	-	8,455
Capital Outlay	-	-	-	699	699
Debt Service:					
Principal Retirement	-	-	-	13,485	13,485
Interest	-	-	-	4,587	4,587
Refunding Bond Issuance Costs	-	-	-	296	296
Fiscal Charges	-	-	-	68	68
TOTAL EXPENDITURES	<u>184,303</u>	<u>156,110</u>	<u>318,465</u>	<u>200,489</u>	<u>859,367</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>16,387</u>	<u>(6,816)</u>	<u>14,459</u>	<u>(8,620)</u>	<u>15,410</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	400	1,203	2,019	17,807	21,429
Transfers Out	(14,453)	-	(3,250)	(19,732)	(37,435)
Premium on Bonds Issued	-	-	-	249	249
Proceeds from Sale of Bonds	-	-	-	14,875	14,875
TOTAL OTHER FINANCING SOURCES (USES), NET	<u>(14,053)</u>	<u>1,203</u>	<u>(1,231)</u>	<u>13,199</u>	<u>(882)</u>
NET CHANGE IN FUND BALANCES	2,334	(5,613)	13,228	4,579	14,528
FUND BALANCES AT BEGINNING OF YEAR	<u>46,149</u>	<u>12,380</u>	<u>123,469</u>	<u>55,153</u>	<u>237,151</u>
FUND BALANCES AT END OF YEAR	<u>\$ 48,483</u>	<u>\$ 6,767</u>	<u>\$ 136,697</u>	<u>\$ 59,732</u>	<u>\$ 251,679</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009
(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds	\$	14,528
<p>Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the governmental funds because of the following:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of the capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.</p>		
Capital Outlays	\$ 8,157	
Depreciation Expense	<u>(41,581)</u>	
Excess of Capital Outlays over Depreciation		(33,424)
<p>In the governmental funds, the proceeds from the sales of capital assets increase financial resources. In the Statement of Activities, however, the assets sold had been capitalized previously and have book values that need to be removed. The difference between the proceeds and the book values is the gain or loss that is recognized in the Statement of Activities. The change in net assets differs</p>		
Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(26)	
Gain Earned on Sale of Capital Assets	25	
Loss on Sale of Capital Assets	<u>(28)</u>	
Net Book Value of Capital Assets Sold		(29)
<p>Property taxes that will not be collected for several months after the County's fiscal year ends, not considered to be available revenues to pay for current-period expenditures, are deferred in the governmental funds. Similarly, certain other revenues that do not provide current financial resources are deferred and not reported as revenues in the governmental funds, but are included in the Statement of Activities.</p>		
Property Taxes	1,126	
Other Taxes	(341)	
Grants	42,028	
Nongrants	(4,288)	
Special Assessments	<u>526</u>	
Total Revenues		39,051
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Governmental funds also report issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Debt Issued:		
Premium on Bonds	(249)	
General Obligation Bonds	(14,165)	
Special Assessment Bonds	(710)	
Principal Retirement	13,485	
Bonds Issuance Costs	<u>296</u>	
Total		(1,343)
<p>In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due.</p>		
		(21)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.</p>		
State Loan Payable	399	
Compensated Absences Payable	2,003	
Amortization of Deferred Amount on Refundings	(424)	
Amortization of Premium on Bonds	343	
Amortization of Bond Issuance Costs	(123)	
Amortization of Mortgages Payable for Forgiveness of Loan Contracts	<u>198</u>	
Total		2,396
<p>The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center and the Multi-County System Agencies to individual funds. The net decreases of these internal service funds are reported with governmental activities.</p>		
		<u>(4,213)</u>
Change in Net Assets of Governmental Activities	\$	<u>16,945</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2009
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 1,804	\$ 9,050
Cash and Cash Equivalents—Segregated Accounts	17,056	-	276
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	3,129	1,948	1,006
MSD Construction Account Held by the City of Cincinnati	10,612	-	-
Accounts Receivable	35,872	224	-
Sales Tax Receivable	-	3,868	1,654
Intergovernmental Receivable	-	-	-
Due from Other Funds	-	-	-
Prepaid Expenses	3,018	-	-
Total Current Assets	69,687	7,844	11,986
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	720	-	-
Amount to Be Transferred to Surplus Account	36,201	-	-
Held by Trustees:			
Cash and Cash Equivalents	47,130	-	-
Investments—Held to Maturity	270,836	-	-
Total Restricted Assets	354,887	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	4,977	67,916	17,685
Construction in Progress	285,769	-	-
Total Nondepreciable Capital Assets	290,746	67,916	17,685
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	956,572	379,178	351,731
Processing Systems	351,791	-	-
Furniture, Fixtures and Equipment	43,929	11,324	8,814
Less Accumulated Depreciation	(590,717)	(140,067)	(88,560)
Total Depreciable Capital Assets, Net	761,575	250,435	271,985
Total Capital Assets, Net	1,052,321	318,351	289,670
Unamortized Financing Costs	7,438	2,952	2,044
Other	582	-	-
Total Noncurrent Assets	1,415,228	321,303	291,714
TOTAL ASSETS	1,484,915	329,147	303,700
LIABILITIES			
Current Liabilities:			
Accounts Payable	4,881	845	950
Construction Accounts Payable	10,612	-	-
Due to Other Funds	-	-	-
Accrued Wages and Benefits Payable	2,357	31	2
Intergovernmental Payable	-	22	-
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	3,129	1,948	1,006
Retainage Payable	-	-	276
Accrued Compensated Absences	3,372	-	-
Current Portion of Long-Term Debt	34,975	2,140	-
Total Current Liabilities	59,326	4,986	2,234
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	5,121	182	-
Deferred Lease Rent Revenue	-	5,299	12,104
State Loans Payable	-	-	-
Long-Term Debt	767,360	363,025	196,685
Net Pension Obligation	10,870	-	-
Net Other Post Employment Benefit Obligation	5,097	-	-
Total Noncurrent Liabilities	788,448	368,506	208,789
TOTAL LIABILITIES	847,774	373,492	211,023
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	328,398	(46,814)	92,985
Restricted for Debt Service	6,460	-	-
Unrestricted	302,283	2,469	(308)
TOTAL NET ASSETS	\$ 637,141	\$ (44,345)	\$ 92,677

Net assets reported for business-type activities in the government-wide Statement of Net Assets are different from enterprise fund net assets because the business-type net assets include the net liabilities for amounts charged to participating business-type activities to completely cover costs of services provided by internal

Net assets of business-type activities:

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 16,372	\$ 27,226	\$ 4,150
450	17,782	-
8,302	14,385	-
-	10,612	-
1,403	37,499	141
-	5,522	-
839	839	-
74	74	-
-	3,018	-
<u>27,440</u>	<u>116,957</u>	<u>4,291</u>
-	720	-
-	36,201	-
-	47,130	-
-	270,836	-
<u>-</u>	<u>354,887</u>	<u>-</u>
5,465	96,043	-
41,999	327,768	-
<u>47,464</u>	<u>423,811</u>	<u>-</u>
160,430	1,847,911	41
-	351,791	-
6,390	70,457	588
(46,142)	(865,486)	(492)
<u>120,678</u>	<u>1,404,673</u>	<u>137</u>
<u>168,142</u>	<u>1,828,484</u>	<u>137</u>
609	13,043	-
-	582	-
<u>168,751</u>	<u>2,196,996</u>	<u>137</u>
<u>196,191</u>	<u>2,313,953</u>	<u>4,428</u>
4,461	11,137	768
-	10,612	-
46	46	-
136	2,526	23
3	25	-
30	30	-
69	6,152	-
583	859	-
-	3,372	30
<u>1,095</u>	<u>38,210</u>	<u>-</u>
<u>6,423</u>	<u>72,969</u>	<u>821</u>
-	-	8,544
664	5,967	91
-	17,403	-
17,160	17,160	-
26,848	1,353,918	-
-	10,870	-
-	5,097	-
<u>44,672</u>	<u>1,410,415</u>	<u>8,635</u>
<u>51,095</u>	<u>1,483,384</u>	<u>9,456</u>
131,826	506,395	137
-	6,460	-
13,270	317,714	(5,165)
<u>\$ 145,096</u>	<u>830,569</u>	<u>\$ (5,028)</u>
	(429)	
	<u>\$ 830,140</u>	

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF NET ASSETS—PROPRIETARY FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2009
(Amounts in Thousands)

	Total Enterprise Funds	Business-Type Activities Internal Service Funds	Business-Type Activities Statement of Net Assets
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 27,226	\$ 4	\$ 27,230
Cash and Cash Equivalents —Segregated Accounts	17,782	-	17,782
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	14,385	-	14,385
MSD Construction Account Held by the City of Cincinnati	10,612	-	10,612
Accounts Receivable	37,499	-	37,499
Sales Tax Receivable	5,522	-	5,522
Intergovernmental Receivable	839	-	839
Due from Other Funds	74	-	74
Prepaid Expenses	3,018	-	3,018
Total Current Assets	116,957	4	116,961
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	720	-	720
Amount to Be Transferred to Surplus Account	36,201	-	36,201
Held by Trustees:			
Cash and Cash Equivalents	47,130	-	47,130
Investments—Held to Maturity	270,836	-	270,836
Total Restricted Assets	354,887	-	354,887
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	96,043	-	96,043
Construction in Progress	327,768	-	327,768
Total Nondepreciable Capital Assets	423,811	-	423,811
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	1,847,911	-	1,847,911
Processing Systems	351,791	-	351,791
Furniture, Fixtures and Equipment	70,457	-	70,457
Less Accumulated Depreciation	(865,486)	-	(865,486)
Total Depreciable Capital Assets, Net	1,404,673	-	1,404,673
Total Capital Assets, Net	1,828,484	-	1,828,484
Unamortized Financing Costs	13,043	-	13,043
Other	582	-	582
Total Noncurrent Assets	2,196,996	-	2,196,996
TOTAL ASSETS	2,313,953	4	2,313,957
LIABILITIES			
Current Liabilities:			
Accounts Payable	11,137	2	11,139
Construction Accounts Payable	10,612	-	10,612
Due to Other Funds	46	133	179
Accrued Wages and Benefits Payable	2,526	-	2,526
Intergovernmental Payable	25	-	25
Accrued Interest Payable	30	-	30
Accrued Interest Payable from Restricted Assets	6,152	-	6,152
Retainage Payable	859	-	859
Accrued Compensated Absences	3,372	-	3,372
Current Portion of Long-Term Debt	38,210	-	38,210
Total Current Liabilities	72,969	135	73,104
Noncurrent Liabilities:			
Estimated Future Claims	-	298	298
Accrued Compensated Absences	5,967	-	5,967
Deferred Lease Rent Revenue	17,403	-	17,403
State Loans Payable	17,160	-	17,160
Long-Term Debt	1,353,918	-	1,353,918
Net Pension Obligation	10,870	-	10,870
Net Other Post Employment Benefit Obligation	5,097	-	5,097
Total Noncurrent Liabilities	1,410,415	298	1,410,713
TOTAL LIABILITIES	1,483,384	433	1,483,817
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	506,395	-	506,395
Restricted for Debt Service	6,460	-	6,460
Unrestricted	317,714	(429)	317,285
TOTAL NET ASSETS	\$ 830,569	\$ (429)	\$ 830,140

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 452	\$ 441
Lease Rent Revenue	-	321	539
Sewerage Service Charges	182,945	-	-
Sewerage Surcharges	13,280	-	-
Other	5,048	1	-
TOTAL OPERATING REVENUES	<u>201,273</u>	<u>774</u>	<u>980</u>
OPERATING EXPENSES			
Personnel Services	45,882	1,499	95
Utilities, Fuel and Supplies	21,362	3,409	1,447
Costs of Goods and Services	-	-	-
Depreciation and Amortization	-	14,496	13,574
Depreciation and Amortization—MSD	38,623	-	-
Purchased Services	27,566	2,819	868
Litigation Judgment Expense	-	-	-
Other	9,015	838	1,758
TOTAL OPERATING EXPENSES	<u>142,448</u>	<u>23,061</u>	<u>17,742</u>
OPERATING INCOME (LOSS)	<u>58,825</u>	<u>(22,287)</u>	<u>(16,762)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	4,714	2	8
Sales and Use Tax for Debt Service	-	20,219	13,860
Sales and Use Tax	-	7,740	1,707
Gain on Disposal of Property, Plant and Equipment	-	30	-
Loss on Disposal of Property, Plant and Equipment	-	-	(71)
Interest Expense	(25,539)	(16,550)	(7,913)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	116	-	-
Debt Issuance Costs	-	(229)	(95)
Fiscal Charges on Long-Term Debt	-	(2)	(1)
Increase in Fair Value of Equity in Pooled Cash and Investments	-	11	55
Decrease in Fair Value of Equity in Pooled Cash and Investments	-	(14)	(118)
Change in Fair Value of MSD Investments	(4,988)	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(25,697)</u>	<u>11,207</u>	<u>7,432</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>33,128</u>	<u>(11,080)</u>	<u>(9,330)</u>
Capital Contributions	6,230	-	-
Transfers In	-	300	-
Transfers Out	-	-	(2,093)
CHANGE IN NET ASSETS	<u>39,358</u>	<u>(10,780)</u>	<u>(11,423)</u>
TOTAL NET ASSETS—BEGINNING AS RESTATED (NOTE II)	<u>597,783</u>	<u>(33,565)</u>	<u>104,100</u>
TOTAL NET ASSETS—ENDING	<u>\$ 637,141</u>	<u>\$ (44,345)</u>	<u>\$ 92,677</u>

Change in net assets reported for business-type activities in the government-wide Statement of Activities is different from enterprise fund change in net assets because additional amounts charged to business-type activities to completely cover yearly costs of internal service funds are reported with business-type activities.

Change in net assets of business-type activities:

See accompanying notes to the basic financial statements.

