

COMPREHENSIVE ANNUAL FINANCIAL REPORT



HAMILTON, OHIO
FOR YEAR ENDED
DECEMBER 31, 2012



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2012

Prepared by:
Department of Finance

Ana Ramanathan
Acting Finance Director



TABLE OF CONTENTS

CITY OF HAMILTON
BUTLER COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittalv
B List of Principal Officialsxi
C City Organizational Chartxii
D Certificate of Achievement for Excellence in Financial Reporting.....xiii

II FINANCIAL SECTION

A Independent Auditors’ Report.....1
B Management’s Discussion and Analysis.....5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position16
 Statement of Activities18
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet20
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities.....21
 Statement of Revenues, Expenditures and Changes in Fund Balances22
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities.....23
 Statement of Revenues, Expenditures and Changes in Fund Balance
 (Budget and Actual):
 General Fund25
 Proprietary Funds:
 Statement of Net Position26
 Statement of Revenues, Expenses and Changes in Fund Net Position.....30
 Statement of Cash Flows32
 Fiduciary Funds:
 Statement of Assets and Liabilities.....36
Notes to the Basic Financial Statements.....37

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	93
Combining Balance Sheet – Nonmajor Special Revenue Funds	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	99
Combining Balance Sheet – Nonmajor Capital Projects Funds	105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	107

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual):

Major Governmental Funds:

<i>General Fund</i>	110
---------------------------	-----

Nonmajor Governmental Funds:

Special Revenue Funds:

One Renaissance Center Fund.....	117
Federal Emergency Management Grant Fund.....	118
Municipal Court Improvement Fund.....	119
Public Safety / Health Income Tax Fund	120
Dispute Resolution Proceeds Fund.....	121
Safety Services Fund	122
Police Pension Fund	123
Police Levy Fund.....	124
Firemen’s Pension Fund.....	125
Emergency Medical Services Grant Fund.....	126
Fire EMS Levy Fund.....	127
Energy Efficiency Block Grant Fund	128
Public Health Care Services Fund.....	129

CITY OF HAMILTON, OHIO

Special Revenue Funds (Continued):

Street and Parks Beautification Fund	130
Stormwater Management Fund	131
Refuse Fund.....	132
Street Maintenance Fund.....	133
Land Reutilization Fund.....	134
Home Program Fund	135
Parking Fund	136
Golf Course Fund	137
Local Energy Assurance Planning Fund	138
Community Development Block Grant Fund.....	139

Debt Service Fund:

Debt Service Fund	140
-------------------------	-----

Capital Projects Funds:

Hamilton Capital Improvement Fund.....	141
Capital Projects Fund	142
Special Assessment Fund	143
Municipal Improvement Tax Increment Equivalent (MITIE) Fund.....	144
Central Business District Streetscape Improvements Fund.....	145
Issue II Projects Fund	146
Clean Ohio Grants Program Fund	147
Infrastructure Program Fund	148

Permanent Fund:

Benninghoffen Trust Fund	149
--------------------------------	-----

Internal Service Funds:

Combining Statement of Net Position	151
Combining Statement of Revenues, Expenses and Changes in Fund Net Position.....	152
Combining Statement of Cash Flows	153

Fiduciary Funds – Agency Funds:

Combining Statement of Changes in Assets and Liabilities	156
--	-----

III

STATISTICAL SECTION

Net Position by Component - Last Ten Years S 2

Changes in Net Position - Last Ten Years..... S 5

Fund Balances, Governmental Funds - Last Ten Years S 13

Changes in Fund Balances, Governmental Funds - Last Ten Years S 16

Assessed Valuations and Estimated True Values of Taxable Property - Last Ten Years S 22

Property Tax Levies and Collections - Last Ten Calendar Years S 25

Direct and Overlapping Property Tax Rates - Last Ten Calendar Years S 28

Principal Property Tax Payers - Current Year and Nine Years Ago S 30

Income Tax Collection Receipts by Fund - Last Ten Calendar Years S 31

Principal Income Tax Payers - Current Year and Nine Years Ago..... S 34

Ratios of Outstanding Debt by Type - Last Ten Years S 35

Ratios of General Bonded Debt Outstanding - Last Ten Years..... S 38

Computation of Direct and Overlapping Debt Attributable to

Governmental Activities - Current Year S 41

Debt Limitations - Last Ten Years S 42

Pledged Revenue Coverage - Last Ten Years S 45

Demographic and Economic Statistics - Last Ten Years S 48

Principal Employers - Current Year and Nine Years Ago S 51

Full Time Equivalent Employees by Function - Last Seven Years..... S 52

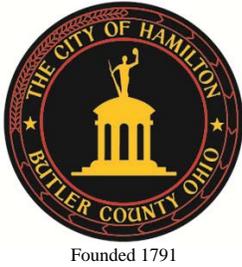
Operating Indicators by Function - Last Ten Years S 54

Capital Asset Statistics by Function - Last Ten Years S 60

INTRODUCTORY SECTION







CITY OF HAMILTON OHIO

Department of Finance

One Renaissance Center
345 High Street, Hamilton Ohio 45011
phone (513) 785-7150 fax (513) 785-7160

June 25, 2013

To the Honorable Mayor, Vice Mayor, City Council and
All Citizens of the City of Hamilton, Ohio:

We are pleased to present this Comprehensive Annual Financial Report (CAFR) for Hamilton, Ohio. This report, for the year ended December 31, 2012, contains the financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the City. The responsibility for the accuracy of all data presented and its completeness and fairness of presentation rests with the City of Hamilton's Department of Finance.

This report presents the financial activity of the City in conformity with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

The City of Hamilton is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996 and the U. S. Office of Management and Budget's Circular A-133, Audits of State and Local Governments. Information related to this single audit, including a schedule of federal expenditures, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

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

THE REPORTING ENTITY

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, in that they include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

CITY OF HAMILTON, OHIO

Letter of Transmittal For the Year Ended December 31, 2012

Based on the foregoing, the reporting entity of the City has no component units but includes all funds, agencies, boards and commissions that are part of the primary government. The primary government includes the financial activities of the Hamilton Civil Service Commission and the Hamilton Municipal Court.

CITY OVERVIEW

Located thirty miles northwest of Cincinnati, Hamilton encompasses approximately 21.5 square miles and is located within a one-day drive of approximately 65% of the purchasing population in the United States. A network of four interstate highways (71, 74, 75 and 275) and five U.S. and Ohio routes (4, 128, 129, 177 and 127) serve the City.