Business-Type Activities— Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 17,635	\$ 18,528	\$ 18,126
54	914	-
-	182,945	-
-	13,280	-
-	5,049	-
<u>17,689</u>	<u>220,716</u>	<u>18,126</u>
10,923	58,399	1,330
652	26,870	-
-	-	21,123
7,127	35,197	63
-	38,623	-
4,738	35,991	-
71	71	-
702	12,313	-
<u>24,213</u>	<u>207,464</u>	<u>22,516</u>
<u>(6,524)</u>	<u>13,252</u>	<u>(4,390)</u>
9	4,733	-
-	34,079	-
5,500	14,947	-
-	30	-
-	(71)	-
(557)	(50,559)	-
-	116	-
(40)	(364)	-
(5)	(8)	-
90	156	25
(159)	(291)	(85)
-	(4,988)	-
<u>4,838</u>	<u>(2,220)</u>	<u>(60)</u>
<u>(1,686)</u>	<u>11,032</u>	<u>(4,450)</u>
6,155	12,385	-
18,332	18,632	-
<u>(533)</u>	<u>(2,626)</u>	<u>-</u>
22,268	39,423	(4,450)
<u>122,828</u>		<u>(578)</u>
<u>\$ 145,096</u>	830,569	<u>\$ (5,028)</u>
	(241)	
	<u>\$ 39,182</u>	

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS—PROPRIETARY FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009
(Amounts in Thousands)

	Total Enterprise Funds	Business-Type Activities Internal Service Fund Allocations	Business-Type Activities Statement of Activities
OPERATING REVENUES			
Charges for Services	\$ 18,528	\$ -	\$ 18,528
Lease Rent Revenue	914	-	914
Sewerage Service Charges	182,945	-	182,945
Sewerage Surcharges	13,280	-	13,280
Other	5,049	-	5,049
TOTAL OPERATING REVENUES	<u>220,716</u>	<u>-</u>	<u>220,716</u>
OPERATING EXPENSES			
Personnel Services	58,399	-	58,399
Utilities, Fuel and Supplies	26,870	-	26,870
Costs of Goods and Services	-	240	240
Depreciation and Amortization	35,197	-	35,197
Depreciation and Amortization—MSD	38,623	-	38,623
Purchased Services	35,991	-	35,991
Litigation Judgment Expense	71	-	71
Other	12,313	-	12,313
TOTAL OPERATING EXPENSES	<u>207,464</u>	<u>240</u>	<u>207,704</u>
OPERATING INCOME (LOSS)	<u>13,252</u>	<u>(240)</u>	<u>13,012</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	4,733	-	4,733
Sales and Use Tax for Debt Service	34,079	-	34,079
Sales and Use Tax	14,947	-	14,947
Gain on Disposal of Property, Plant and Equipment	30	-	30
Loss on Disposal of Property, Plant and Equipment	(71)	-	(71)
Interest Expense	(50,559)	-	(50,559)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	116	-	116
Debt Issuance Costs	(364)	-	(364)
Fiscal Charges on Long-Term Debt	(8)	-	(8)
Increase in Fair Value of Equity in Pooled Cash and Investments	156	-	156
Decrease in Fair Value of Equity in Pooled Cash and Investments	(291)	(1)	(292)
Change in Fair Value of MSD Investments	(4,988)	-	(4,988)
TOTAL NONOPERATING EXPENSES	<u>(2,220)</u>	<u>(1)</u>	<u>(2,221)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>11,032</u>	<u>(241)</u>	<u>10,791</u>
Capital Contributions	12,385	-	12,385
Transfers In	18,632	-	18,632
Transfers Out	(2,626)	-	(2,626)
CHANGE IN NET ASSETS	<u>39,423</u>	<u>(241)</u>	<u>39,182</u>
TOTAL NET ASSETS—BEGINNING, AS RESTATED (NOTE II)	<u>791,146</u>	<u>(188)</u>	<u>790,958</u>
TOTAL NET ASSETS—ENDING	<u>\$ 830,569</u>	<u>\$ (429)</u>	<u>\$ 830,140</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009
(Amounts in Thousands)

ATTACHMENT A-1

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 194,471	\$ 1,375	\$ 1,941
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(56,685)	(6,664)	(2,404)
Cash Payments for Interfund Services Provided	-	-	-
Cash Payments for Personnel Costs	(39,785)	(1,524)	(94)
Cash Payment for Litigation Judgment	-	-	-
Other Operating Revenues	3,431	29	-
Other Operating Expenses	-	(571)	(1,667)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	101,432	(7,355)	(2,224)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Sales and Use Tax	-	7,740	1,707
Transfers from Other Funds	-	300	-
Transfers to Other Funds	-	-	(2,093)
Litigation Settlement Proceeds	-	-	2,184
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	-	8,040	1,798
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax for Debt Service	-	20,469	15,457
Principal Payments on Long-Term Debt	(31,822)	(3,219)	(7,595)
Interest Payments on Long-Term Debt	(33,533)	(17,372)	(8,659)
Fiscal Charges on Long-Term Debt	-	(2)	(1)
State Loan Proceeds	-	-	-
State Loan Issuance Costs	-	-	-
Transfer into Construction Account from Trustee Investment Account	105,940	-	-
Transfer from Operating Cash to Trustee Investment Account	(31,432)	-	-
Revenue Bond Proceeds	151,546	-	-
Revenue Bond Issuance Costs	(1,944)	-	-
Transfer In	-	-	-
Advance from Other Fund	-	-	-
Repayment of Advance from Other Fund	-	-	-
Tap-in Fees	1,965	-	-
Capital Contributions	6,230	-	-
Deduction from Capital Contributions	-	-	-
Acquisition and Construction of Property, Plant and Equipment	(134,624)	(45)	(253)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	116	-	-
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	32,442	(169)	(1,051)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	(135,728)	-	-
Interest on Investments and Pooled Cash and Investments	2,032	2	8
Increase in Fair Value of Equity in Pooled Cash and Investments	-	11	55
Decrease in Fair Value of Equity in Pooled Cash and Investments	-	(14)	(118)
Change in Fair Value of MSD Cash Equivalents—Segregated Accounts	(285)	-	-
NET CASH USED BY INVESTING ACTIVITIES	(133,981)	(1)	(55)
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	(107)	515	(1,532)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	114,955	3,237	11,864
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 114,848	\$ 3,752	\$ 10,332
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 58,825	\$ (22,287)	\$ (16,762)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	38,623	14,496	13,574
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(3,282)	(23)	-
Lease Rent Receivable	-	450	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	-	2
Prepaid Expenses	-	-	-
Other Assets	320	-	-
Operating Accounts Payable	838	(167)	-
Accrued Payroll and Other Related Withholdings	1,199	7	1
Intergovernmental Payable	-	22	-
Deferred Lease Rent Revenue	-	129	961
Deferred Revenue	-	-	-
Compensated Absences	-	18	-
Due to Other Funds	-	-	-
Estimated Future Claims	-	-	-
Net Pension Obligation	3,311	-	-
Net Other Post Employment Benefit Obligation	1,598	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 101,432	\$ (7,355)	\$ (2,224)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 1,804	\$ 9,050
Cash and Cash Equivalents—Segregated Accounts	17,056	-	276
Restricted Cash and Cash Equivalents Held by Trustees	50,259	1,948	1,006
Construction Account Held by the City of Cincinnati	11,332	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	36,201	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 114,848	\$ 3,752	\$ 10,332
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 3,256	\$ -	\$ -
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ 3,256	\$ -	\$ -

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 19,100	\$ 216,887	\$ -
-	-	18,773
(5,561)	(71,314)	(11,981)
-	-	(8,258)
(12,213)	(53,616)	(1,375)
(71)	(71)	-
-	3,460	-
(405)	(2,643)	-
<u>850</u>	<u>92,703</u>	<u>(2,841)</u>
5,500	14,947	-
4,033	4,333	-
(533)	(2,626)	-
-	2,184	-
<u>9,000</u>	<u>18,838</u>	<u>-</u>
-	35,926	-
(1,045)	(43,681)	-
(546)	(60,110)	-
(5)	(8)	-
17,160	17,160	-
(364)	(364)	-
-	105,940	-
-	(31,432)	-
-	151,546	-
-	(1,944)	-
14,299	14,299	-
10,000	10,000	-
(10,000)	(10,000)	-
-	1,965	-
15,392	21,622	-
(10,815)	(10,815)	-
(32,057)	(166,979)	-
-	116	-
<u>2,019</u>	<u>33,241</u>	<u>-</u>
-	(135,728)	-
9	2,051	-
90	156	25
(159)	(291)	(85)
-	(285)	-
<u>(60)</u>	<u>(134,097)</u>	<u>(60)</u>
11,809	10,685	(2,901)
13,315	143,371	7,051
<u>\$ 25,124</u>	<u>\$ 154,056</u>	<u>\$ 4,150</u>
\$ (6,524)	\$ 13,252	\$ (4,390)
7,127	73,820	63
(403)	(3,708)	(139)
-	450	-
1,813	1,813	8
53	55	637
2	2	-
-	320	-
123	794	(1,339)
16	1,223	4
2	24	-
(2)	1,088	-
(50)	(50)	-
67	85	(49)
(1,374)	(1,374)	-
-	-	2,364
-	3,311	-
-	1,598	-
<u>\$ 850</u>	<u>\$ 92,703</u>	<u>\$ (2,841)</u>
\$ 16,372	\$ 27,226	\$ 4,150
450	17,782	-
8,302	61,515	-
-	11,332	-
-	36,201	-
<u>\$ 25,124</u>	<u>\$ 154,056</u>	<u>\$ 4,150</u>
\$ -	\$ 3,256	\$ -
\$ -	\$ 3,256	\$ -

COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
December 31, 2008
(Amounts in Thousands)

ATTACHMENT A-2

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Convention Facility Authority
ASSETS				
Equity in Pooled Cash and Investments	\$ 267,664	\$ 24,300	\$ 291,964	\$ 5,646
Cash and Cash Equivalents—Segregated Accounts	176	17,229	17,405	-
Accounts Receivable	5,497	32,791	38,288	-
Lease Rent Receivable (net of allowance for uncollectibles)	-	450	450	-
Sales Tax Receivable	-	7,369	7,369	-
Interest Receivable	2,910	-	2,910	58
Intergovernmental Receivable	88,468	2,074	90,542	-
Real and Other Taxes Receivable	269,858	-	269,858	1,939
Internal Balances	1,269	(1,269)	-	-
Prepaid Expenses	-	1,604	1,604	1,291
Inventories	3,026	-	3,026	-
Due from Advances to Other Funds	700	-	700	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	30,264	30,264	-
Amount to Be Transferred to Surplus Account	-	31,432	31,432	-
Held by Trustees:				
Cash and Cash Equivalents	-	40,260	40,260	-
Investments—Held to Maturity	-	210,935	210,935	-
Special Assessments Receivable	5,842	-	5,842	-
Loans to Political Subdivisions and Other Funds	1,233	-	1,233	-
Nondepreciable Capital Assets	105,959	459,288	565,247	-
Depreciable Capital Assets, Net	406,472	1,274,705	1,681,177	-
Unamortized Financing Cost	520	11,322	11,842	846
Other Long-Term Assets	-	686	686	-
TOTAL ASSETS	1,159,594	2,143,440	3,303,034	9,780
LIABILITIES				
Accounts Payable	54,985	10,604	65,589	-
Accrued Wages and Benefits Payable	4,593	2,200	6,793	-
Matured Compensated Absences Payable	601	2,977	3,578	-
Intergovernmental Payable	3,722	1	3,723	-
Accrued Interest Payable	356	6,408	6,764	339
Construction Accounts Payable	-	10,570	10,570	-
Retainage Payable	252	467	719	-
Due to Other Governments	-	-	-	3,692
Due to Component Unit	1,315	-	1,315	-
Advances from Other Funds	700	-	700	-
Loans from Other Funds	900	-	900	-
Deferred Revenue	284,383	16,365	300,748	-
Escheat	4,425	-	4,425	-
Estimated Future Claims	5,967	213	6,180	-
Long-Term Liabilities:				
Due Within One Year	16,753	45,024	61,777	2,235
Due in More Than One Year	139,259	1,257,656	1,396,915	87,873
TOTAL LIABILITIES	518,211	1,352,485	1,870,696	94,139
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	417,001	518,371	935,372	-
Restricted for:				
Debt Service	7,887	5,234	13,121	-
Capital Projects	274	-	274	-
Special Revenue Funds	222,201	-	222,201	-
Unrestricted	(5,980)	267,350	261,370	(84,359)
TOTAL NET ASSETS	\$ 641,383	\$ 790,955	\$ 1,432,338	\$ (84,359)

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008
(Amounts in Thousands)

FUNCTION/PROGRAMS	Program Revenues					Net (Expense) Revenue and Changes in Net Assets			Component Unit Convention Facility Authority
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
						Governmental Activities	Business-Type Activities	Total	
Governmental Activities									
General Government	\$ 93,440	\$ (11,173)	\$ 51,564	\$ 3,375	\$ 102	\$ (27,226)	\$ -	\$ (27,226)	\$
Judicial	118,827	109	37,118	19,570	-	(62,248)	-	(62,248)	
Public Safety	117,497	-	16,944	6,266	63	(94,224)	-	(94,224)	
Social Services	297,627	10,500	6,554	222,881	-	(78,692)	-	(78,692)	
Health	247,755	31	9,738	95,288	547	(142,213)	-	(142,213)	
Public Works	49,839	158	7,201	2,532	1,288	(38,976)	-	(38,976)	
Environmental Control	7,479	329	3,722	3,701	-	(385)	-	(385)	
Economic Development	7,505	36	1,706	5,185	-	(650)	-	(650)	
Parks and Recreation	7,628	10	-	121	-	(7,517)	-	(7,517)	
Debt Service:									
Interest	4,572	-	-	-	-	(4,572)	-	(4,572)	
Fiscal Charges	77	-	-	-	-	(77)	-	(77)	
Total Governmental Activities	<u>952,246</u>	<u>-</u>	<u>134,547</u>	<u>358,919</u>	<u>2,000</u>	<u>(456,780)</u>	<u>-</u>	<u>(456,780)</u>	
Business-Type Activities									
Metropolitan Sewer District	159,071	-	189,069	-	5,601	-	35,599	35,599	
Paul Brown Stadium	41,980	-	672	-	6,968	-	(34,340)	(34,340)	
Baseball Stadium	28,071	-	1,163	-	4,702	-	(22,206)	(22,206)	
Riverfront Development	11,649	-	6,664	-	7,896	-	2,911	2,911	
Main Street Parking Garage	900	-	913	-	-	-	13	13	
Sales Tax Stabilization	-	-	-	-	(92)	-	(92)	(92)	
Rotary Funds	7,715	-	7,843	-	-	-	128	128	
Communications Center	7,183	-	5,518	-	-	-	(1,665)	(1,665)	
Total Business-Type Activities	<u>256,569</u>	<u>-</u>	<u>211,842</u>	<u>-</u>	<u>25,075</u>	<u>-</u>	<u>(19,652)</u>	<u>(19,652)</u>	
Total Primary Government	<u>\$ 1,208,815</u>	<u>\$ -</u>	<u>\$ 346,389</u>	<u>\$ 358,919</u>	<u>\$ 27,075</u>	<u>(456,780)</u>	<u>(19,652)</u>	<u>(476,432)</u>	
Component Unit:									
Convention Facility Authority	<u>\$ 7,895</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,343</u>				<u>(6,552)</u>
General Revenues									
Property Taxes						248,073	-	248,073	-
Sales and Use Taxes						64,923	36,609	101,532	-
Motor Fuel Taxes						13,436	-	13,436	-
Hotel Occupancy Taxes						-	-	-	8,342
Other Taxes						28,823	-	28,823	-
Grants and Entitlements not Restricted to Specific Programs						51,348	-	51,348	-
Unrestricted Investment Earnings						15,441	8,923	24,364	-
Increase in Fair Value of Equity in Pooled Cash and Investments						1,462	292	1,754	-
Decrease in Fair Value of Equity in Pooled Cash and Investments						(170)	(30)	(200)	-
Change in Fair Value of MSD Investments						-	1,861	1,861	-
Other Revenue						-	12	12	-
Transfers (Note IV E)						(1,850)	1,850	-	-
Total General Revenues and Transfers						<u>421,486</u>	<u>49,517</u>	<u>471,003</u>	<u>8,342</u>
Change in Net Assets						<u>(35,294)</u>	<u>29,865</u>	<u>(5,429)</u>	<u>1,790</u>
Net Assets—Beginning, as restated (Note II)						<u>676,677</u>	<u>761,090</u>	<u>1,437,767</u>	<u>(86,149)</u>
Net Assets—Ending						<u>\$ 641,383</u>	<u>\$ 790,955</u>	<u>\$ 1,432,338</u>	<u>\$ (84,359)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 21,229	\$ 16,521	\$ 149,354	\$ 73,623	\$ 260,727
Cash and Cash Equivalents—Segregated Accounts	-	-	-	176	176
Accounts Receivable	783	348	1,807	2,557	5,495
Interest Receivable	2,910	-	-	-	2,910
Intergovernmental Receivable	24,305	17,045	10,859	36,251	88,460
Real and Other Taxes Receivable	44,101	-	213,571	12,186	269,858
Due from Other Funds	17,554	2,062	1,610	778	22,004
Inventories	-	-	-	3,026	3,026
Due from Advances to Other Funds	700	-	-	-	700
Special Assessments Receivable	-	-	-	5,842	5,842
Loans to Political Subdivisions or Other Funds	1,233	-	-	-	1,233
TOTAL ASSETS	\$ 112,815	\$ 35,976	\$ 377,201	\$ 134,439	\$ 660,431
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 4,677	\$ 11,058	\$ 24,795	\$ 12,435	\$ 52,965
Accrued Wages and Benefits Payable	2,365	879	578	752	4,574
Matured Compensated Absences Payable	128	105	106	262	601
Intergovernmental Payable	230	381	1,188	1,923	3,722
Retainage Payable	30	-	46	176	252
Due to Component Unit	-	-	-	1,315	1,315
Due to Other Funds	137	2,396	4,955	13,889	21,377
Advances from Other Funds	-	-	-	700	700
Loans from Other Funds	-	-	-	900	900
Deferred Revenue	54,674	8,777	222,064	46,934	332,449
Escheat	4,425	-	-	-	4,425
TOTAL LIABILITIES	66,666	23,596	253,732	79,286	423,280
FUND BALANCES					
Reserved for:					
Judgments and Claims	925	-	-	-	925
Advances to Other Funds	700	-	-	-	700
Encumbrances	6,218	5,544	6,020	14,275	32,057
Inventories	-	-	-	3,026	3,026
Loans	1,233	-	-	-	1,233
Unreserved:					
Designated for Capital Outlay	-	-	5,672	-	5,672
Undesignated, Reported in:					
General Fund	37,073	-	-	-	37,073
Special Revenue Funds	-	6,836	111,777	35,416	154,029
Debt Service Funds	-	-	-	2,164	2,164
Capital Projects Fund	-	-	-	272	272
TOTAL FUND BALANCES	46,149	12,380	123,469	55,153	237,151
TOTAL LIABILITIES AND FUND BALANCES	\$ 112,815	\$ 35,976	\$ 377,201	\$ 134,439	\$ 660,431

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2008
(Amounts in Thousands)

Total Governmental Funds Balances		\$ 237,151
<p>Amounts reported for governmental activities in the Statement of Net Assets are different from the amounts reported in the governmental funds because of the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital Assets	\$ 1,246,879	
Accumulated Depreciation	(734,648)	
Total	512,231	
<p>Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.</p>		
Property Taxes	19,165	
Other Taxes	341	
Grants	18,412	
Nongrants	4,306	
Special Assessments	5,842	
Total	48,066	
<p>Unamortized bond issuance costs associated with the bond refunding, reported as expenditures in the governmental fund, are deferred in the Statement of Net Assets.</p>		
		520
<p>Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and the Multi-County System Agencies to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Assets.</p>		
		(387)
<p>Long-term liabilities, including bonds and notes payable, loans and loan contracts, compensated absences, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.</p>		
General Obligation Bonds and Notes	(100,060)	
Deferred Amount on Refunding	1,905	
Unamortized Premium	(1,577)	
Special Assessment Bonds	(4,200)	
Loan Contracts	(4,791)	
State Loan	(4,912)	
Compensated Absences	(42,207)	
Accrued Interest Payable	(356)	
Total	(156,198)	
Net Assets of Governmental Activities		\$ 641,383

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Assessments	\$ 40,936	\$ -	\$ 204,307	\$ 2,845	\$ 248,088
Sales and Use Tax	64,923	-	-	-	64,923
State Shared Taxes	21,969	-	-	20,381	42,350
License and Permits	1,864	-	-	3,131	4,995
Charges for Services	49,658	204	253	34,114	84,229
Fines and Forfeitures	10,694	-	-	2,964	13,658
Investment Earnings	16,657	147	1,620	1,277	19,701
Intergovernmental	18,437	174,962	105,804	123,019	422,222
Other	7,771	2,417	5,937	11,841	27,966
TOTAL REVENUES	232,909	177,730	317,921	199,572	928,132
EXPENDITURES					
Current:					
General Government	46,905	-	6,374	16,677	69,956
Judicial	90,920	-	5,701	21,452	118,073
Public Safety	90,992	-	14,107	9,455	114,554
Social Services	1,368	188,056	86,519	31,353	307,296
Health	-	-	179,239	68,260	247,499
Public Works	1,935	-	-	27,183	29,118
Environmental Control	-	-	-	7,715	7,715
Economic Development	686	-	-	6,841	7,527
Parks and Recreation	-	-	7,638	-	7,638
Capital Outlay	-	-	-	326	326
Debt Service:					
Principal Retirement	-	-	-	12,419	12,419
Interest	-	-	-	4,338	4,338
Bond Issuance Costs	-	-	-	74	74
Fiscal Charges	-	-	-	77	77
TOTAL EXPENDITURES	232,806	188,056	299,578	206,170	926,610
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	103	(10,326)	18,343	(6,598)	1,522
OTHER FINANCING SOURCES (USES)					
Transfers In	8,017	1,106	1,332	18,451	28,906
Transfers Out	(13,832)	-	(5,768)	(11,156)	(30,756)
Premium on Bonds Issued	-	-	-	112	112
Net Proceeds from Sale of Bonds	-	-	-	9,057	9,057
TOTAL OTHER FINANCING SOURCES (USES), NET	(5,815)	1,106	(4,436)	16,464	7,319
NET CHANGE IN FUND BALANCES	(5,712)	(9,220)	13,907	9,866	8,841
FUND BALANCES AT BEGINNING OF YEAR	51,861	21,600	109,562	45,287	228,310
FUND BALANCES AT END OF YEAR	\$ 46,149	\$ 12,380	\$ 123,469	\$ 55,153	\$ 237,151

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008
(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds	\$	8,841
<p>Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the governmental funds because of the following:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of the capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.</p>		
Capital Outlays	\$ 7,349	
Depreciation Expense	<u>(43,000)</u>	(35,651)
Excess of Capital Outlays over Depreciation		
Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(28)	
Gain Earned on Sale of Capital Assets	27	
Loss on Sale of Capital Assets	<u>(356)</u>	(357)
Net Book Value of Capital Assets Sold		
<p>Property taxes that will not be collected for several months after the County's fiscal year ends, not considered to be available revenues to pay for current-period expenditures, are deferred in the governmental funds. Similarly, certain other revenues that do not provide current financial resources are deferred and not reported as revenues in the governmental funds, but are included in the Statement of Activities.</p>		
Property Taxes	89	
Other Taxes	(91)	
Grants	(14,031)	
Nongrants	3,788	
Special Assessments	<u>(104)</u>	(10,349)
Total Revenues		
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Governmental funds also report issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Debt Issued:		
Premium on Bonds	(112)	
General Obligation Bonds	(8,795)	
Special Assessment Bonds	(262)	
Principal Retirement	12,419	
Bonds Issuance Costs	<u>74</u>	3,324
Total		
<p>In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due.</p>		
		5
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.</p>		
State Loan Payable	(318)	
Compensated Absences Payable	(414)	
Amortization of Deferred Amount on Refundings	(470)	
Amortization of Premium on Bonds	340	
Amortization of Bond Issuance Costs	(109)	
Amortization of Mortgages Payable for Forgiveness of Loan Contracts	<u>305</u>	(666)
Total		
<p>The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center and the Multi-County System Agencies to individual funds. The net increases of these internal service funds are reported with governmental activities.</p>		
		<u>(441)</u>
Change in Net Assets of Governmental Activities	\$	<u>(35,294)</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2008
(Amounts in Thousands)

ATTACHMENT A-2

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 1,164	\$ 9,756
Cash and Cash Equivalents—Segregated Accounts	16,874	-	306
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	2,489	2,073	1,802
MSD Construction Account Held by the City of Cincinnati	10,570	-	-
Accounts Receivable	32,590	201	-
Lease Rent Receivable (net of allowance for uncollected lease rent)	-	450	-
Sales Tax Receivable	-	4,118	3,251
Intergovernmental Receivable	-	-	-
Due from Other Funds	-	-	2
Prepaid Expenses	1,602	-	-
Total Current Assets	64,125	8,006	15,117
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	19,694	-	-
Amount to Be Transferred to Surplus Account	31,432	-	-
Held by Trustees:			
Cash and Cash Equivalents	33,896	-	-
Investments—Held to Maturity	210,935	-	-
Total Restricted Assets	295,957	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	4,977	67,916	17,685
Construction in Progress	353,601	-	-
Total Nondepreciable Capital Assets	358,578	67,916	17,685
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	839,541	379,178	353,692
Processing Systems	271,126	-	-
Furniture, Fixtures and Equipment	41,067	11,168	9,003
Less Accumulated Depreciation	(557,272)	(125,499)	(75,104)
Total Depreciable Capital Assets, Net	594,462	264,847	287,591
Total Capital Assets, Net	953,040	332,763	305,276
Unamortized Financing Costs	5,785	3,181	2,139
Other	686	-	-
Total Noncurrent Assets	1,255,468	335,944	307,415
TOTAL ASSETS	1,319,593	343,950	322,532
LIABILITIES			
Current Liabilities:			
Accounts Payable	4,043	1,003	950
Construction Accounts Payable	10,570	-	-
Due to Other Funds	-	-	-
Accrued Wages and Benefits Payable	2,055	24	1
Intergovernmental Payable	-	-	-
Deferred Revenue	-	-	-
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	2,489	2,073	1,802
Retainage Payable	-	-	306
Accrued Compensated Absences	2,969	1	-
Deferred Lease Rent Revenue	-	-	-
Current Portion of Long-Term Debt	33,164	3,219	7,596
Total Current Liabilities	55,290	6,320	10,655
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	4,627	163	-
Deferred Lease Rent Revenue	-	5,170	11,143
Long-Term Debt	650,835	365,862	196,634
Net Pension Obligation	7,559	-	-
Net Other Post Employment Benefit Obligation	3,499	-	-
Total Noncurrent Liabilities	666,520	371,195	207,777
TOTAL LIABILITIES	721,810	377,515	218,432
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	339,661	(36,318)	101,046
Restricted for Debt Service	5,234	-	-
Unrestricted	252,888	2,753	3,054
TOTAL NET ASSETS	\$ 597,783	\$ (33,565)	\$ 104,100

Net assets reported for business-type activities in the government-wide Statement of Net Assets are different from enterprise fund net assets because the business-type net assets include those of 1 internal service fund:

Net assets of business-type activities:

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 13,266	\$ 24,186	\$ 7,051
49	17,229	-
-	6,364	-
-	10,570	-
-	32,791	2
-	450	-
-	7,369	-
2,074	2,074	8
127	129	637
2	1,604	-
<u>15,518</u>	<u>102,766</u>	<u>7,698</u>
-	19,694	-
-	31,432	-
-	33,896	-
-	210,935	-
-	295,957	-
5,465	96,043	-
9,644	363,245	-
<u>15,109</u>	<u>459,288</u>	<u>-</u>
160,430	1,732,841	41
-	271,126	-
6,390	67,628	595
(39,015)	(796,890)	(436)
<u>127,805</u>	<u>1,274,705</u>	<u>200</u>
<u>142,914</u>	<u>1,733,993</u>	<u>200</u>
217	11,322	-
-	686	-
<u>143,131</u>	<u>2,041,958</u>	<u>200</u>
<u>158,649</u>	<u>2,144,724</u>	<u>7,898</u>
4,521	10,517	2,107
-	10,570	-
1,393	1,393	-
120	2,200	19
1	1	-
50	50	-
44	44	-
-	6,364	-
161	467	-
7	2,977	-
2	2	-
1,045	45,024	-
<u>7,344</u>	<u>79,609</u>	<u>2,126</u>
-	-	6,180
590	5,380	170
-	16,313	-
27,887	1,241,218	-
-	7,559	-
-	3,499	-
<u>28,477</u>	<u>1,273,969</u>	<u>6,350</u>
<u>35,821</u>	<u>1,353,578</u>	<u>8,476</u>
113,982	518,371	200
-	5,234	-
8,846	267,541	(778)
<u>\$ 122,828</u>	<u>791,146</u>	<u>\$ (578)</u>
	(191)	
	<u>\$ 790,955</u>	

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF NET ASSETS—PROPRIETARY FUNDS
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2008
(Amounts in Thousands)

	Total Enterprise Funds	Business-Type Activities Internal Service Funds	Business-Type Activities Statement of Net Assets
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 24,186	\$ 114	\$ 24,300
Cash and Cash Equivalents —Segregated Accounts	17,229	-	17,229
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	6,364	-	6,364
MSD Construction Account Held by the City of Cincinnati	10,570	-	10,570
Accounts Receivable	32,791	-	32,791
Lease Rent Receivable (net of allowance for uncollectibles)	450	-	450
Sales Tax Receivable	7,369	-	7,369
Intergovernmental Receivable	2,074	-	2,074
Due from Other Funds	129	-	129
Prepaid Expenses	1,604	-	1,604
Total Current Assets	102,766	114	102,880
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	19,694	-	19,694
Amount to Be Transferred to Surplus Account	31,432	-	31,432
Held by Trustees:			
Cash and Cash Equivalents	33,896	-	33,896
Investments—Held to Maturity	210,935	-	210,935
Total Restricted Assets	295,957	-	295,957
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	96,043	-	96,043
Construction in Progress	363,245	-	363,245
Total Nondepreciable Capital Assets	459,288	-	459,288
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	1,732,841	-	1,732,841
Processing Systems	271,126	-	271,126
Furniture, Fixtures and Equipment	67,628	-	67,628
Less Accumulated Depreciation	(796,890)	-	(796,890)
Total Depreciable Capital Assets, Net	1,274,705	-	1,274,705
Total Capital Assets, Net	1,733,993	-	1,733,993
Unamortized Financing Costs	11,322	-	11,322
Other	686	-	686
Total Noncurrent Assets	2,041,958	-	2,041,958
TOTAL ASSETS	2,144,724	114	2,144,838
LIABILITIES			
Current Liabilities:			
Accounts Payable	10,517	87	10,604
Construction Accounts Payable	10,570	-	10,570
Due to Other Funds	1,393	5	1,398
Accrued Wages and Benefits Payable	2,200	-	2,200
Intergovernmental Payable	1	-	1
Deferred Revenue	50	-	50
Accrued Interest Payable	44	-	44
Accrued Interest Payable from Restricted Assets	6,364	-	6,364
Retainage Payable	467	-	467
Accrued Compensated Absences	2,977	-	2,977
Deferred Lease Rent Revenue	2	-	2
Current Portion of Long-Term Debt	45,024	-	45,024
Total Current Liabilities	79,609	92	79,701
Noncurrent Liabilities:			
Estimated Future Claims	-	213	213
Accrued Compensated Absences	5,380	-	5,380
Deferred Lease Rent Revenue	16,313	-	16,313
Long-Term Debt	1,241,218	-	1,241,218
Net Pension Obligation	7,559	-	7,559
Net Other Post Employment Benefit Obligation	3,499	-	3,499
Total Noncurrent Liabilities	1,273,969	213	1,274,182
TOTAL LIABILITIES	1,353,578	305	1,353,883
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	518,371	-	518,371
Restricted for Debt Service	5,234	-	5,234
Unrestricted	267,541	(191)	267,350
TOTAL NET ASSETS	\$ 791,146	\$ (191)	\$ 790,955

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 321	\$ 520
Lease Rent Revenue	-	321	643
Sewerage Service Charges	169,571	-	-
Sewerage Surcharges	15,754	-	-
Other	3,744	30	-
TOTAL OPERATING REVENUES	<u>189,069</u>	<u>672</u>	<u>1,163</u>
OPERATING EXPENSES			
Personnel Services	43,932	1,702	137
Utilities, Fuel and Supplies	22,935	3,618	783
Costs of Goods and Services	-	-	-
Depreciation and Amortization	-	14,535	13,514
Depreciation and Amortization—MSD	32,064	-	-
Purchased Services	25,219	4,028	1,782
Litigation Judgment Expense	-	-	900
Other	8,947	966	1,660
TOTAL OPERATING EXPENSES	<u>133,097</u>	<u>24,849</u>	<u>18,776</u>
OPERATING INCOME (LOSS)	<u>55,972</u>	<u>(24,177)</u>	<u>(17,613)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	8,545	55	202
Sales and Use Tax	-	20,516	16,093
Other Revenue	-	-	12
Loss on Disposal of Property, Plant and Equipment	-	(57)	-
Interest Expense	(26,087)	(16,841)	(9,193)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	113	-	-
Bond Issuance Costs	-	(231)	(98)
Increase in Fair Value of Equity in Pooled Cash and Investments	-	14	118
Decrease in Fair Value of Equity in Pooled Cash and Investments	-	(3)	(12)
Change in Fair Value of MSD Investments	1,861	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(15,568)</u>	<u>3,453</u>	<u>7,122</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>40,404</u>	<u>(20,724)</u>	<u>(10,491)</u>
Capital Contributions	5,601	6,968	4,702
Transfers In	-	500	-
Transfers Out	-	-	-
CHANGE IN NET ASSETS	<u>46,005</u>	<u>(13,256)</u>	<u>(5,789)</u>
TOTAL NET ASSETS—BEGINNING, AS RESTATED (NOTE II)	<u>551,778</u>	<u>(20,309)</u>	<u>109,889</u>
TOTAL NET ASSETS—ENDING	<u>\$ 597,783</u>	<u>\$ (33,565)</u>	<u>\$ 104,100</u>

Change in net assets reported for business-type activities in the government-wide Statement of Activities is different from enterprise fund change in net assets because the net revenue (expense) of 1 internal service fund is reported with business-type activities.