The City of Hamilton provides a host of traditional municipal services including police and fire protection, parks and recreation, health and certain social services, operation of a municipal court, street maintenance and other governmental services. In addition, the City owns and operates four utility systems to serve consumers within the City and certain immediately adjacent environs.

A seven-member council elected by voters of the City governs the City. Council is elected for four-year staggered terms. The Mayor, who is separately elected, is recognized as the official head of the City for all ceremonial purposes and presides at Council meetings. The City also elects a Municipal Court Judge to preside over the proceedings of the Hamilton Municipal Court. The Judge is elected to a six-year term.

The City Council appoints the City Manager. The City Manager is the chief executive officer of the City. The Manager is charged with the proper administration of all affairs of the City. The Manager appoints and removes all heads of departments and all subordinate officers and employees of the city and exercises control over all departments created by the City Council.

The City of Hamilton, like many other cities, has been affected by the economic downturn. In 2005, the state legislature initiated the phase-out of personal property tax with the passage of HB 66. This, and subsequent legislation has resulted in the loss of \$265 thousand in annual revenue for the City's General Fund. Since 2008, the City experienced a significant drop in income tax revenue of \$1.6 million due to the recession. In addition to these reductions, state funding for local governments has been reduced as the state struggles with its own budget issues. Hamilton's General Fund has been diminished by \$1.4 million due to the reduction of state support.

During 2009, the City Council took steps to balance the City's budget with the goal to create a minimum cash balance of 5% of expenditures in the General Fund (City Council Resolution R2009-8-72). For example, the approved 2009 budget was balanced by implementing 2/3 of the kilowatt hour tax permitted by state law, which generates an estimated \$1.6 to \$1.8 million each year. During 2009, revenue was lower than expected, unemployment increased, and new economic development was difficult. Because of these factors, the City Council decided to update the 2009 General Fund budget and develop the 2010 General Fund budget by July of 2009 that would provide for a year-end minimum fund balance of 5% of the budgeted General Fund expenditures. To achieve this, the City froze non-union salaries, laid off 23 employees, furloughed employees (Police – 2 days in 2009 and 3 days in 2010), demoted 5 employees, eliminated 11 positions, consolidated functions, re-negotiated labor contracts, and cut non-personnel expenditures. In addition, in May 2009, the City Council implemented the remaining 1/3 kilowatt hour tax which was estimated to generate \$810,000 to \$900,000 annually.

CITY OF HAMILTON, OHIO

Letter of Transmittal For the Year Ended December 31, 2012

The legislation implementing the remaining 1/3 of the kilowatt hour tax required that amounts generated from such implementation must be used for road and street projects, except that in 2009, 2010, and 2011, the amounts of \$200,000, \$400,000, and \$400,000, respectively, were to be used for general fund safety operating expenses. These actions contributed to the stabilization of General Fund operations in 2009 and 2010.

In 2011, the City of Hamilton received an unprecedented receipt of inheritance tax in the amount of \$7.01 million, approximately \$5.5 million more than the annual average receipt. In spite of state reductions to the Local Government Fund and the phase-out of tangible personal property tax receipts, the City of Hamilton improved its financial health and grew the General Fund balance substantially, due to the inheritance tax windfall. This major source of revenue will be eliminated by the repeal of the Estate tax effective January 1, 2013. This will result in further reduction of General Fund revenue by one million dollars. Overall, the General Fund is projected to receive over \$7 million less in 2013 than it did in 2008, which constitutes 15% of the City's General Fund Revenue.

The Government Financial Officer's Association recommends at least two months operating reserve or 16.7% of annual expenditures. In 2012, City Council enacted Budget and Financial Policies (R2012-6-25), which requires the maintenance of a minimum General Fund Balance (reserve) of 10-16% of annual expenditures. Additionally, in an effort to stabilize its fiscal condition, the City has continued to freeze non-union wages and only emergency capital repairs were budgeted in years 2010, 2011 and 2012. An effort was also made to control the rising health insurance costs by re-bidding the insurance each year.

RECENT ECONOMIC DEVELOPMENT

Butler County exhibits a diverse economic base accompanied by growth in most sectors since 2003. Growing sectors include manufacturing, financial services, education and health services. With approximately 1,800 establishments, the City is a major regional center of business and industry. Manufacturing continues to remain a substantial component of the economic base, primarily in the metalworking, automotive parts and components, machine tools, and other industrial sectors. Metal fabricators and machine tool companies include Hamilton Caster & Manufacturing, Salvagnini USA, Livingston-Tyler, Matandy Steel & Metal Products, General Electric Aircraft, Fabridigm/Thompson Metal Tubing and United Performance Metals. Other Hamilton companies, such as Valeo Climate Control, ThyssenKrupp Bilstein of America, Neturen America (Japanese joint venture) and Dynamic Controls, manufacture original and after-market automotive parts and components and employ approximately 450 in this industry sector. In the paper industry, Smart Papers and Mohawk Fine Paper both announced they would cease to operate mills in the city by early 2012; eliminating approximately 350 jobs.

While Hamilton has recently experienced notable losses in the paper industry, we have also made notable gains. The expansion at ThyssenKrupp Bilstein of America will utilize new German technology at its North American headquarters in Hamilton to produce real-time damper (RTD) systems for shock absorbers. ThyssenKrupp Bilstein's investment brought Governor Kasich to town to herald the award of Third-Frontier dollars and warranted a mention in his 2012 State of the State speech. Bilstein's success also caught the attention of Speaker of the House John Boehner who visited in February of 2012. Producing these parts in Hamilton will reduce the company's import costs, provide quality jobs and increase the opportunity of expanding product sales. The company is investing over \$7 million in equipment and facility upgrades. As a result of this project, ThyssenKrupp Bilstein now employs approximately 250 full-time employees in Hamilton, exceeding their new job creation goal of sixty.

*Letter of Transmittal
For the Year Ended December 31, 2012*

In 2011, Interstate Warehousing of Ohio expanded their existing facility on Distribution Drive by approximately 90,000 square feet. The project involved an investment total of \$11.7 million, and will create an additional 20 full-time employees at the facility.

In the office sector, KonzertIT announced that they would be creating approximately 60 jobs this year at Vora Technology Park. This pharmacy support center is in partnership with Kroger. The City is very excited about the project and the potential growth of this strong, stable company here in Hamilton. Liferay, Inc. will be opening its national sales office in the Robinson-Schwenn building in early 2013. Liferay is a leading provider of enterprise open source portal and collaboration software products, servicing Fortune 500 companies worldwide. Liferay expects to hire 15 employees within 2 years.