Change in net assets of business-type activities:

See accompanying notes to the basic financial statements.

Business-Type Activities— Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 20,918	\$ 21,759	\$ 20,076
20	984	-
-	169,571	-
-	15,754	-
-	3,774	-
<u>20,938</u>	<u>211,842</u>	<u>20,076</u>
12,462	58,233	1,289
667	28,003	-
-	-	19,229
7,125	35,174	71
-	32,064	-
5,965	36,994	-
-	900	-
333	11,906	-
<u>26,552</u>	<u>203,274</u>	<u>20,589</u>
<u>(5,614)</u>	<u>8,568</u>	<u>(513)</u>
121	8,923	-
-	36,609	-
-	12	-
-	(57)	(11)
(875)	(52,996)	-
-	113	-
(17)	(346)	-
159	291	85
(15)	(30)	(10)
-	1,861	-
<u>(627)</u>	<u>(5,620)</u>	<u>64</u>
<u>(6,241)</u>	<u>2,948</u>	<u>(449)</u>
7,804	25,075	-
2,203	2,703	-
<u>(853)</u>	<u>(853)</u>	<u>-</u>
2,913	29,873	(449)
<u>119,915</u>		<u>(129)</u>
<u>\$ 122,828</u>		<u>\$ (578)</u>
	(8)	
	<u>\$ 29,865</u>	

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS—PROPRIETARY FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008
(Amounts in Thousands)

	Total Enterprise Funds	Business-Type Activities Internal Service Fund Allocations	Business-Type Activities Statement of Activities
OPERATING REVENUES			
Charges for Services	\$ 21,759	\$ -	\$ 21,759
Lease Rent Revenue	984	-	984
Sewerage Service Charges	169,571	-	169,571
Sewerage Surcharges	15,754	-	15,754
Other	3,774	-	3,774
TOTAL OPERATING REVENUES	<u>211,842</u>	<u>-</u>	<u>211,842</u>
OPERATING EXPENSES			
Personnel Services	58,233	-	58,233
Utilities, Fuel and Supplies	28,003	-	28,003
Costs of Goods and Services	-	9	9
Depreciation and Amortization	35,174	-	35,174
Depreciation and Amortization—MSD	32,064	-	32,064
Purchased Services	36,994	-	36,994
Litigation Judgment Expense	900	-	900
Other	11,906	-	11,906
TOTAL OPERATING EXPENSES	<u>203,274</u>	<u>9</u>	<u>203,283</u>
OPERATING INCOME (LOSS)	<u>8,568</u>	<u>(9)</u>	<u>8,559</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Income	8,923	-	8,923
Sales and Use Tax	36,609	-	36,609
Other Revenue	12	-	12
Loss on Disposal of Property, Plant and Equipment	(57)	-	(57)
Interest Expense	(52,996)	-	(52,996)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	113	-	113
Bond Issuance Costs	(346)	-	(346)
Increase in Fair Value of Equity in Pooled Cash and Investments	291	1	292
Decrease in Fair Value of Equity in Pooled Cash and Investments	(30)	-	(30)
Change in Fair Value of MSD Investments	1,861	-	1,861
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(5,620)</u>	<u>1</u>	<u>(5,619)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>2,948</u>	<u>(8)</u>	<u>2,940</u>
Capital Contributions	25,075	-	25,075
Transfers In	2,703	-	2,703
Transfers Out	(853)	-	(853)
CHANGE IN NET ASSETS	<u>29,873</u>	<u>(8)</u>	<u>29,865</u>
NET ASSETS AT BEGINNING OF YEAR, AS REPORTED	766,849	(183)	766,666
PRIOR PERIOD ADJUSTMENT	(5,576)	-	(5,576)
TOTAL NET ASSETS—BEGINNING, AS RESTATED (NOTE II)	<u>761,273</u>	<u>(183)</u>	<u>761,090</u>
TOTAL NET ASSETS—ENDING	<u>\$ 791,146</u>	<u>\$ (191)</u>	<u>\$ 790,955</u>

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008
(Amounts in Thousands)

ATTACHMENT A-2

	Business-Type Activities—Enterprise Funds		
	Metro Sewer District	Paul Brown Stadium	Baseball Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 186,145	\$ 1,308	\$ 3,020
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(57,984)	(7,857)	(2,453)
Cash Payments for Interfund Services Provided	-	-	-
Cash Payments for Personnel Costs	(38,391)	(1,670)	(143)
Cash Payment for Litigation Judgment	-	-	(900)
Other Operating Revenues	602	3	-
Other Operating Expenses	-	(550)	(1,574)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	90,372	(8,766)	(2,050)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from Other Funds	-	500	-
Transfers to Other Funds	-	-	-
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	-	500	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax	-	20,493	16,047
Other Revenue	-	-	12
Principal Payments on Long-Term Debt	(31,907)	(2,955)	(7,019)
Interest Payments on Long-Term Debt	(31,834)	(17,522)	(9,002)
Loan Proceeds	21,283	-	-
Transfer into Construction Account from Trustee Investment Account	87,782	-	-
Transfer from Operating Cash to Trustee Investment Account	(20,877)	-	-
Tap-in Fees	3,024	-	-
Capital Contributions	5,601	6,942	4,702
Deduction from Capital Contributions	-	-	-
Acquisition and Construction of Property, Plant and Equipment	(105,267)	(32)	(1,291)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	113	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(72,082)	6,926	3,449
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	(4,656)	-	-
Interest on Investments and Pooled Cash and Investments	4,625	60	202
Increase in Fair Value of Equity in Pooled Cash and Investments	-	14	118
Decrease in Fair Value of Equity in Pooled Cash and Investments	-	(3)	(12)
Change in Fair Value of MSD Cash Equivalents—Segregated Accounts	181	-	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	150	71	308
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	18,440	(1,269)	1,707
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	96,515	4,506	10,157
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 114,955	\$ 3,237	\$ 11,864
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 55,972	\$ (24,177)	\$ (17,613)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	32,064	14,535	13,514
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	820	23	-
Lease Rent Receivable	-	50	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	1	(2)
Prepaid Expenses	-	-	-
Other Assets	(3,142)	-	-
Operating Accounts Payable	(883)	191	200
Accrued Payroll and Other Related Withholdings	(242)	(36)	(6)
Intergovernmental Payable	-	-	-
Deferred Lease Rent Revenue	-	629	1,857
Deferred Revenue	-	-	-
Compensated Absences	-	36	-
Due to Other Funds	-	(18)	-
Estimated Future Claims	-	-	-
Net Pension Obligation	3,643	-	-
Net Other Post Employment Benefit Obligation	2,140	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 90,372	\$ (8,766)	\$ (2,050)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 1,164	\$ 9,756
Cash and Cash Equivalents—Segregated Accounts	16,874	-	306
Cash and Cash Equivalents Held by Trustees	36,385	2,073	1,802
Construction Account Held by the City of Cincinnati	30,264	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	31,432	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 114,955	\$ 3,237	\$ 11,864
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 2,556	\$ -	\$ -
Furniture, Fixtures and Equipment Donated as Contributed Capital	-	26	-
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ 2,556	\$ 26	\$ -

See accompanying notes to the basic financial statements.

Business-Type Activities—Enterprise Funds		
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 20,452	\$ 210,925	\$ -
-	-	20,062
(7,678)	(75,972)	(11,338)
-	-	(7,507)
(12,470)	(52,674)	(1,303)
-	(900)	-
-	605	-
(218)	(2,342)	-
<u>86</u>	<u>79,642</u>	<u>(86)</u>
2,203	2,703	-
(853)	(853)	-
<u>1,350</u>	<u>1,850</u>	<u>-</u>
-	36,540	-
-	12	-
(990)	(42,871)	-
(804)	(59,162)	-
-	21,283	-
-	87,782	-
-	(20,877)	-
-	3,024	-
8,993	26,238	-
(1,362)	(1,362)	-
(5,071)	(111,661)	(68)
-	113	-
<u>766</u>	<u>(60,941)</u>	<u>(68)</u>
-	(4,656)	-
124	5,011	-
159	291	85
(15)	(30)	(10)
-	181	-
<u>268</u>	<u>797</u>	<u>75</u>
2,470	21,348	(79)
10,845	122,023	7,130
<u>\$ 13,315</u>	<u>\$ 143,371</u>	<u>\$ 7,051</u>
\$ (5,614)	\$ 8,568	\$ (513)
7,125	67,238	71
2	845	28
-	50	-
(491)	(491)	(8)
(46)	(47)	(4)
(2)	(2)	-
-	(3,142)	-
(915)	(1,407)	972
(167)	(451)	(5,993)
1	1	-
-	2,486	-
50	50	-
13	49	5,979
130	112	(62)
-	-	(556)
-	3,643	-
-	2,140	-
<u>\$ 86</u>	<u>\$ 79,642</u>	<u>\$ (86)</u>
\$ 13,266	\$ 24,186	\$ 7,051
49	17,229	-
-	40,260	-
-	30,264	-
-	31,432	-
<u>\$ 13,315</u>	<u>\$ 143,371</u>	<u>\$ 7,051</u>
\$ -	\$ 2,556	\$ -
-	26	-
<u>\$ -</u>	<u>\$ 2,582</u>	<u>\$ -</u>

COUNTY OF HAMILTON, OHIO				
STATEMENT OF NET ASSETS				
December 31, 2007				
(Amounts in Thousands)				
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Convention Facility Authority
ASSETS				
Equity in Pooled Cash and Investments	\$ 271,089	\$ 21,572	\$ 292,661	\$ 4,915
Cash and Cash Equivalents—Segregated Accounts	118	16,564	16,682	-
Accounts Receivable	2,703	32,117	34,820	472
Lease Rent Receivable	-	500	500	-
Sales Tax Receivable	-	7,300	7,300	-
Interest Receivable	2,833	8	2,841	211
Intergovernmental Receivable	102,182	1,410	103,592	-
Real and Other Taxes Receivable	256,233	-	256,233	2,002
Internal Balances	1,164	(1,164)	-	-
Prepaid Expenses	-	4,564	4,564	1,316
Inventories	2,033	-	2,033	-
Due from Advances to Other Funds	2,772	-	2,772	-
Restricted Assets:				
Cash and Cash Equivalents Held by the City of Cincinnati:				
Construction Account	-	20,866	20,866	-
Amount to Be Transferred to Surplus Account	-	20,877	20,877	-
Held by Trustees:				
Cash and Cash Equivalents	-	42,261	42,261	-
Investments—Held to Maturity	-	265,924	265,924	-
Special Assessments Receivable	5,946	-	5,946	-
Loans to Political Subdivisions or Other Funds	1,567	-	1,567	-
Nondepreciable Capital Assets	106,849	372,875	479,724	-
Depreciable Capital Assets, Net	441,604	1,310,147	1,751,751	-
Unamortized Financing Cost	555	11,736	12,291	865
Other Long-Term Assets	-	798	798	-
TOTAL ASSETS	1,197,648	2,128,355	3,326,003	9,781
LIABILITIES				
Accounts Payable	55,988	8,241	64,229	-
Accrued Wages and Benefits Payable	12,583	2,640	15,223	-
Accrued Interest Payable	361	6,569	6,930	343
Construction Accounts Payable	-	7,913	7,913	-
Retainage Payable	133	333	466	-
Due to Other Governments	-	-	-	3,212
Advances from Other Funds	2,772	-	2,772	-
Loans from Other Funds	900	-	900	-
Deferred Revenue	279,007	13,829	292,836	-
Escheat	4,074	-	4,074	-
Estimated Future Claims	6,460	276	6,736	-
Long-Term Liabilities:				
Due Within One Year	16,090	45,830	61,920	2,185
Due in More Than One Year	142,603	1,271,207	1,413,810	90,190
TOTAL LIABILITIES	520,971	1,356,838	1,877,809	95,930
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	452,453	468,326	920,779	-
Restricted for:				
Debt Service	7,935	5,810	13,745	-
Capital Projects	-	-	-	344
Special Revenue Funds	220,818	-	220,818	-
Unrestricted	(4,529)	297,381	292,852	(86,493)
TOTAL NET ASSETS	\$ 676,677	\$ 771,517	\$ 1,448,194	\$ (86,149)
See accompanying notes to the basic financial statements.				

COUNTY OF HAMILTON, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2007
(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	\$ 26,395	\$ 37,470	\$ 129,927	\$ 70,284	\$ 264,076
Cash and Cash Equivalents—Segregated Accounts	-	-	-	118	118
Accounts Receivable	264	51	687	1,671	2,673
Interest Receivable	2,832	-	-	1	2,833
Intergovernmental Receivable	19,167	20,417	10,696	51,902	102,182
Real and Other Taxes Receivable	42,929	-	210,403	2,901	256,233
Due from Other Funds	18,840	1,847	-	167	20,854
Inventories	-	-	-	2,033	2,033
Due from Advances to Other Funds	2,772	-	-	-	2,772
Special Assessments Receivable	-	-	-	5,946	5,946
Loans to Political Subdivisions or Other Funds	1,567	-	-	-	1,567
TOTAL ASSETS	\$ 114,766	\$ 59,785	\$ 351,713	\$ 135,023	\$ 661,287
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 8,006	\$ 9,463	\$ 18,174	\$ 19,234	\$ 54,877
Accrued Wages and Benefits Payable	6,695	2,414	1,566	1,863	12,538
Retainage Payable	-	-	15	118	133
Due to Other Funds	104	6,127	4,066	9,964	20,261
Advances from Other Funds	-	-	-	2,772	2,772
Loans from Other Funds	-	-	-	900	900
Deferred Revenue	44,026	20,181	218,330	54,885	337,422
Escheat	4,074	-	-	-	4,074
TOTAL LIABILITIES	62,905	38,185	242,151	89,736	432,977
FUND BALANCES					
Reserved for:					
Judgments and Claims	5,173	-	-	-	5,173
Future Obligations	2,000	-	-	-	2,000
Advances to Other Funds	2,772	-	-	-	2,772
Encumbrances	7,467	6,086	13,295	11,109	37,957
Inventories	-	-	-	2,033	2,033
Loans	1,567	-	-	-	1,567
Unreserved:					
Designated for Capital Outlay	-	-	8,809	-	8,809
Undesignated, Reported in:					
General Fund	32,882	-	-	-	32,882
Special Revenue Funds	-	15,514	87,458	31,517	134,489
Debt Service Funds	-	-	-	2,161	2,161
Capital Projects Fund	-	-	-	(1,533)	(1,533)
TOTAL FUND BALANCES	51,861	21,600	109,562	45,287	228,310
TOTAL LIABILITIES AND FUND BALANCES	\$ 114,766	\$ 59,785	\$ 351,713	\$ 135,023	\$ 661,287
See accompanying notes to the basic financial statements.					