Additionally, the Hamilton Mercantile Lofts are now complete. Phase I was 100% occupied by March 2011, and Phase II began leasing to new residents on April 1, 2012. The project includes 29 market-rate apartments, 3 street-level retail spaces (100% occupied), and a garden level commercial space (entrance from Market Street). Historic Developers LLC, the owners of the Lofts, have reached 100% occupancy on the residential portion of the project by the end of 2012.

Also in the downtown area, the RiversEdge project groundbreaking was held in 2012. This new outdoor development just north of the central business district will expand leisure opportunities for residents and provide a new venue for events, attracting tourist dollars and contributing to Hamilton's rich artistic and cultural traditions. A grand opening is planned for spring 2013.

FUTURE ECONOMIC DEVELOPMENT PROJECTS

With the Mercantile Lofts breathing new life into downtown Hamilton, the City is looking forward to its next residential mixed-use project, Artspace Hamilton. Artspace's chosen site, the Mehrum-Lindley Block, the former home of Strauss and Co., is in need of rehabilitation. Artspace plans to invest over \$10 million in the renovation to create 42 affordable live/work spaces for artists. When complete, Artspace Hamilton will be a community asset that will provide ground floor space for local non-profit organizations, commercial space for small businesses and outdoor plaza areas for residents and for the greater community.

The East High Street Gateway is an important entrance into Hamilton that is in need of a face-lift. The City is improving its first impression with the East High Street Gateway Improvement Project, which will improve traffic flow and enhance the streetscape. This project began in 2012 with the completion of a traffic study and replacing water mains in the corridor. The projected investment for this project is over \$8 million and is expected to be completed in 2014.

The City continues to market Hamilton Enterprise Park and University Commerce Park for development of industrial and commercial projects. Combined, both Parks offer the balance of approximately 200 acres for development. Several other redevelopment projects continue to gain momentum. The former Ohio Casualty Building continues to be marketed as one of the premier office opportunities in the downtown.

Letter of Transmittal

For the Year Ended December 31, 2012

To help accelerate Downtown revitalization and reduce the financial barriers to investing in the urban core, a public-private partnership consisting of the City, the Hamilton Community Foundation, and local lending institutions launched the CORE Fund, which will provide financial resources for qualified residential and commercial real estate projects within the urban core. The CORE Fund, or Consortium for Ongoing Reinvestment Efforts, was launched in December 2012 and will provide the necessary capital to reduce financial risk and offer a strategic framework from which projects can be initiated. By leveraging a multitude of financial tools in one powerful partnership, the CORE Fund is able to maximize results of strategic projects that will revitalize the city.

INTERNAL ACCOUNTING AND BUDGETARY CONTROLS

The City's budgetary accounting system was designed to provide reasonable, but not absolute, assurances that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expenditure associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the members of the Finance Department.

It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. The City Manager and the appropriate Department Director submit requisitions for the expenditure of monies to the Director of Finance for certification of funds and preparation of a purchase order after approval. The purchase order is reviewed for the availability of funds and the estimated expenditure is encumbered against the available appropriation. Encumbrances, which would exceed the available appropriation, are not approved or recorded until City Council authorizes additional appropriations. Unencumbered appropriations lapse at the end of each year.

***Letter of Transmittal
For the Year Ended December 31, 2012***

INDEPENDENT AUDIT

Included in this report is the unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2012, by the Ohio State Auditor. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. This annual independent audit serves to maintain and strengthen the City's accounting and budgetary controls.

CERTIFICATE OF ACHIEVEMENT

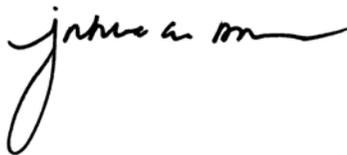
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hamilton for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2011. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards.

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

ACKNOWLEDGEMENTS

The City of Hamilton is proud to be submitting this Comprehensive Annual Financial Report, which is the result of the continued cooperation and combined efforts of the City's Finance Department staff.

The support of the Hamilton City Council was essential in the successful preparation and issuance of this report.



Joshua A. Smith
City Manager



Ana Ramanathan
A/Director of Finance

CITY OF HAMILTON, OHIO

**List of Principal Officials
For the Year Ended December 31, 2012**

***ELECTED
OFFICIALS***

Pat Moeller
Carla Fiehrer
Robert Brown
Archie Johnson
Kathleen Klink
Timothy Naab
Rob Wile
Daniel J. Gattermeyer, Judge

OFFICE

Mayor
Vice Mayor
Council Member
Council Member
Council Member
Council Member
Council Member
Municipal Court