COUNTY OF HAMILTON, OHIO		
RECONCILIATION OF BALANCE SHEET—GOVERNMENTAL FUNDS		
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS		
DECEMBER 31, 2007		
(Amounts in Thousands)		
Total Governmental Funds Balances		\$ 228,310
Amounts reported for governmental activities in the Statement of Net Assets are different from the amounts reported in the governmental funds because of the following:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	\$ 1,253,829	
Accumulated Depreciation	(705,590)	
Total		548,239
Other long-term assets that are not available to pay for current-period expenditures are deferred in the funds but not in the governmental activities.		
Property Taxes	19,076	
Other Taxes	432	
Grants	32,443	
Nongrants	518	
Special Assessments	5,946	
Total		58,415
Unamortized bond issuance costs associated with the bond refunding, reported as expenditures in the governmental fund, are deferred in the Statement of Net Assets.		
		555
Internal service funds are used by management to charge the costs of workers' compensation, the Auditor's computer center, and the Multi-County System Agencies to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the Statement of Net Assets.		
		54
Long-term liabilities, including bonds and notes payable, loans and loan contracts, compensated absences, and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds but are included in governmental activities.		
General Obligation Bonds and Notes	(103,370)	
Deferred Amount on Refunding	2,375	
Unamortized Premium	(1,805)	
Special Assessment Bonds	(4,252)	
Loan Contracts	(6,465)	
State Loan	(3,225)	
Compensated Absences	(41,793)	
Accrued Interest Payable	(361)	
Total		(158,896)
Net Assets of Governmental Activities		<u>\$ 676,677</u>
See accompanying notes to the basic financial statements.		

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

(Amounts in Thousands)

	General	Public Assistance	Health and Human Services Levies	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes and Assessments	\$ 42,762	\$ -	\$ 210,636	\$ 2,940	\$ 256,338
Sales and Use Tax	66,671	-	-	-	66,671
State Shared Taxes	24,553	-	-	23,182	47,735
License and Permits	2,915	-	-	3,209	6,124
Charges for Services	52,422	39,107	17,343	31,634	140,506
Fines and Forfeitures	10,507	-	-	2,829	13,336
Investment Earnings	22,647	301	1,505	2,045	26,498
Intergovernmental	20,215	191,358	92,720	117,319	421,612
Other	8,975	1,911	8,093	7,468	26,447
TOTAL REVENUES	251,667	232,677	330,297	190,626	1,005,267
EXPENDITURES					
Current:					
General Government	54,826	-	3,428	13,820	72,074
Judicial	97,136	-	4,967	19,432	121,535
Public Safety	98,374	-	12,807	9,879	121,060
Social Services	1,302	222,286	97,441	31,693	352,722
Health	-	-	172,067	68,744	240,811
Public Works	2,159	-	-	31,897	34,056
Environmental Control	-	-	-	6,028	6,028
Economic Development	820	-	-	5,355	6,175
Parks and Recreation	-	-	7,604	-	7,604
Capital Outlay	-	-	-	2,083	2,083
Debt Service:					
Principal Retirement	-	-	-	12,779	12,779
Interest	-	-	-	4,741	4,741
Refunding Bond Issuance Costs	-	-	-	225	225
Fiscal Charges	-	-	-	64	64
TOTAL EXPENDITURES	254,617	222,286	298,314	206,740	981,957
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,950)	10,391	31,983	(16,114)	23,310
OTHER FINANCING SOURCES (USES)					
Transfers In	851	1,553	1,764	24,143	28,311
Transfers Out	(11,788)	-	(8,619)	(7,057)	(27,464)
Proceeds of Refunding Bonds	-	-	-	18,130	18,130
Premium on Refunding Bonds Issued	-	-	-	193	193
Payment to Refunded Bonds Escrow Agent	-	-	-	(18,104)	(18,104)
Other	-	-	-	(278)	(278)
Net Proceeds from Sale of Bonds	-	-	-	1,775	1,775
TOTAL OTHER FINANCING SOURCES (USES), NET	(10,937)	1,553	(6,855)	18,802	2,563
NET CHANGE IN FUND BALANCES	(13,887)	11,944	25,128	2,688	25,873
FUND BALANCES AT BEGINNING OF YEAR	65,748	9,656	84,434	42,599	202,437
FUND BALANCES AT END OF YEAR	\$ 51,861	\$ 21,600	\$ 109,562	\$ 45,287	\$ 228,310

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

(Amounts in Thousands)

Net Change in Fund Balance—Total Governmental Funds		\$ 25,873
Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in the governmental funds because of the following:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of the capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.		
Capital Outlays	\$ 21,568	
Depreciation Expense	(42,953)	
Excess of Capital Outlays over Depreciation		(21,385)
In the governmental funds, the proceeds from the sales of capital assets increase financial resources. In the Statement of Activities, however, the assets sold had been capitalized previously and have book values that need to be removed. The difference between the proceeds and the book values is the gain or loss that is recognized in the Statement of Activities. The change in net assets differs from the change in fund balance by the net book values of the capital assets sold.		
Reduction of Revenue for Proceeds Received on Sale of Capital Assets	(15)	
Gain Earned on Sale of Capital Assets	26	
Loss on Sale of Capital Assets	(230)	
Net Book Value of Capital Assets Sold		(219)
Property taxes that will not be collected for several months after the County's fiscal year ends, not considered to be available revenues to pay for current-period expenditures, are deferred in the governmental funds. Similarly, certain other revenues that do not provide current financial resources are deferred and not reported as revenues in the governmental funds, but are included in the Statement of Activities.		
Intergovernmental Loan Receivable	(33)	
Property Taxes	2,780	
Grants	(5,290)	
Nongrants	(16)	
Special Assessments	227	
Total Revenues		(2,332)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Governmental funds also report issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Debt Issued:		
General Obligation Refunding Bonds	(18,130)	
Premium on Refunding Bonds	(193)	
General Obligation Bonds	(1,025)	
Special Assessment Bonds	(750)	
Principal Retirement	12,779	
Payment to Refunded Bonds Escrow Agent	18,104	
Refunding Bonds Issuance Costs	225	
Total		11,010
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest is expensed when due.		
		112
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.		
State Loan Payable	(1,866)	
Compensated Absences Payable	(2,608)	
Amortization of Deferred Amount on Refundings	(510)	
Amortization of Premium on Refunding Bonds	358	
Amortization of Refunding Bond Issuance Costs	(115)	
Amortization of Mortgages Payable for Forgiveness of Loan Contracts	(1,244)	
Total		(5,985)
The governmental internal services funds are used by management to charge the costs of workers' compensation, the Auditor's computer center and the Multi-County System Agencies to individual funds. The net increases of these internal service funds are reported with governmental activities.		
		1,670
Change in Net Assets of Governmental Activities		\$ 8,744
See accompanying notes to the basic financial statements.		

COUNTY OF HAMILTON, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2007
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ -	\$ 2,448	\$ 8,187
Cash and Cash Equivalents—Segregated Accounts	16,231	-	308
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	2,821	2,058	1,662
MSD Construction Account Held by the City of Cincinnati	7,913	-	-
Accounts Receivable	31,770	224	121
Lease Rent Receivable	-	500	-
Sales Tax Receivable	-	4,095	3,205
Interest Receivable	-	5	-
Intergovernmental Receivable	-	-	-
Due from Other Funds	-	1	20
Prepaid Expenses	4,564	-	-
Total Current Assets	63,299	9,331	13,503
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	12,953	-	-
Amount to Be Transferred to Surplus Account	20,877	-	-
Held by Trustees:			
Cash and Cash Equivalents	35,720	-	-
Investments—Held to Maturity	265,924	-	-
Total Restricted Assets	335,474	-	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	4,977	67,916	17,685
Construction in Progress	273,101	-	1,012
Total Nondepreciable Capital Assets	278,078	67,916	18,697
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	812,974	379,178	351,951
Processing Systems	269,811	-	-
Furniture, Fixtures and Equipment	38,854	11,349	9,003
Less Accumulated Depreciation	(527,056)	(111,146)	(61,590)
Total Depreciable Capital Assets, Net	594,583	279,381	299,364
Total Capital Assets, Net	872,661	347,297	318,061
Unamortized Financing Costs	5,853	3,412	2,237
Other	798	-	-
Total Noncurrent Assets	1,214,786	350,709	320,298
TOTAL ASSETS	1,278,085	360,040	333,801
LIABILITIES			
Current Liabilities:			
Accounts Payable	5,485	812	849
Construction Accounts Payable	7,913	-	-
Due to Other Funds	-	18	300
Accrued Wages and Benefits Payable	2,285	61	7
Accrued Interest Payable	-	-	-
Accrued Interest Payable from Restricted Assets	2,821	2,058	1,662
Retainage Payable	-	-	308
Accrued Compensated Absences	3,206	-	-
Deferred Lease Rent Revenue	-	-	-
Current Portion of Long-Term Debt	31,655	2,956	7,019
Total Current Liabilities	53,365	5,905	10,145
Noncurrent Liabilities:			
Estimated Future Claims	-	-	-
Accrued Compensated Absences	3,615	128	-
Deferred Lease Rent Revenue	-	4,541	9,286
Long-Term Debt	664,052	369,775	204,180
Total Noncurrent Liabilities	667,667	374,444	213,466
TOTAL LIABILITIES	721,032	380,349	223,611
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	271,762	(25,434)	106,862
Restricted for Debt Service	5,810	-	-
Unrestricted	279,481	5,125	3,328
TOTAL NET ASSETS	\$ 557,053	\$ (20,309)	\$ 110,190

Net assets reported for business-type activities in the government-wide Statement of Net Assets are different from enterprise fund net assets because the business-type net assets include those of 1 internal service fund:

Net assets of business-type activities:

See accompanying notes to the basic financial statements.

	Business-Type Activities—Enterprise Funds		
	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 10,820	\$ 21,455	\$ 7,130
Cash and Cash Equivalents—Segregated Accounts	25	16,564	-
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	-	6,541	-
M SD Construction Account Held by the City of Cincinnati	-	7,913	-
Accounts Receivable	2	32,117	30
Lease Rent Receivable	-	500	-
Sales Tax Receivable	-	7,300	-
Interest Receivable	3	8	-
Intergovernmental Receivable	1,410	1,410	-
Due from Other Funds	81	102	933
Prepaid Expenses	-	4,564	-
Total Current Assets	12,341	98,474	8,093
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	-	12,953	-
Amount to Be Transferred to Surplus Account	-	20,877	-
Held by Trustees:			
Cash and Cash Equivalents	-	35,720	-
Investments—Held to Maturity	-	265,924	-
Total Restricted Assets	-	335,474	-
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	5,465	96,043	-
Construction in Progress	2,719	276,832	-
Total Nondepreciable Capital Assets	8,184	372,875	-
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	162,944	1,707,047	-
Processing Systems	-	269,811	-
Furniture, Fixtures and Equipment	8,666	67,872	963
Less Accumulated Depreciation	(34,791)	(734,583)	(749)
Total Depreciable Capital Assets, Net	136,819	1,310,147	214
Total Capital Assets, Net	145,003	1,683,022	214
Unamortized Financing Costs	234	11,736	-
Other	-	798	-
Total Noncurrent Assets	145,237	2,031,030	214
TOTAL ASSETS	157,578	2,129,504	8,307
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,071	8,217	1,135
Construction Accounts Payable	-	7,913	-
Due to Other Funds	1,248	1,566	62
Accrued Wages and Benefits Payable	287	2,640	45
Accrued Interest Payable	28	28	-
Accrued Interest Payable from Restricted Assets	-	6,541	-
Retainage Payable	25	333	-
Accrued Compensated Absences	4	3,210	-
Deferred Lease Rent Revenue	2	2	-
Current Portion of Long-Term Debt	990	42,620	-
Total Current Liabilities	3,655	73,070	1,242
Noncurrent Liabilities:			
Estimated Future Claims	-	-	6,736
Accrued Compensated Absences	580	4,323	158
Deferred Lease Rent Revenue	-	13,827	-
Long-Term Debt	28,877	1,266,884	-
Total Noncurrent Liabilities	29,457	1,285,034	6,894
TOTAL LIABILITIES	33,112	1,358,104	8,136
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	115,136	468,326	214
Restricted for Debt Service	-	5,810	-
Unrestricted	9,330	297,264	(43)
TOTAL NET ASSETS	\$ 124,466	771,400	\$ 171
Net assets reported for business-type activities in the government-wide Statement of Net Assets are different from enterprise fund net assets because the business-type net assets include those of 1 internal service fund: 117			
Net assets of business-type activities:		\$ 771,517	

COUNTY OF HAMILTON, OHIO			
RECONCILIATION OF STATEMENT OF NET ASSETS—PROPRIETARY FUNDS			
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS			
DECEMBER 31, 2007			
(Amounts in Thousands)			
	Total	Business-Type	Business-Type
	Enterprise	Activities	Activities
	Funds	Internal Service	Statement of
		Funds	Net Assets
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 21,455	\$ 117	\$ 21,572
Cash and Cash Equivalents —Segregated Accounts	16,564	-	16,564
Restricted Cash, Cash Equivalents and Investments:			
Cash and Cash Equivalents Held by Trustees	6,541	-	6,541
M SD Construction Account Held by the City of Cincinnati	7,913	-	7,913
Accounts Receivable	32,117	-	32,117
Lease Rent Receivable	500	-	500
Sales Tax Receivable	7,300	-	7,300
Interest Receivable	8	-	8
Intergovernmental Receivable	1,410	-	1,410
Due from Other Funds	102	300	402
Prepaid Expenses	4,564	-	4,564
Total Current Assets	98,474	417	98,891
Noncurrent Assets:			
Restricted Cash, Cash Equivalents and Investments:			
Held by the City of Cincinnati:			
Construction Account	12,953	-	12,953
Amount to Be Transferred to Surplus Account	20,877	-	20,877
Held by Trustees:			
Cash and Cash Equivalents	35,720	-	35,720
Investments—Held to Maturity	265,924	-	265,924
Total Restricted Assets	335,474	-	335,474
Capital Assets:			
Nondepreciable Capital Assets:			
Land and Improvements	96,043	-	96,043
Construction in Progress	276,832	-	276,832
Total Nondepreciable Capital Assets	372,875	-	372,875
Depreciable Capital Assets, Net:			
Buildings, Structures and Improvements	1,707,047	-	1,707,047
Processing Systems	269,811	-	269,811
Furniture, Fixtures and Equipment	67,872	-	67,872
Less Accumulated Depreciation	(734,583)	-	(734,583)
Total Depreciable Capital Assets, Net	1,310,147	-	1,310,147
Total Capital Assets, Net	1,683,022	-	1,683,022
Unamortized Financing Costs	11,736	-	11,736
Other	798	-	798
Total Noncurrent Assets	2,031,030	-	2,031,030
TOTAL ASSETS	2,129,504	417	2,129,921
LIABILITIES			
Current Liabilities:			
Accounts Payable	8,217	24	8,241
Construction Accounts Payable	7,913	-	7,913
Due to Other Funds	1,566	-	1,566
Accrued Wages and Benefits Payable	2,640	-	2,640
Accrued Interest Payable	28	-	28
Accrued Interest Payable from Restricted Assets	6,541	-	6,541
Retainage Payable	333	-	333
Accrued Compensated Absences	3,210	-	3,210
Deferred Lease Rent Revenue	2	-	2
Current Portion of Long-Term Debt	42,620	-	42,620
Total Current Liabilities	73,070	24	73,094
Noncurrent Liabilities:			
Estimated Future Claims	-	276	276
Accrued Compensated Absences	4,323	-	4,323
Deferred Lease Rent Revenue	13,827	-	13,827
Long-Term Debt	1,266,884	-	1,266,884
Total Noncurrent Liabilities	1,285,034	276	1,285,310
TOTAL LIABILITIES	1,358,104	300	1,358,404
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	468,326	-	468,326
Restricted for Debt Service	5,810	-	5,810
Unrestricted	297,264	117	297,381
TOTAL NET ASSETS	\$ 771,400	\$ 117	\$ 771,517
See accompanying notes to the basic financial statements.			

COUNTY OF HAMILTON, OHIO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Amounts in Thousands)

	Business-Type Activities— Enterprise Funds		
	Metropolitan Sewer District	Paul Brown Stadium	Baseball Stadium
OPERATING REVENUES			
Charges for Services	\$ -	\$ 326	\$ 528
Lease Rent Revenue	-	321	643
Sewerage Service Charges	156,742	-	-
Sewerage Surcharges	16,115	-	-
Other	4,076	193	-
TOTAL OPERATING REVENUES	176,933	840	1,171
OPERATING EXPENSES			
Personnel Services	41,591	1,616	163
Utilities, Fuel and Supplies	21,025	3,598	744
Costs of Goods and Services	-	-	-
Depreciation	-	14,709	13,495
Depreciation and Amortization—MSD	31,507	-	-
Purchased Services	26,961	3,062	1,030
Litigation Judgment Expense	-	-	-
Other	8,679	857	1,529
TOTAL OPERATING EXPENSES	129,763	23,842	16,961
OPERATING INCOME (LOSS)	47,170	(23,002)	(15,790)
NONOPERATING REVENUES (EXPENSES)			
Interest Income	15,061	178	694
Sales and Use Tax	-	24,023	18,481
Loss on Disposal of Property, Plant and Equipment	-	-	-
Interest Expense	(25,486)	(16,445)	(9,377)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	40	-	-
Bond Issuance Costs	-	(230)	(98)
Increase in Fair Value of Equity in Pooled Cash and Investments	-	48	101
Change in Fair Value of MSD Investments	(3)	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	(10,388)	7,574	9,801
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	36,782	(15,428)	(5,989)
Capital Contributions	7,081	6,545	2,759
Transfers In	-	154	-
Transfers Out	-	-	-
CHANGE IN NET ASSETS	43,863	(8,729)	(3,230)
TOTAL NET ASSETS—BEGINNING, AS RESTATED (NOTE II B)	513,190	(11,580)	113,420
TOTAL NET ASSETS—ENDING	\$ 557,053	\$ (20,309)	\$ 110,190

Change in net assets reported for business-type activities in the government-wide Statement of Activities is different from enterprise fund change in net assets because the net revenue (expense) of 1 internal service fund is reported with business-type activities.

Change in net assets of business-type activities:

See accompanying notes to the basic financial statements.

COUNTY OF HAMILTON, OHIO			
RECONCILIATION OF STATEMENT OF REVENUES, EXPENSES AND			
CHANGES IN FUND NET ASSETS—PROPRIETARY FUNDS			
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES			
FOR THE YEAR ENDED DECEMBER 31, 2007			
(Amounts in Thousands)			
	Total	Business-Type	Business-Type
	Enterprise	Activities	Activities
	Funds	Internal Service	Statement of
		Funds	Activities
OPERATING REVENUES			
Charges for Services	\$ 20,172	\$ 167	\$ 20,339
Lease Rent Revenue	984	-	984
Sewerage Service Charges	156,742	-	156,742
Sewerage Surcharges	16,115	-	16,115
Other	4,269	-	4,269
TOTAL OPERATING REVENUES	198,282	167	198,449
OPERATING EXPENSES			
Personnel Services	55,522	-	55,522
Utilities, Fuel and Supplies	25,954	-	25,954
Costs of Goods and Services	-	167	167
Depreciation	35,318	-	35,318
Depreciation and Amortization—MSD	31,507	-	31,507
Purchased Services	35,595	-	35,595
Litigation Judgment Expense	2,590	-	2,590
Other	11,654	-	11,654
TOTAL OPERATING EXPENSES	198,140	167	198,307
OPERATING LOSS	142	-	142
NONOPERATING REVENUES (EXPENSES)			
Interest Income	16,234	-	16,234
Sales and Use Tax	42,504	-	42,504
Interest Expense	(52,491)	-	(52,491)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	40	-	40
Bond Issuance Costs	(347)	-	(347)
Increase in Fair Value of Equity in Pooled Cash and Investments	315	2	317
Change in Fair Value of MSD Investments	(3)	-	(3)
TOTAL NONOPERATING REVENUES (EXPENSES)	6,252	2	6,254
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	6,394	2	6,396
Capital Contributions	21,234	-	21,234
Transfers In	154	-	154
Transfers Out	(1,001)	-	(1,001)
CHANGE IN NET ASSETS	26,781	2	26,783
TOTAL NET ASSETS—BEGINNING, AS RESTATED (NOTE II B)	744,619	115	744,734
TOTAL NET ASSETS—ENDING	\$ 771,400	\$ 117	\$ 771,517
See accompanying notes to the basic financial statements.			

COUNTY OF HAMILTON, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(Amounts in Thousands)

	Business-Type Activities—Enterprise Funds		
	Metro Sewer District	Paul Brown Stadium	Baseball Stadium
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 174,853	\$ 1,430	\$ 3,028
Cash Received from Interfund Services Provided	-	-	-
Cash Payments to Suppliers for Goods and Services	(55,465)	(6,965)	(1,883)
Cash Payments for Interfund Services Provided	-	-	-
Cash Payments for Personnel Costs	(41,043)	(1,584)	(162)
Cash Payment for Litigation Judgment	-	-	-
Other Operating Revenues	4,229	212	-
Other Operating Expenses	-	(914)	(1,444)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	82,574	(7,821)	(461)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from Other Funds	-	154	-
Transfers to Other Funds	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	154	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax	-	20,187	15,889
Principal Payments on Long-Term Debt	(28,033)	(2,567)	(6,523)
Interest Payments on Long-Term Debt	(29,369)	(17,486)	(9,454)
Loan Proceeds	246	-	-
Revenue Bond Proceeds	75,942	-	-
Revenue Bond Issuance Costs	(473)	-	-
Tap-in Fees	3,401	-	-
Capital Contributions	7,081	6,545	2,759
Acquisition and Construction of Property, Plant and Equipment	(83,540)	(7)	(1,037)
Net Gain/Loss on Sale of MSD Property, Plant and Equipment	63	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(54,682)	6,672	1,634
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	(443,053)	-	-
Maturity or Redemption of Governmental Securities	423,216	-	-
Interest on Investments and Pooled Cash and Investments	15,061	184	694
Increase in Fair Value of Equity in Pooled Cash and Investments	-	48	101
Change in Fair Value of MSD Cash Equivalents—Segregated Accounts	(546)	-	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(5,322)	232	795
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	22,570	(763)	1,968
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	73,945	5,269	8,189
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 96,515	\$ 4,506	\$ 10,157
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 47,170	\$ (23,002)	\$ (15,790)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	31,507	14,709	13,495
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	1,996	29	-
Lease Rent Receivable	-	50	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	-	(1)	-
Other Assets	(320)	-	-
Operating Accounts Payable	1,674	(361)	(24)
Accrued Payroll and Other Related Withholdings	702	8	1
Litigation Judgment Payable	-	-	-
Deferred Lease Rent Revenue	-	729	1,857
Compensated Absences	(155)	1	-
Due to Other Funds	-	18	-
Estimated Future Claims	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 82,574	\$ (7,820)	\$ (461)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ -	\$ 2,448	\$ 8,187
Cash and Cash Equivalents—Segregated Accounts	16,231	-	308
Cash and Cash Equivalents Held by Trustees	38,541	2,058	1,662
Construction Account Held by the City of Cincinnati	20,866	-	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	20,877	-	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 96,515	\$ 4,506	\$ 10,157
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ 2,566	\$ -	\$ -
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ 2,566	\$ -	\$ -
See accompanying notes to the basic financial statements.			

	Business-Type Activities—Enterprise Funds		
	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers and Users	\$ 19,625	\$ 198,936	\$ -
Cash Received from Interfund Services Provided	-	-	10,497
Cash Payments to Suppliers for Goods and Services	(5,085)	(69,398)	(5,257)
Cash Payments for Interfund Services Provided	-	-	(4,164)
Cash Payments for Personnel Costs	(11,685)	(54,474)	(1,154)
Cash Payment for Litigation Judgment	(3,391)	(3,391)	-
Other Operating Revenues	-	4,441	-
Other Operating Expenses	(330)	(2,688)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(866)	73,426	(78)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from Other Funds	-	154	-
Transfers to Other Funds	(1,001)	(1,001)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(1,001)	(847)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sales and Use Tax	-	36,076	-
Principal Payments on Long-Term Debt	(7,970)	(45,093)	-
Interest Payments on Long-Term Debt	(1,354)	(57,663)	-
Loan Proceeds	-	246	-
Revenue Bond Proceeds	7,225	83,167	-
Revenue Bond Issuance Costs	-	(473)	-
Tap-in Fees	-	3,401	-
Capital Contributions	4,849	21,234	-
Acquisition and Construction of Property, Plant and Equipment	(1,766)	(86,350)	(64)
Net Gain/Loss on Sale of MSD Property, Plant And Equipment	-	63	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	984	(45,392)	(64)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Government Securities	-	(443,053)	-
Maturity or Redemption of Governmental Securities	-	423,216	-
Interest on Investments and Pooled Cash and Investments	321	16,260	-
Increase in Fair Value of Equity in Pooled Cash and Investments	166	315	107
Change in Fair Value of MSD Cash Equivalents—Segregated Accounts	-	(546)	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	487	(3,808)	107
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	(396)	23,379	(35)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	11,241	98,644	7,165
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 10,845	\$ 122,023	\$ 7,130
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (8,236)	\$ 142	\$ 1,570
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	7,114	66,825	78
Net Changes in Operating Assets and Liabilities:			
Accounts Receivable	(2)	2,023	(24)
Lease Rent Receivable	-	50	-
Intergovernmental Receivables	286	286	-
Due from Other Funds	4	3	(631)
Other Assets	-	(320)	-
Operating Accounts Payable	290	1,579	1,050
Accrued Payroll and Other Related Withholdings	27	738	6
Litigation Judgment Payable	(800)	(800)	-
Deferred Lease Rent Revenue	-	2,586	-
Compensated Absences	14	(140)	(1)
Due to Other Funds	435	453	62
Estimated Future Claims	-	-	(2,188)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (868)	\$ 73,425	\$ (78)
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Equity in Pooled Cash and Investments	\$ 10,820	\$ 21,455	\$ 7,130
Cash and Cash Equivalents—Segregated Accounts	25	16,564	-
Cash and Cash Equivalents Held by Trustees	-	42,261	-
Construction Account Held by the City of Cincinnati	-	20,866	-
Amount to Be Transferred to Surplus Account Held by the City of Cincinnati	-	20,877	-
TOTAL CASH AND CASH EQUIVALENTS	\$ 10,845	\$ 122,023	\$ 7,130
NONCASH INVESTING AND FINANCING TRANSACTIONS			
Structures Donated as Contributed Capital in Aid of Construction	\$ -	\$ 2,566	\$ -
TOTAL NONCASH INVESTING AND FINANCING TRANSACTIONS	\$ -	\$ 2,566	\$ -



Hamilton County

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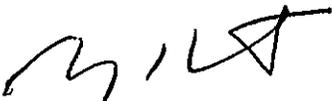
Jacqueline Panioto
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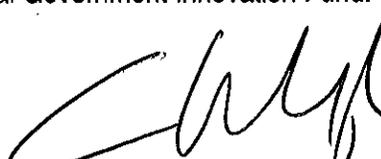
Statement in Support of Hamilton County's Space Study Application to the Ohio Department of Development Local Government Innovation Fund

February 27, 2012

The Board of Commissioners of Hamilton County hereby supports the Hamilton County's Space Study application to the Local Government Innovation Fund. The Local Government Innovation Fund can be used for creating more efficient and effective service delivery as well as collaboration and shared services among local governments. The Hamilton County space study proposal will develop a shared services model in county-wide government space planning, improving collaboration and increasing shared services opportunities among Hamilton County departments, elected officials and independent boards and commissions. It is both a replicable model for other county governments and a scalable model that might include facilities management for other jurisdictions.

The County Commission unequivocally supports the Hamilton County Space Study application to the Ohio Department of Development Local Government Innovation Fund.


Commissioner Greg Hartmann


Commissioner Chris Monzel


Commissioner Todd Portune

Hamilton County, Ohio
Business Case Report
Property Maintenance

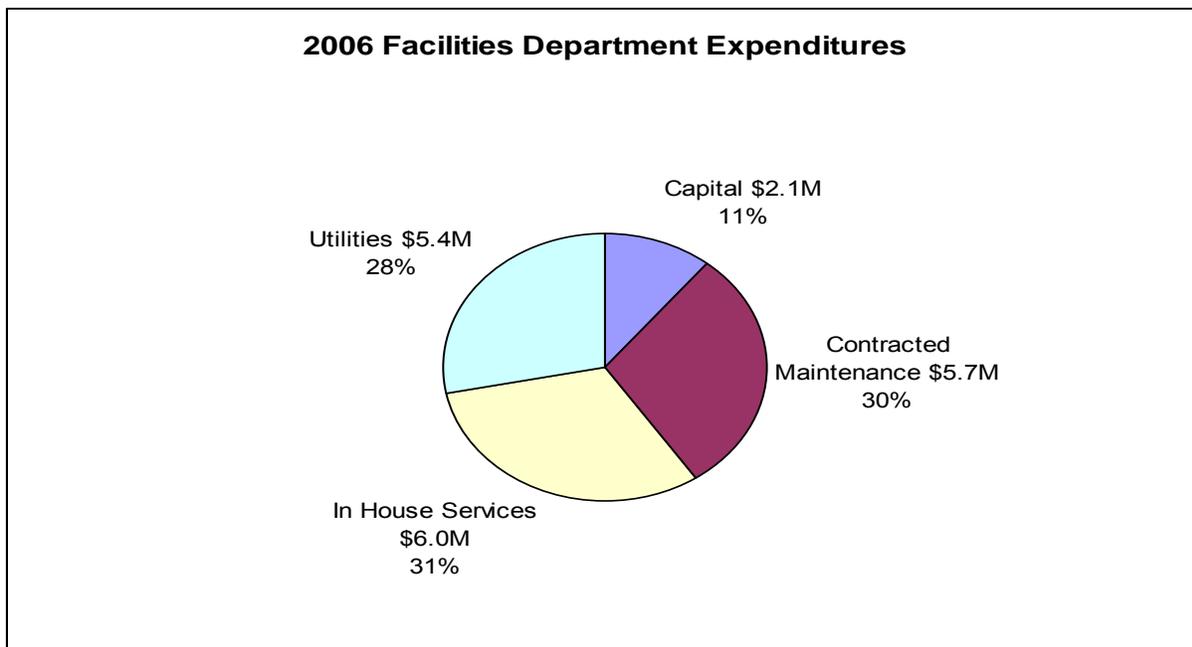
Competition and Efficiency Committee
April 17, 2007

I. PURPOSE

The purpose of this business case is to identify the suitability of pursuing a managed competition effort for property maintenance services in Hamilton County. This business case provides a description of the current state of property maintenance in Hamilton County and compares that state with information on comparable communities and market data to provide decision makers with sufficient information to make a go/no-go decision on pursuing a formal managed competition. Development of the Business Case is an integral part of the Gate Management Process which is designed to ensure that rational decisions on whether to proceed with a managed competition effort are backed by facts and analysis. In addition, the business case seeks to identify additional efficiency efforts which may be initiated as it relates to the management of county property maintenance operations.