***ADMINISTRATIVE
PERSONNEL***

Joshua A. Smith
Hillary Stevenson

Timothy Werdmann

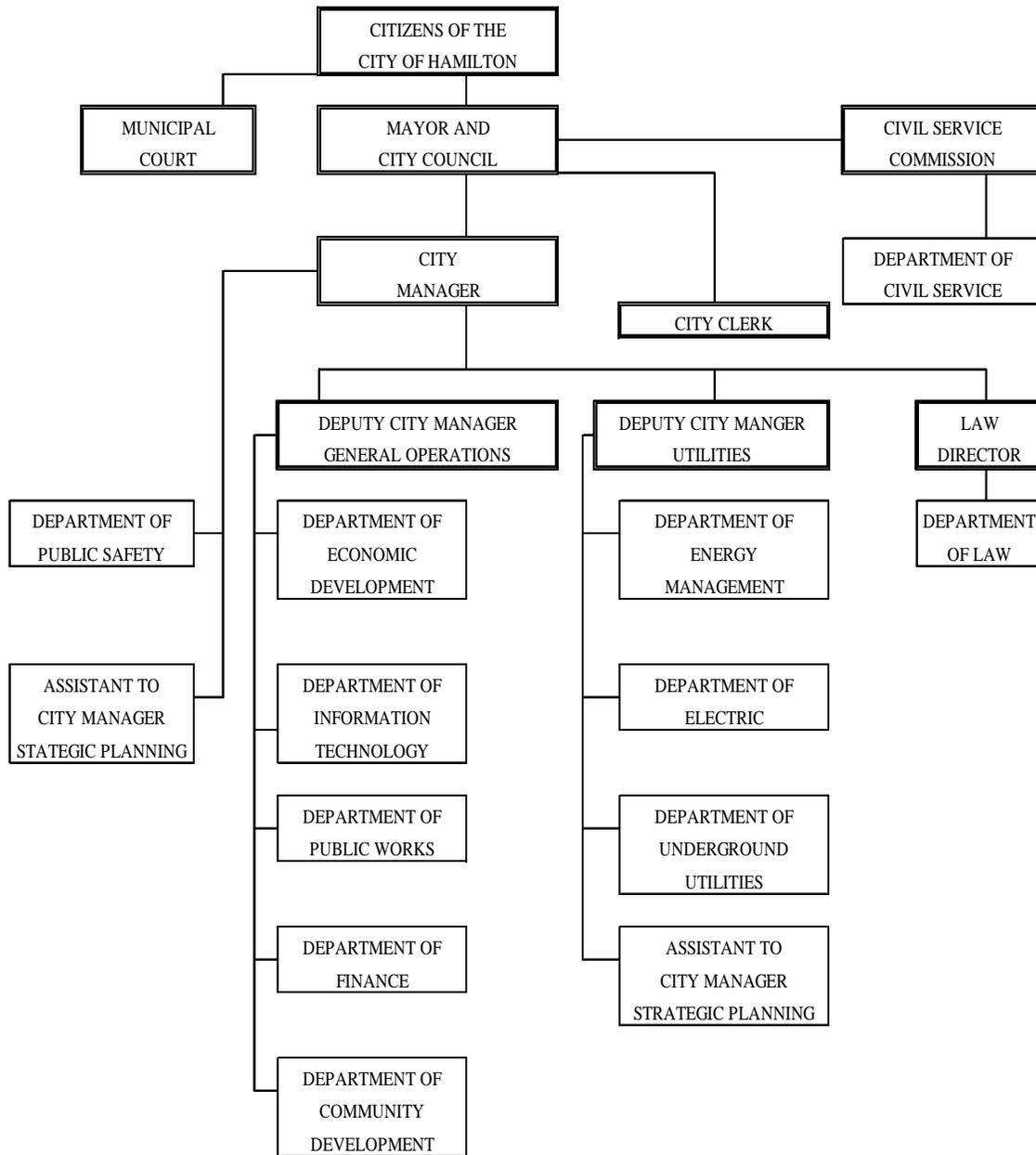
Ana Ramanathan
Colleen Taylor
Nadine Hill
Scott Scrimizzi
Steve Dawson
Jim Collins
Tony Pochard
Doug Childs
Richard Engle
Eugene "Bud" Scharf
Jody Gunderson
Manju Bhargava
Deborah J. Hymer
Adam Helms

TITLE

City Manager
Deputy City Manager/
Director of General Operations
Deputy City Manager/
Director of Utility Operations
Acting Finance Director
Law Director
Director of Civil Service and Personnel
Police Chief
Fire Chief
Director of Underground Utilities
Director of Electric
Director of Energy Management
Public Works Director
Director of Community Development
Director of Economic Development
Acting Director of Information Technology
Treasurer
City Clerk

CITY OF HAMILTON, OHIO

**City Organizational Chart
For the Year Ended December 31, 2012**



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Hamilton
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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



Christopher P. Mouill

President

Jeffrey R. Emer

Executive Director



FINANCIAL SECTION







Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Hamilton
Butler County
345 High Street
Hamilton, Ohio 45011

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of City of Hamilton, Butler County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of City of Hamilton, Butler County, Ohio, as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 20 to the financial statements, during the year ended December 31, 2012, the City adopted the provisions of Governmental Accounting Standard No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and is not a required part of the basic financial statements.

The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2013, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

June 25, 2013



This discussion and analysis of the City of Hamilton's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key (***GAAP Basis***) financial highlights for 2012 are as follows:

- ❑ In total, net position increased \$731,421. Net position of governmental activities decreased \$1,301,661, which represents a 2% decrease from 2011. Net position of business-type activities increased \$2,033,082, or 1%, from 2011.
- ❑ General revenues accounted for \$34,615,467 in revenue or 21% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$128,863,256, or 79%, of total revenues of \$163,478,723.
- ❑ The City had \$58,453,664 in expenses related to governmental activities; \$23,098,418 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$34,332,280 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$32,002,134 in revenues and \$31,382,117 in expenditures. The general fund's fund balance decreased from \$11,907,012 to \$9,962,171.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets, liabilities and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net-position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's programs and services are reported here including security of persons and property, public health and welfare services, basic utility services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's gas, electric, water and wastewater services are reported as business-type activities.

Fund Financial Statements

Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements. The City maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its gas, electric, water and wastewater operations. All enterprise funds are reported as major funds in the proprietary funds Statement of Net Position and Statement of Revenues, Expenses and Changes in Fund Net Position.

Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet management services, costs of certain goods or services, and costs associated with health care benefits, pension, and workers compensation provided to other departments or agencies of the City.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. Individual fund data for each of these funds is provided in the form of combining statements elsewhere in this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City's net position for 2012 compared to 2011.

As noted earlier, net position may serve over time as a useful indicator of a government's financial health. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$245,198,207 (\$83,159,429 in governmental activities and \$162,038,778 in business type activities) as of December 31, 2012. By far, the largest portion of the City's net position (60.6%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The table below provides a summary of the City's statement of net position for 2012 compared to 2011.

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	Restated 2011	2012	Restated 2011
Current and Other Assets	\$41,339,155	\$42,838,208	\$119,291,650	\$125,993,288	\$160,630,805	\$168,831,496
Capital assets, Net	89,897,280	89,747,553	308,725,930	307,159,208	398,623,210	396,906,761
Total Assets	131,236,435	132,585,761	428,017,580	433,152,496	559,254,015	565,738,257
Deferred Outflows of Resources	338,276	382,125	5,191,973	6,047,531	5,530,249	6,429,656
Long-term Debt Outstanding	36,648,320	38,741,791	248,857,529	261,252,650	285,505,849	299,994,441
Other Liabilities	4,373,042	3,670,095	22,313,246	17,941,681	26,686,288	21,611,776
Total Liabilities	41,021,362	42,411,886	271,170,775	279,194,331	312,192,137	321,606,217
Deferred Inflows of Resources	7,393,920	6,094,910	0	0	7,393,920	6,094,910
Net Position						
Net Investment in Capital Assets	60,330,073	61,265,974	88,211,121	92,584,709	148,541,194	153,850,683
Restricted	9,033,196	12,456,507	20,539,704	21,542,104	29,572,900	33,998,611
Unrestricted	13,796,160	10,738,609	53,287,953	45,878,883	67,084,113	56,617,492
Total Net Position	\$83,159,429	\$84,461,090	\$162,038,778	\$160,005,696	\$245,198,207	\$244,466,786

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented \$29,572,900, or 12.1%, of net position. The remaining unrestricted \$67,084,113, or 27.3%, of net position may be used to meet the City's ongoing obligations to its citizens and creditors and for business-type activities.