II. SCOPE

Hamilton County's Facilities Department maintains or co-maintains 28 county buildings. The remaining buildings are maintained by user departments, with their own maintenance standards, personnel and contract management. The department's 2006 actual expenditures were \$19.2 million. The Department contracted out 41% of its total 2006 expenditures (all \$2.1M in capital projects and \$5.7M of maintenance).



This business case provides specific details on the Facilities Department property maintenance structure and comparables of property maintenance costs for other county buildings.

The Facilities Department consists of three divisions*:

- **Facilities Management Division** responsible for maintaining and repairing the physical facilities and mechanical systems. This division consists of union and non-union county employees and contracted personnel who are assigned to buildings totaling more than 3.5 million square feet. (2006 actual expenditures \$11.7M)

- **Support Services Division** provides administrative support to the Facilities Department, oversees the building trade groups, county space management and project management of the County's Capital Construction and Capital Improvement Management Program (identifies possible projects and then provides in-house project management for projects under \$250,000). (2006 actual expenditures \$5.0M).
- **Property Management Division** manages the real estate activities for the Board of County Commissioners and administers the management contract for the Alms & Doepke Parkhaus parking garage. (2006 actual expenditures \$1.0M)
*The Facilities Department budget also includes the Cincinnati Museum Center maintenance contract. (2006 levy funds \$1.6M)

The Facilities Department oversees more than just property maintenance. Additional services include: construction services, design services, project management, safety training and inspections and space planning. For purposes of providing a focused service review, only services related to property maintenance were included in this business case. Other services provided by the Facilities Department may be reviewed for future business cases, as determined by the Hamilton County Competition and Efficiency Committee.

III. RECOMMENDATIONS

Based on the comparative data provided, it is apparent that the county provides property management services in an efficient manner in relation to other government jurisdictions.

It is evident that there are adequate external markets capable of providing property management services should the county determine that a managed competition is suitable in this case. This private market consists of firms which specialize in property maintenance.

Based on the review, the following summary recommendations were developed. Please refer to section VIII for a detailed discussion of each recommendation.

1. *Establish a Property Maintenance Working Group to coordinate and oversee the implementation of these recommendations.*
2. *Establish and track uniform performance standards for benchmarking property maintenance costs.*
3. *Establish and track uniform standards for outsourcing initiatives.*
4. *Develop formal service level agreements for all co-maintained properties.*
5. *Consolidate the management of outsourced functions into larger county-wide property maintenance bids for services.*
6. *Where feasible, consolidate property maintenance of all county facilities within the Facilities Department.*
7. *Conduct a follow-up review of countywide property maintenance after 12 months.*

IV. BACKGROUND

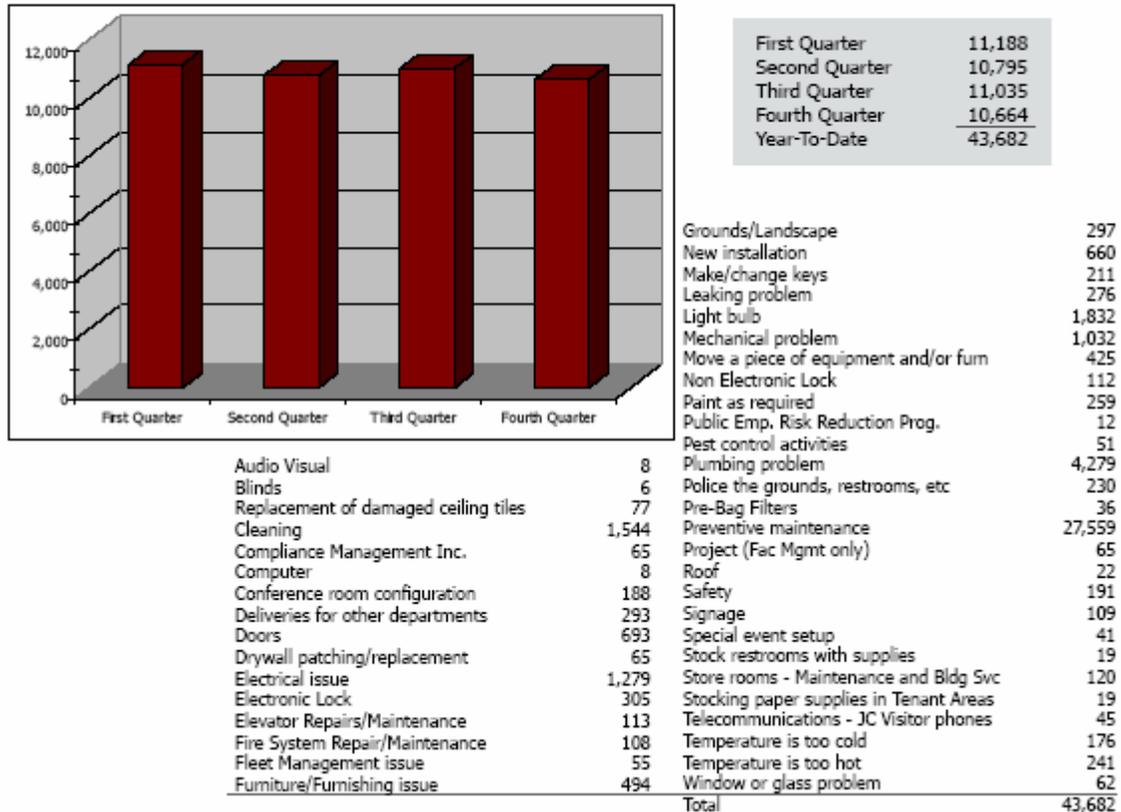
Current State of Property Maintenance (Attachment A)

Property maintenance within Hamilton County’s Facilities Department is divided into five categories (all falling under the Facilities Management Division except Building Trade Group which falls under the Support Services Division). 2006 expenditures for property maintenance were \$13.8M with 74 budgeted FTE.

- Building Maintenance
- Building Services
- HVAC
- Energy Management
- Building Trade Group

Building Maintenance maintains day to day operation of building systems and maintenance, including handling work request from tenants and performing preventative maintenance duties. Each major county owned facility is assigned a Building Manager who investigates work requests from tenants and assigns work to the appropriate group. Building Managers also have assigned staff whose numbers are determined by the square footage of the building. The chart below details Facilities Department work orders completed in 2006. Additional details on 2006 workflow are available in Attachment B.

*Work Requests Completed by Problem Type
Fourth Quarter 2006*



Building Services (both in-house and contracted) is responsible for maintaining the physical facilities, these tasks are:

- Cleaning and stocking of restrooms during daytime hours
- Cleaning and sweeping of lobbies and hallways during daytime hours
- Janitorial services after normal business hours
- Periodic carpet cleaning
- Replacing light bulbs/fluorescent tubes
- Periodic washing of windows
- Key control
- Signage standardization
- Providing entrance mats in public areas
- Integrated pest management
- Policing of county grounds
- Landscaping maintenance
- Snow and ice management at building entrances and select parking lots
- Coordinating metal maintenance
- Furniture set up for special events
- Reporting building and equipment repairs
- Scheduling trash removal

Building Services staff also assists in providing the following services if requested by a building occupant.

- Wood floor refinishing
- Moving of equipment and furniture
- Upholstery and wall carpet cleaning
- Non-routine carpet cleaning
- After hours special event setup/cleanup
- Purchase, installation and repair/replacement of window coverings and carpet/tile flooring

As reflected in the chart below, the Facilities Department maintains janitorial costs well below national and local standards for public and private facilities. In addition to outsourcing janitorial services, the department utilizes Sheriff's Inmates and Court-Appointed Adult Probationers to supplement the Building Services Staff at a savings to the county of over \$150,000/year. These workers perform basic maintenance, cleaning and moving duties, supplementing county staff. This supplemental staffing is based on participation by the Sheriff and Judges. In 2006, the county benefited from an average of 94.5 Adult Probationer hours per week and 178 Inmate hours per week. While this supplemental staffing provides beneficial service and saves the county, the unreliability of these workers schedules and abilities does not allow it to fully replace the work performed by trained property maintenance employees.

Many county properties are open 24 hours a day, 7 days a week and require 24 hour maintenance operations. Additionally, unexpected equipment replacement costs are included in the Facilities Department maintenance costs, and not in the separate Capital Projects budget. Even given these circumstances, the department's maintenance costs fall within the BOMA average.

BOMA Cost Comparison

Facility	Janitorial/RSF Low-High	Maintenance/RSF Low-High
National Government (BOMA)	\$1.06-\$1.71	\$1.96-\$4.44
National Private (BOMA)	\$.81-\$1.35	\$1.96-\$4.16
Cincinnati Government (BOMA)	\$.56-\$1.09	\$3.06-\$5.04
Cincinnati Private (BOMA)	\$1.06-\$1.08	\$2.27-\$2.85
BOMA Cost Comparables Average	\$.87-\$1.31	\$2.31-\$4.12
Hamilton County Average*	\$1.06	**\$3.81

*Average cost for major facilities managed by Hamilton County Facilities Department (Courthouse, 800 Broadway, 230 E. 9th Street, Administration Bldg, 237 William Howard Taft, and Justice Center)

**Average costs for maintenance include increased costs for the Courthouse due to specialized maintenance needs.

Building Services has taken advantage of opportunities for cost savings through outside contracts. In addition to janitorial services, the Facilities Department currently outsources the following building services: metal maintenance, security services, landscaping, snow removal, marble maintenance, pest control, window cleaning, waste removal, elevator maintenance, fire alarm testing/service, building automation and controls, UPS System testing/service, fire extinguisher inspections/replacement, underground tank inspections, sidewalk repairs, environmental cleaning, roofing repairs and large scale moves (detailed in Section VI).

HVAC staff is responsible for major maintenance, repair and some replacement of all building heating, ventilation, air conditioning, and refrigeration systems. This work unit provides estimation, maintenance, installation and repairs to mechanical systems, steam, hot water and gas-fired heating, evaporative, DX, and chilled water cooling; refrigeration systems, ice machines, etc. They perform routine, emergency repairs and preventive maintenance on all equipment and systems, including high-pressure steam and high-temperature hot water systems. These include steam, hot water, warm air, and electrical systems for large buildings as well as controls and equipment for offices and rooms. They also perform routine, emergency repairs and maintenance on air conditioning systems for computer rooms, telecommunications' equipment, and buildings; ice machines; dehumidifiers and humidifiers; heat pumps; chilled water piping and coils; cooling towers; and equipment. Maintenance work for fire systems, elevators, chillers, boilers, emergency generators, etc. is outsourced.

Energy Management accounted for 28% of the Facilities Department's 2006 budget. Energy management responsibilities include monitoring energy usage utilizing energy monitoring programs to assess equipment malfunctions and identify potential energy conservation measures. The Facilities Department is responsible for procuring and providing utilities such as natural gas, electricity, water and sewage to County buildings.

In 1998 the Facilities Department created the Energy Conservation Master Plan. This proactive plan for energy management is managed with the assistance of ThermalTech Engineering. Implementing initiatives in this plan has resulted in energy management efficiencies and significant energy cost savings. In the first year of the plan, energy costs per square foot at 800 Broadway dropped \$.21. By partnering with the County Commissioners Association of Ohio

(CCAO) natural gas contract, the county has saved \$203,000 over the last five years. The Facilities Department contracts with Cinergy for energy. The Facilities Department has attempted to contract for deregulated energy on two occasions. The bids were not low enough to project additional cost savings.

As seen in the chart below, utility costs for Hamilton County's major facilities are below most private and public sector averages (even factoring in the additional utility costs for the County Courthouse).

BOMA Cost Comparison

Facility	Utilities/RSF Low-High
National Government Average (BOMA)	\$1.18-\$2.03
National Private Average (BOMA)	\$1.43-\$2.37
Cincinnati Government Average (BOMA)	\$1.43-\$1.64
Cincinnati Private Average (BOMA)	\$1.90-\$2.79
BOMA Cost Comparables Average	\$1.49-\$2.21
Hamilton County Average*	**\$1.59

*Average cost for major facilities managed by Hamilton County Facilities Department (Courthouse, 800 Broadway, 230 E. 9th Street, Administration Bldg, 237 William Howard Taft, and Justice Center)

**Average costs for utilities include increased costs for the Courthouse due to specialized needs.

Building Trade Groups are comprised of twenty-two skilled union trades people organized in to four shops: Carpentry/Ironwork, Electric, Painting/Plastering, and Plumbing. These trade groups work throughout all county buildings and perform routine, planned maintenance tasks and small remodeling projects, repair of building electric and plumbing systems, as well as the building structure. They also respond to work requests, and estimate, schedule and perform and/or manage small construction or repair projects. In emergency situations, they assess the damage, repair and restore critical utilities to ensure continuous operation of the buildings.

The Facilities Department provides maintenance for the following facilities:

- Administration Building
- 800 Broadway
- Communications Center
- Courthouse
- Parkhaus Garage
- 230 E. 9th Street
- Records Center
- 237 William Howard Taft
- 250 William Howard Taft
- 264 William Howard Taft
- 2611 Highland Avenue
- Public Works Burlington Road Garage
- Juvenile Detention Center – beginning in 2007
- Hillcrest Youth Training Center – beginning in 2007

The Facilities Department co-maintains the following facilities:

- Justice Center with the Sheriff's maintenance staff
- Cell tower sites with the Communications Department
- Coroner's Office
- Patrol Headquarters
- Target Range
- Engineer's road maintenance facilities (5 locations)

Additionally, Facilities Department staff provides support as requested for the following facilities. (Department or agency providing facility management is listed):

- River City Correctional Center – Common Pleas Court
- Alms & Doepke – Job and Family Services
- Mt. Airy Men's Shelter – Job and Family Services
- Fairgrounds – Fairgrounds Board
- Queensgate Correction Center – Sheriff
- 644 Linn Street – Sheriff/RENU
- Paul Brown Stadium – Administrative Services/Bengals
- County Engineer Garages – County Engineer
- Memorial Hall – Leased to non-profit organization

The Facilities Department conducts an annual customer satisfaction survey to rate its responsiveness to tenant needs. The majority of respondents rank the services received at acceptable levels. Department employees were ranked at or above acceptable levels, one respondent commented that staff "are courteous, knowledgeable and have pride in managing their buildings." The only service receiving less than acceptable overall marks was after hours contracted janitorial services.

V. RECENT EFFICIENCY EFFORTS

Outsourcing and efficiency efforts are an integral part of Hamilton County's property maintenance system. As detailed below and in Attachment C, the County's Facilities Department has a long history of reviewing services to determine the most cost-effective manner of service delivery (contracted, additional staff, in-house staff).

Hamilton County Facilities Department Outsourcing

Total Contracts Awarded	over 36
Total Dollars Contracted	\$5,767,702
Potential Savings v. In-House	\$2,647,020
% Total Expenditures Contracted	41%
Services Contracted	Cincinnati Museum Center maintenance, Metal maintenance, Janitorial, Security, Landscaping, snow removal, marble maintenance, pest control, window cleaning, design, waste removal, elevator maintenance, fire alarm testing/service, building automation and controls, UPS System testing/service, fire extinguisher inspections/replacement, underground tank inspections, sidewalk repairs, indoor air testing and EPA required testing, environmental cleaning, roofing repairs, major HVAC repairs, general testing and inspections, large scale moves, safety programs/training/inspections/surveys)

Beginning in 2006, the Facilities Department began an effort to document the service levels being performed at various County buildings and to expand the services it provides to include more of these buildings. The goal behind this initiative rests with the belief that reducing the number of managerial philosophies responsible for the maintenance of County assets will result in better management through improved efficiencies and coordination.