Changes in Net Position – The following table shows the changes in net position for the fiscal year 2012 compared with 2011:

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program Revenues:						
Charges for Services and Sales	\$15,556,509	\$14,373,968	\$105,564,838	\$112,508,650	\$121,121,347	\$126,882,618
Operating Grants and Contributions	6,402,940	6,122,577	0	0	6,402,940	6,122,577
Capital Grants and Contributions	1,138,969	2,800,483	200,000	40,500	1,338,969	2,840,983
Total Program Revenues	23,098,418	23,297,028	105,764,838	112,549,150	128,863,256	135,846,178
General Revenues:						
Property Taxes	5,843,394	5,788,190	0	0	5,843,394	5,788,190
Income Taxes	21,259,474	21,912,270	0	0	21,259,474	21,912,270
Other Local Taxes	3,126,261	3,236,064	0	2,086	3,126,261	3,238,150
Intergovernmental, Unrestricted	3,112,982	10,357,132	0	0	3,112,982	10,357,132
Investment Earnings	76,967	98,396	283,187	275,171	360,154	373,567
Miscellaneous	913,202	964,173	0	0	913,202	964,173
Total General Revenues	34,332,280	42,356,225	283,187	277,257	34,615,467	42,633,482
Total Revenues	57,430,698	65,653,253	106,048,025	112,826,407	163,478,723	178,479,660
Program Expenses						
General Government	7,057,730	5,991,786	0	0	7,057,730	5,991,786
Security of Persons and Property	31,282,855	32,949,502	0	0	31,282,855	32,949,502
Leisure Time Activities	2,247,173	1,970,218	0	0	2,247,173	1,970,218
Community Environment	3,397,734	2,902,576	0	0	3,397,734	2,902,576
Basic Utility Services	5,809,490	6,150,598	0	0	5,809,490	6,150,598
Transportation	6,157,603	6,605,053	0	0	6,157,603	6,605,053
Public Health and Welfare Services	1,061,241	1,163,297	0	0	1,061,241	1,163,297
Interest and Fiscal Charges	1,439,838	1,596,931	0	0	1,439,838	1,596,931
Gas Utility	0	0	16,850,289	21,777,870	16,850,289	21,777,870
Electric Utility	0	0	60,661,556	61,257,197	60,661,556	61,257,197
Water Utility	0	0	14,909,166	14,968,676	14,909,166	14,968,676
Wastewater Utility	0	0	11,872,627	11,441,639	11,872,627	11,441,639
Total Expenses	58,453,664	59,329,961	104,293,638	109,445,382	162,747,302	168,775,343
Change in Net Position Before Transfers	(1,022,966)	6,323,292	1,754,387	3,381,025	731,421	9,704,317
Transfers	(278,695)	0	278,695	0	0	0
Total Change in Net Position	(1,301,661)	6,323,292	2,033,082	3,381,025	731,421	9,704,317
Beginning Net Position - Restated	84,461,090	78,137,798	160,005,696	156,624,671	244,466,786	234,762,469
Ending Net Position	\$83,159,429	\$84,461,090	\$162,038,778	\$160,005,696	\$245,198,207	\$244,466,786

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

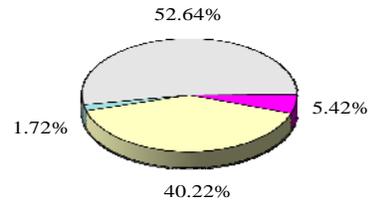
Governmental Activities

Net position of the City's governmental activities decreased \$1,301,661. This represents a 2% change from 2011. The decrease in capital grants and contributions can be attributed to decreases in Ohio Public Works Commission grants. The increase in charges for services is mainly due to increased fees for refuse collection services as well as increases in fines from traffic enforcement cameras. An unusually large receipt of estate taxes in the prior year resulted in the subsequent decrease in unrestricted intergovernmental revenues in 2012. The increase in General Government expenses was mainly due to a City match of \$376,250 for the Moving Ohio Forward grant, property maintenance expenses for the SMART property acquisition and a reserve provision of \$350,000 for unexpected large retirement payouts. In Security of Persons and Property, personnel costs were down due to unexpected retirements in 2012.

The City receives an income tax, which is based on 2% of all salaries, wages, commissions and other compensation and on net profits earned from residents and businesses located within the City.

Income taxes and property taxes made up 37% and 10%, respectively, of revenues for governmental activities for the City in fiscal year 2012. The City's reliance upon tax revenues is demonstrated by the following graph indicating 53% of total revenues from general tax revenues:

Revenue Sources	2012	Percent of Total
General Tax Revenues	\$30,229,129	52.64%
Intergovernmental, Unrestricted	3,112,982	5.42%
Program Revenues	23,098,418	40.22%
General Other	990,169	1.72%
Total Revenue	\$57,430,698	100.00%



Business-Type Activities

Net position of the business-type activities increased \$2,033,082. This represents a 1% change from the previous year. A decrease in both revenues and expenses in the Gas utility was due to a lower cost of purchasing gas which resulted in lower charges to customers.

This space intentionally left blank.

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$23,570,168, which is a decrease from last year's balance of \$27,529,778. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2012 and 2011:

	Fund Balance December 31, 2012	Fund Balance December 31, 2011	Increase (Decrease)
General	\$9,962,171	\$11,907,012	(\$1,944,841)
Other Governmental	13,607,997	15,622,766	(2,014,769)
Total	\$23,570,168	\$27,529,778	(\$3,959,610)

General Fund – The City's General Fund balance change is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2012 Revenues	2011 Revenues	Increase (Decrease)
Income Taxes	\$16,237,009	\$16,772,317	(\$535,308)
Property and Other Local Taxes	5,424,344	5,725,965	(301,621)
Intergovernmental Revenues	3,128,736	10,041,539	(6,912,803)
Charges for Services	5,434,589	5,209,411	225,178
Licenses and Permits	612,917	492,458	120,459
Investment Earnings	68,327	68,784	(457)
Fines and Forfeitures	704,945	698,485	6,460
All Other Revenue	391,267	336,608	54,659
Total	\$32,002,134	\$39,345,567	(\$7,343,433)

General Fund revenues in 2012 decreased \$7,343,433, or approximately 19%, when compared with the previous year. An unusually large receipt of estate taxes in the prior year resulted in the subsequent decrease in intergovernmental revenues in 2012.

	2012 Expenditures	2011 Expenditures	Increase (Decrease)
General Government	\$5,390,527	\$4,327,853	\$1,062,674
Security of Persons and Property	23,283,319	24,396,829	(1,113,510)
Leisure Time Activities	1,055,991	919,319	136,672
Community Environment	504,770	131,549	373,221
Basic Utility Services	223,395	320,927	(97,532)
Public Health and Welfare Services	924,115	982,114	(57,999)
Total	\$31,382,117	\$31,078,591	\$303,526

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

General Fund expenditures increased \$303,526, or 1%, from the prior year. This increase was partly due to maintenance expenditures associated with the SMART paper property acquisition as well as matching fund transfers for the Move Ohio Forward grant. A reserve of \$600,000 was also established to account for the unusually large unanticipated retirement payouts as well as unemployment payouts.

Other Governmental Funds – The City's Other Governmental Funds reported a decrease in fund balance of \$2,014,769, or 13%. Intergovernmental revenues decreased approximately 17% due mostly to decreases in state issue II, community development block and home program federal grants. Increases in charges for services can be attributed to increases in golf course concession revenue and refuse service fees. Overall expenditures decreased 3%, which can be attributed to decreases in capital costs for street infrastructure projects.

Budgetary

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2012 the City amended its General Fund budget several times, none significant.

For the General Fund, original budgeted revenues were 4% lower than final budget estimates. Budget basis revenue of \$40.7 million was 2% less than final budget estimates. This is due to the reduction in reimbursement revenue from other funds for shared services. The lower reimbursements were a result of reduction in personnel costs. Final budgeted expenditures exceeded actual budget basis expenditures by \$2,671,810.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2012 the City had \$398,623,210 invested in land, construction in progress, buildings, improvements, infrastructure, machinery and equipment net of accumulated depreciation. Of this total, \$89,897,280 was related to governmental activities and \$308,725,930 to the business-type activities. The following table shows fiscal year 2012 and 2011 balances:

	Governmental Activities		Increase (Decrease)
	2012	2011	
Land	\$22,335,233	\$22,217,479	\$117,754
Construction In Progress	13,136,565	13,753,679	(617,114)
Buildings and Improvements	40,587,641	40,183,308	404,333
Machinery and Equipment	27,730,115	26,660,828	1,069,287
Infrastructure	146,947,990	144,383,451	2,564,539
Less: Accumulated Depreciation	(160,840,264)	(157,451,192)	(3,389,072)
Totals	\$89,897,280	\$89,747,553	\$149,727

The decrease in Construction in Progress of \$617,114 was mainly due to completion of various street improvement projects. The increase in building improvements of \$404,333 was due to the acquisition of the SMART Paper facility.

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2012**

Unaudited

The increase in the Machinery and Equipment capital assets of \$1,069,287 was mostly attributed to the purchase of police cruisers, asphalt equipment, mowers and dump trucks for the Streets department and a breathing air compressor unit for the Fire department. The increased infrastructure improvements (\$2,564,539) were mainly due to the installation of storm mains, catch basins and various street improvement projects.

	Business-Type Activities		Increase (Decrease)
	2012	2011	
Land	\$7,982,021	\$7,459,638	\$522,383
Construction in Progress	51,842,593	41,557,361	10,285,232
Intangible Capital Assets	1,070,786	1,070,786	0
Buildings and Improvements	95,026,532	95,026,532	0
Machinery and Equipment	582,557,431	573,991,564	8,565,867
Less: Accumulated Depreciation	(429,753,433)	(411,946,673)	(17,806,760)
Totals	\$308,725,930	\$307,159,208	\$1,566,722

The increased construction in progress of \$10,285,232 was due to Wastewater and Sanitary sewer improvements of \$5 million, Electric construction projects of \$4.3 million that included the boiler 8 natural gas conversion project, hydro canal improvements and elevated tank booster station construction projects, and Water main replacement projects (\$1 million). The increase in the Machinery and Equipment capital assets of \$8.5 million consisted of Gas and Water main replacements (\$2 million each), Electric primary underground replacements (\$3 million), the purchase of 2 line trucks with aerial hybrid electric systems and pole yard with bunkers (\$1 million).

Additional information on the City's capital assets can be found in Note 9.

Debt

At December 31, 2012, the City had \$28.1 million in General Obligation bonds outstanding, \$2.2 million due within one year. The following table summarizes the City's debt outstanding as of December 31, 2012 and 2011:

	2012	2011
Governmental Activities:		
General Obligation Bonds	\$28,115,485	\$30,808,704
Special Assessment Bonds	1,195,000	1,400,000
Worker's Compensation Retrospective Liability	1,200,000	0
Compensated Absences	6,137,835	6,533,087
Total Governmental Activities	36,648,320	38,741,791
Business-Type Activities:		
Mortgage Revenue Bonds	245,453,475	257,214,280
OWDA Loan	400,077	416,213
Compensated Absences	3,003,977	3,622,157
Total Business-Type Activities	248,857,529	261,252,650
Totals	\$285,505,849	\$299,994,441

Under state law, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2012, the City's outstanding debt was well below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

ECONOMIC FACTORS

In 2012, the City of Hamilton's Economic Development Department made progress implementing the City's strategic plan by emphasizing business retention, expansion, and attraction. The Department's new staff established and strengthened connections with the City's top employers, ensuring that local companies know who to contact when they need the City's assistance and bringing to their attention programs that may benefit their operations. The Business Development Team provided an important support system for new and growing businesses, making it easier for companies to invest in Hamilton and assisting in the development of 30 small business projects.

Through the Department's business attraction efforts, Hamilton received 30% more inquiries from prospective companies in 2012 than in 2011 and was able to offer these prospects a matching site or building two-thirds of the time, positioning Hamilton to be a stronger contender for prospective companies.

While Hamilton has recently experienced notable losses in the paper industry, we have also made notable gains. The expansion at ThyssenKrupp Bilstein of America will utilize new German technology at its North American headquarters in Hamilton to produce real-time damper (RTD) systems for shock absorbers. ThyssenKrupp Bilstein's investment brought Governor Kasich to town to herald the award of Third-Frontier dollars and warranted a mention in his 2012 State of the State speech. Bilstein's success also caught the attention of Speaker of the House John Boehner who visited in February of 2012. Producing these parts in Hamilton will reduce the company's import costs, provide quality jobs and increase the opportunity of expanding product sales. The company is investing over \$7 million in equipment and facility upgrades. As a result of this project, ThyssenKrupp Bilstein now employs approximately 250 full-time employees in Hamilton, exceeding their new job creation goal of sixty.