In 2007, the Facilities Department assumed maintenance of Juvenile Court's Hillcrest School and Juvenile Detention Center. It is expected that this consolidation will lead to a broad range of synergies and efficiencies including the establishment of a comprehensive safety program at each facility and institution of a unified work order system. Improved management should result in a reduction in liabilities to the County while improved economies of scale should result from consolidating purchasing systems. It is also expected that the technical expertise of County Facilities will bring additional benefits in terms of improved financial controls and enhanced capital maintenance. County Facilities is also in the process of negotiating a service level agreement for care and maintenance of the building systems in the Hamilton County MRDD Board's new Madison Road office facility. MRDD is expecting to realize financial savings and improved system performance from this move. Finally, the Facilities Department is currently in early discussions regarding the assumption of maintenance responsibilities for certain Job and Family Services Department buildings currently outside of its control.

County Facilities utilizes BOMA, IFMA and ICMA standards in terms of benchmarking its own financial performance against comparable jurisdictions. In addition, the Department has invested in a Computer Aided Facilities Management system (CAFM) which assists in documenting and quantifying financial performance throughout all of its facilities in addition to tracking inventory, managing fleet assets, performing facility condition assessments, and more. The Department issues a Weekly Report analyzing much of this data (Attachment C). The Department conducts an annual comprehensive customer service survey as a means of evaluating the effectiveness and quality of its operations. Analysis is given to these survey results with focused attention given, each year, to areas seen as deficiencies. Additionally, the Department publishes an annual report

on energy usage within County Facilities with associated recommendations on improving energy efficiency and financial performance.

The Facilities Department, in conjunction with several other departments under the Board of County Commissioners, is currently in the process of developing a comprehensive business plan – the goal of which is to clearly document annual work plans, performance objectives, and innovation initiatives for the coming year while providing the public and elected officials with a concise description of departmental operations, goals and accomplishments. As a part of this process, the Department will be analyzing its current performance measures to enhance accountability and to ensure they are meaningful representations of program effectiveness as opposed to simply indicators of workload.

VI. INDUSTRY STANDARDS

BOMA

Building Owners and Managers Association International (BOMA) is the oldest and largest trade association exclusively representing the commercial real estate industry. Hamilton County's Facilities Department participated in the 2006 Experience Exchange Report (a benchmarking report of real estate income and expense data).

ICMA

The International City/County Management Association (ICMA) is the professional and educational organization for administrators in local government. Hamilton County's Facilities Department participated in the 2004 Comparative Performance Measurement Data Report.

IFMA

International Facilities Management Association (IFMA) is the largest and most widely recognized professional association for facility management. Hamilton County's Facilities Department participated in the recently published report benchmarking facility management, *Operations and Maintenance Benchmarks 2005*.

Private Sector

Staff contacted Steve Poole, Proctor and Gamble, for his expertise on P&G's property maintenance. Mr. Poole confirmed this business case's use of BOMA reporting data for benchmarking purposes. Mr. Poole stated that Hamilton County's present property maintenance functions are where P&G was 15 years ago (silos of responsibility). He stated the first steps in moving the organization forward are to find the best, most cost-effective facilities maintenance standards within departments and integrate those standards countywide. Once those standards are in place, the county will have the internal systems in place to compete with another service provider. This is the same process P&G recently undertook. P&G is currently in the third year of a five year contract with Viox Services, Inc. for management of all of their property maintenance needs.

VI. COMPARABLES

Major Ohio County Property Maintenance

County	BOMA	All In-House	Centralized	Services Contracted
Cuyahoga County	NO	YES	YES	all union - only contract for specialized or large projects
Franklin County	NO	NO	NO	some security, some janitorial, large HVAC repairs, snow removal.
Hamilton County	YES	NO	NO	41% of expenditures contracted see Section V. for full list
Lucas County	NO	NO	NO	some janitorial, some security
Montgomery County	NO	No Response	No Response	No Response

VII. DETAILED RECOMMENDATIONS

1. *Establish a Property Maintenance Working Group to coordinate and oversee the implementation of these recommendations.*

As the County's property maintenance functions are fragmented amongst various organizations, significant efficiencies may be possible through standardization of policies and procedures as well as through consolidations of contracts, etc. The working group will be responsible for working with the County Administration to oversee and prioritize implementation of these recommendations.

2. *Establish and track uniform performance standards for benchmarking property maintenance costs.*

The inability to obtain more than basic data for analysis from any departments or counties in Ohio other than Hamilton County's Facilities Department for this business case made it clear that our Facilities Department maintains records and benchmark data well above public sector industry standards. It is also clear that there are no uniform Hamilton County performance standards for property maintenance performed by other departments/agencies. Uniform performance standards should be created, based on the current BOMA standards used by the Facilities Department, for all county property maintenance. Data on these performance standards should be collected for all buildings managed by county entities and benchmarked annually. County budget appropriations for property maintenance should be based on these performance standards.

3. *Establish and track uniform standards for outsourcing initiatives.*

Currently, county departments follow no uniform guidelines or standards for determining what property maintenance functions will be outsourced. They are evaluated on a case-by-

case basis looking at available staffing levels, staff time available for the work and staff expertise. If it is determined there is not current staffing to complete the work, it is outsourced. County-wide standards need to be written to serve as a guide to review current services and as additional services are determined to be necessary.

4. *Develop formal service level agreements for all co-maintained properties.*

Currently, there are no written agreements detailing what services are to be performed by different county departments managing the same building. Because of this, it is hard for departments to determine responsibility for services. Formal service level agreements need to be developed for all properties where multiple departments share maintenance responsibilities.

5. *Consolidate the management of outsourced functions into larger county-wide property maintenance bids for services.*

Hamilton County's Facilities Department alone has over 35 current contracts with private vendors for a variety of property maintenance functions (janitorial, metal maintenance, landscaping, window cleaning, etc). Other departments have the ability to enter into their own additional maintenance contracts as needed. A complete review of these contracts should be conducted, with an eye toward consolidation of future contracts into larger county-wide property maintenance bids reviewed for the most economical advantage to the county, resulting in potential contract savings and reduced county overhead for contract management functions.

6. *Where feasible, consolidate property maintenance of all county facilities within the Facilities Department).*

It is clear from the BOMA analysis that the Facilities Department is managing county property maintenance in line with national standards. The Administration should move forward with encouraging consolidating property maintenance within the Facilities Department to the largest extent possible.

7. *Conduct a follow-up review of countywide property maintenance after 12 months.*

After giving the Property Maintenance Working Group 12 months to develop and implement the above recommendations, the group should present a report to the Competition and Efficiency Committee detailing the results of their actions, complete with updated comparables for all county owned facilities. At this time, the committee will make a determination, based on these comparables, on countywide property maintenance as a candidate for managed competition.

Local Government Innovation Fund Program

Application Score £ £

Lead Applicant	
Project Name	

	Grant Application
--	--------------------------

or

	Loan Application
--	-------------------------

The Local Government Innovation Fund Council
77 South High Street
P.O. Box 1001
Columbus, Ohio 43216-1001
(614) 995-2292

Local Government Innovation Fund Project Scoring Sheet

Section 1: Financing Measures

Financing Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Financial Information	<i>Applicant includes financial information (i.e., service related operating budgets) for the most recent three years and the three year period following the project. The financial information must be directly related to the scope of the project and will be used as the cost basis for determining any savings resulting from the project.</i>	Applicant provides a thorough, detailed and complete financial information	5		
		Applicant provided more than minimum requirements but did not provide additional justification or support	3		
		Applicant provided minimal financial information	1		
		Points			
Repayment Structure (Loan Only)	<i>Applicant demonstrates a viable repayment source to support loan award. Secondary source can be in the form of a debt reserve, bank participation, a guarantee from a local entity, or other collateral (i.e., emergency rainy day, or contingency fund, etc.).</i>	Applicant clearly demonstrates a secondary repayment source.	5		
		Applicant does not have a secondary repayment source.	0		
		Points			
Local Match	<i>Percentage of local matching funds being contributed to the project. This may include in-kind contributions.</i>	70% or greater	5		
		40-69.99%	3		
		10-39.99%	1		
		Points			
Total Section Points					

Section 2: Collaborative Measures

Collaborative Measures	Description	Criteria	Max Points	Applicant Self Score	Validated Score
Population	<i>Applicant's population (or the population of the area(s) served) falls within one of the listed categories as determined by the U.S. Census Bureau. Population scoring will be determined by the smallest population listed in the application. Applications from (or collaborating with) small communities are preferred.</i>	Applicant (or collaborative partner) is not a county and has a population of less than 20,000 residents	5		
		Applicant (or collaborative partner) is a county but has less than 235,000	5		
		Applicant (or collaborative partner) is not a county but has a population 20,001 or greater.	3		
		Applicant (or collaborative partner) is a county with a population of 235,001 residents or more	3		
		Points			
Participating Entities	<i>Applicant has executed partnership agreements outlining all collaborative partners and participation agreements and has resolutions of support. (Note: Sole applicants only need to provide a resolution of support from its governing entity.)</i>	More than one applicant	5		
		Single applicant	1		
		Points			
Total Section Points					

Local Government Innovation Fund Project Scoring Sheet

Section 3: Success Measures

Success Measures	Description	Criteria	Points	Applicant Self Score	Validated Score
Expected Return	Applicant demonstrates as a percentage of savings (i.e., actual savings, increased revenue, or cost avoidance) an expected return. The return must be derived from the applicant's cost basis. The expected return is ranked in one of the following percentage categories:	75% or greater	30		
		25.01% to 74.99%	20		
		Less than 25%	10		
			Points		
Past Success	Applicant has successfully implemented, or is following project guidance from a shared services model, for an efficiency, shared service, coproduction or merger project in the past.	Yes	5		
		No	0		
			Points		
Scalable/Replicable Proposal	Applicant's proposal can be replicated by other local governments or scaled for the inclusion of other local governments.	The project is both scalable and replicable	10		
		The project is either scalable or replicable	5		
		Does not apply	0		
			Points		
Probability of Success	Applicant provides a documented need for the project and clearly outlines the likelihood of the need being met.	Provided	5		
		Not Provided	0		
			Points		
Total Section Points					

Section 4: Significance Measures

Significance Measures	Description	Criteria	Points Assigned	Applicant Self Score	Validated Score
Performance Audit Implementation /Cost Benchmarking	The project implements a single recommendation from a performance audit provided by the Auditor of State under Chapter 117 of the Ohio Revised Code or is informed by cost benchmarking.	Project implements a recommendation from an audit or is informed by benchmarking	5		
		Project does not implement a recommendation from an audit and is not informed by benchmarking	0		
			Points		
Economic Impact	Applicant demonstrates the project will a promote business environment (i.e., demonstrates a business relationship resulting from the project) and will provide for community attraction (i.e., cost avoidance with respect to taxes)	Applicant clearly demonstrates economic impact	5		
		Applicant mentions but does not prove economic impact	3		
		Applicant does not demonstrate an economic impact	0		
			Points		
Response to Economic Demand	The project responds to current substantial changes in economic demand for local or regional government services.	Yes	5		
		No	0		
			Points		
Total Section Points					

Section 5: Council Measures			
Council Measures	Description	Criteria	Points Assigned
Council Preference	Council Ranking for Competitive Rounds	The Applicant Does Not Fill Out This Section; This is for the Local Government Innovation Fund Council only. The points for this section is based on the applicant demonstrating innovation or inventiveness with the project	
Total Section Points (10max)			

Scoring Summary		
	Applicant Self Score	Validated Score
Section 1: Financing Measures		
Section 2: Collaborative Measures		
Section 3: Success Measures		
Section 4: Significance Measures		
Total Base Points:		

Reviewer Comments



April 2, 2012

John Bruggen
Hamilton County
138 E. Court Streets, Room 603
Cincinnati, Ohio 45202

RE: Application Cure Letter

Dear John Bruggen:

The Ohio Department of Development (Development) has received and is currently reviewing your application for Round 1 of Local Government Innovation Fund program. During this review Development has determined that additional information is needed for your application. The identified item(s) requiring your attention are listed on the attached page(s). Please respond only to the issues raised. Failure to fully address all the identified items could lead to a competitive score reduction or ineligibility for Round 1 of the Local Government Innovation Fund program. **A written response from the applicant to this completeness review is due to Development no later than 5:00 p.m. on April 30, 2012.** Please send the response in a single email to lgif@development.ohio.gov and include "Cure—Project Name" in the subject line.

While this cure letter represents the additional information needed for Development review, the Local Government Innovation Council continues to reserve the right to request additional information about your application.

Thank you once again for your participation in Local Government Innovation program. Please contact the Office of Redevelopment at lgif@development.ohio.gov or 614-995-2292 if you have further questions regarding your application or the information requested in this letter.

Sincerely,

Thea J. Walsh, AICP
Deputy Chief, Office of Redevelopment
Ohio Department of Development

Local Government Innovation Fund Completeness Review

Applicant: Hamilton County
Project Name: Hamilton County Facility Assessment
Request Type: Grant

Issues for Response

1. Collaborative Partners

Each collaborative partner must be listed separately. Contact information for all collaborative partners is required. Please note, all entities listed as collaborative partners must execute the partnership agreement and provide a resolution of support.

2. Budget

Please provide a line item budget that includes at minimum: 1) the sources of all funds being contributed to the project include **all** sources—cash, in-kind, etc.; 2) the uses of all funds (provide a line item for each use); 3) the total project costs (including the funding request **and** the local match. Please be sure that all uses of funds are eligible expenses as set forth in the program guidelines.

Example:

Collaboration Village's Project Budget

Sources of Funds

LGIF Request	\$100,000
Match Contribution (11%)	\$ 11,111
Total	\$111,111

Uses of Funds

Consultant Fees for Study	\$111,111
Total	\$111,111

Total Project Cost: \$111,111

3. Match

For **in-kind contributions**, please provide documentation as outlined in section 2.06 of the Local Government Innovation Fund program policies. Certification of in-kind contributions may only be made for past investments. Anticipated in-kind contributions must be certified **after** the contribution is made.

**HAMILTON COUNTY FACILITY ASSESSMENT PROJECT
Issues for Response**

1. Collaborative Partners

Each collaborative partner must be listed separately. Contact information for all collaborative partners is required. Please note, all entities listed as collaborative partners must execute the partnership agreement and provide a resolution of support.

RESPONSE:

No collaborative partner(s). For this project, we are a Single Applicant.

2. Budget

Please provide a line item budget that includes at minimum: 1) the sources of all funds being contributed to the projected include **all** sources – cash, in-kind, etc.; 2) the uses of all funds (provide a line item for each use); 3) the total project costs (including the funding request **and** the local match. Please be sure that all uses of funds are eligible expenses as set forth in the program guidelines.

RESPONSE:

Hamilton County’s Facility Assessment Project Line Item Budget:

Sources of Funds

LGIF request	\$100,000
Match Contributions (200%)	
Cash	\$200,000
Total	\$300,000

Uses of Funds

Consultant Fees for Study	\$300,000
Total	\$300,000

Total Project Cost: \$300,000

3. Match

For **in-kind contributions**, please provide documentation as outlined in section 2.06 of the Local Government Innovation Fund Program policies. Certification of in-kind contributions may only be made for past investments. Anticipated in-kind contributions must be certified **after** the contribution is made.

RESPONSE:

No in-kind contributions. County Facilities management staff will work closely with the consultants to oversee the project, but their time is not contemplated as an in-kind contribution to the project.