In 2011, Interstate Warehousing of Ohio expanded their existing facility on Distribution Drive by approximately 90,000 square feet. The project involved an investment total of \$11.7 million, and will create an additional 20 full-time employees at the facility.

In the office sector, KoncertIT announced that they would be creating approximately 60 jobs this year at Vora Technology Park. This pharmacy support center is in partnership with Kroger. The City is very excited about the project and the potential growth of this strong, stable company here in Hamilton. Liferay, Inc. will be opening its national sales office in the Robinson-Schwenn building in early 2013. Liferay is a leading provider of enterprise open source portal and collaboration software products, servicing Fortune 500 companies worldwide. Liferay expects to hire 15 employees within 2 years.

Additionally, the Hamilton Mercantile Lofts are now complete. Phase I was 100% occupied by March 2011, and Phase II began leasing to new residents on April 1, 2012. The project includes 29 market-rate apartments, 3 street-level retail spaces (100% occupied), and a garden level commercial space (entrance from Market Street). Historic Developers LLC, the owners of the Lofts, have reached 100% occupancy on the residential portion of the project by the end of 2012.

CITY OF HAMILTON, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2012***

Unaudited

Also in the downtown area, the RiversEdge project groundbreaking was held in 2012. This new outdoor development just north of the central business district will expand leisure opportunities for residents and provide a new venue for events, attracting tourist dollars and contributing to Hamilton's rich artistic and cultural traditions. A grand opening is planned for spring 2013.

Economic Development is no longer just the expressed mission of one department, but instead, the culmination of efforts made by all City departments, elected officials, community organizations, business community, and other stakeholders that strive to make Hamilton a great place to work, live, and play.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with a general overview of the City's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact the Office of the City of Hamilton Finance Director, 345 High Street, 7th Floor, Hamilton, Ohio 45011, (513) 785-7170, or visit the City website at www.hamilton-city.org.



CITY OF HAMILTON, OHIO

**Statement of Net Position
December 31, 2012**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$ 25,649,967	\$ 82,921,617	\$ 108,571,584
Restricted Cash and Investments	0	20,539,704	20,539,704
Receivables:			
Taxes	12,960,929	0	12,960,929
Accounts	956,840	12,009,412	12,966,252
Due From Other Governments	1,769,423	0	1,769,423
Interest	2,563	8,840	11,403
Loans	452,324	0	452,324
Internal Balance	(684,294)	684,294	0
Inventory of Supplies at Cost	104,981	2,227,385	2,332,366
Prepaid Items	126,422	900,398	1,026,820
Restricted Assets:			
Non-Depreciable Capital Assets	35,471,798	59,824,614	95,296,412
Depreciable Capital Assets, Net	54,425,482	248,901,316	303,326,798
Total Assets	131,236,435	428,017,580	559,254,015
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	338,276	5,191,973	5,530,249
Liabilities:			
Accounts Payable	1,989,235	6,182,855	8,172,090
Accrued Wages and Benefits	1,203,588	740,647	1,944,235
Intergovernmental Payable	344,662	274,155	618,817
Accrued Liabilities	581,042	0	581,042
Customer Deposits	9,715	1,710,825	1,720,540
Accrued Interest Payable	244,800	2,714,764	2,959,564
General Obligation Notes Payable	0	10,690,000	10,690,000
Long-Term Liabilities:			
Due within one year	4,565,797	13,378,524	17,944,321
Due in more than one year	32,082,523	235,479,005	267,561,528
Total Liabilities	41,021,362	271,170,775	312,192,137
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	7,393,920	0	7,393,920

(Continued)

CITY OF HAMILTON, OHIO

Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	60,330,073	88,211,121	148,541,194
Restricted For:			
Debt Service	0	11,639,704	11,639,704
Capital Projects	2,233,370	0	2,233,370
Community Environment	598,897	0	598,897
General Government	808,540	0	808,540
Public Health and Welfare Services	195,412	0	195,412
Security of Persons and Property	2,859,132	0	2,859,132
Streets	2,262,791	0	2,262,791
Nonexpendable Endowments	75,054	0	75,054
Rate Stabilization	0	8,900,000	8,900,000
Unrestricted	13,796,160	53,287,953	67,084,113
Total Net Position	\$ 83,159,429	\$ 162,038,778	\$ 245,198,207

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Activities
For the Year Ended December 31, 2012**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 7,057,730	\$ 3,345,900	\$ 159,835	\$ 0
Security of Persons and Property	31,282,855	3,678,374	1,074,260	0
Leisure Time Activities	2,247,173	1,122,766	0	0
Community Environment	3,397,734	806,118	2,741,875	0
Basic Utility Services	5,809,490	5,666,718	16,185	0
Transportation	6,157,603	698,865	2,289,689	1,047,839
Public Health and Welfare Services	1,061,241	237,768	121,096	91,130
Interest and Fiscal Charges	1,439,838	0	0	0
Total Governmental Activities	58,453,664	15,556,509	6,402,940	1,138,969
Business-Type Activities:				
Gas Utility	16,850,289	16,574,138	0	0
Electric Utility	60,661,556	62,172,965	0	200,000
Water Utility	14,909,166	14,749,579	0	0
Wastewater Utility	11,872,627	12,068,156	0	0
Total Business-Type Activities	104,293,638	105,564,838	0	200,000
Totals	\$ 162,747,302	\$ 121,121,347	\$ 6,402,940	\$ 1,338,969

General Revenues and Transfers

Property Taxes Levied for:

General Purposes

Special Purposes

Capital Purposes

Income Tax

Other Local Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year - Restated

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

Statement of Activities
For the Year Ended December 31, 2012

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (3,551,995)	\$ 0	\$ (3,551,995)
(26,530,221)	0	(26,530,221)
(1,124,407)	0	(1,124,407)
150,259	0	150,259
(126,587)	0	(126,587)
(2,121,210)	0	(2,121,210)
(611,247)	0	(611,247)
(1,439,838)	0	(1,439,838)
(35,355,246)	0	(35,355,246)
0	(276,151)	(276,151)
0	1,711,409	1,711,409
0	(159,587)	(159,587)
0	195,529	195,529
0	1,471,200	1,471,200
(35,355,246)	1,471,200	(33,884,046)
2,317,406	0	2,317,406
2,454,785	0	2,454,785
1,071,203	0	1,071,203
21,259,474	0	21,259,474
3,126,261	0	3,126,261
3,112,982	0	3,112,982
76,967	283,187	360,154
913,202	0	913,202
(278,695)	278,695	0
34,053,585	561,882	34,615,467
(1,301,661)	2,033,082	731,421
84,461,090	160,005,696	244,466,786
\$ 83,159,429	\$ 162,038,778	\$ 245,198,207

CITY OF HAMILTON, OHIO

Balance Sheet
Governmental Funds
December 31, 2012

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 10,010,786	\$ 14,352,572	\$ 24,363,358
Receivables:			
Taxes	6,893,468	6,067,461	12,960,929
Accounts	232,517	724,323	956,840
Intergovernmental	500,636	1,268,787	1,769,423
Interest	2,218	345	2,563
Loans	0	452,324	452,324
Due from Other Funds	14,055	0	14,055
Interfund Receivable	409,102	0	409,102
Inventory of Supplies, at Cost	44,420	25,240	69,660
Prepaid Items	105,856	20,566	126,422
Total Assets	\$ 18,213,058	\$ 22,911,618	\$ 41,124,676
Liabilities:			
Accounts Payable	\$ 864,582	\$ 936,521	\$ 1,801,103
Accrued Wages and Benefits Payable	1,041,742	136,487	1,178,229
Intergovernmental Payable	284,860	50,404	335,264
Accrued Liabilities	450,308	130,734	581,042
Customer Deposits	0	9,715	9,715
Due to Other Funds	0	14,055	14,055
Interfund Payable	0	1,349,102	1,349,102
Total Liabilities	2,641,492	2,627,018	5,268,510
Deferred Inflows of Resources:			
Unavailable Amounts	2,757,380	2,134,698	4,892,078
Property Tax Levy for Next Fiscal Year	2,852,015	4,541,905	7,393,920
Total Deferred Inflows of Resources	5,609,395	6,676,603	12,285,998
Fund Balance:			
Nonspendable	150,276	120,806	271,082
Restricted	0	7,315,026	7,315,026
Committed	0	3,592,878	3,592,878
Assigned	2,797,712	3,078,130	5,875,842
Unassigned	7,014,183	(498,843)	6,515,340
Total Fund Balance	9,962,171	13,607,997	23,570,168
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 18,213,058	\$ 22,911,618	\$ 41,124,676

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2012***

Total Governmental Fund Balances	\$ 23,570,168
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	89,847,403
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	4,892,078
Internal service funds are used by management to charge back costs of services to individual funds. The assets and liabilities of the Fleet Maintenance Fund and Central Benefits Fund are included in governmental activities in the statement of net position.	86,628
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General Obligation Bonds Payable	(26,540,000)
Special Assessment Bonds Payable	(1,195,000)
Bond Premium	(1,575,485)
Deferred Loss on Refunding	338,276
Compensated Absences Payable	(6,019,839)
Accrued Interest Payable	(244,800)
	<u>(35,236,848)</u>
<i>Net Position of Governmental Activities</i>	<u>\$ 83,159,429</u>

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Income Taxes	\$ 16,237,009	\$ 5,083,896	\$ 21,320,905
Property and Other Local Taxes	5,424,344	3,494,880	8,919,224
Intergovernmental Revenues	3,128,736	7,868,698	10,997,434
Charges for Services	5,434,589	7,225,017	12,659,606
Licenses and Permits	612,917	368,783	981,700
Investment Earnings	68,327	8,640	76,967
Special Assessments	0	811,933	811,933
Fines and Forfeitures	704,945	425,333	1,130,278
All Other Revenue	391,267	521,935	913,202
Total Revenue	32,002,134	25,809,115	57,811,249
Expenditures:			
Current:			
General Government	5,390,527	731,379	6,121,906
Security of Persons and Property	23,283,319	6,858,389	30,141,708
Leisure Time Activities	1,055,991	917,306	1,973,297
Community Environment	504,770	2,810,415	3,315,185
Basic Utility Services	223,395	5,472,696	5,696,091
Transportation	0	3,762,769	3,762,769
Public Health and Welfare Services	924,115	111,771	1,035,886
Capital Outlay	0	5,461,124	5,461,124
Debt Service:			
Principal Retirement	0	2,695,000	2,695,000
Interest and Fiscal Charges	0	1,274,719	1,274,719
Total Expenditures	31,382,117	30,095,568	61,477,685
Excess (Deficiency) of Revenues Over (Under) Expenditures	620,017	(4,286,453)	(3,666,436)
Other Financing Sources (Uses):			
Sale of Capital Assets	0	418	418
Transfers In	279,983	8,564,129	8,844,112
Transfers Out	(2,844,297)	(6,278,510)	(9,122,807)
Total Other Financing Sources (Uses)	(2,564,314)	2,286,037	(278,277)
Net Change in Fund Balance	(1,944,297)	(2,000,416)	(3,944,713)
Fund Balance at Beginning of Year	11,907,012	15,622,766	27,529,778
Decrease in Inventory	(544)	(14,353)	(14,897)
Fund Balance End of Year	\$ 9,962,171	\$ 13,607,997	\$ 23,570,168

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Year Ended December 31, 2012***

Net Change in Fund Balances - Total Governmental Funds \$ (3,944,713)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	4,008,406	
Depreciation Expense	(3,702,213)	306,193

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets. This is the loss on disposal of capital assets, net of proceeds. (142,844)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (380,551)

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

General Obligation Bond Principal Payment	2,490,000	
Special Assessment Bond Principal Payment	205,000	
Amortization of Bond Issuance Cost	(352,822)	
Amortization of Deferred Loss on Refunding	(43,849)	
Amortization of Bond Discount	203,219	2,501,548

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 28,333

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

Compensated Absences	407,555	
Change in Inventory	(14,897)	392,658

Internal Service Funds are used by management to charge costs to individual funds and are not reported in the statement of activities.

Governmental fund expenditures and related internal service revenues are eliminated. The net revenue (expense) of the Fleet Maintenance Fund and Central Benefits Fund is allocated among the governmental activities. (62,285)

Change in Net Position of Governmental Activities **\$ (1,301,661)**

See accompanying notes to the basic financial statements



CITY OF HAMILTON, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 16,380,000	\$ 16,260,000	\$ 16,380,972	\$ 120,972
Property and Other Local Taxes	5,590,000	5,785,630	5,424,454	(361,176)
Intergovernmental Revenues	2,938,314	3,302,069	3,289,549	(12,520)
Charges for Services	13,439,795	14,173,379	13,696,743	(476,636)
Licenses and Permits	434,757	577,157	612,917	35,760
Investment Earnings	40,000	71,088	76,566	5,478
Fines and Forfeitures	787,343	787,343	704,945	(82,398)
All Other Revenue	143,542	549,295	559,466	10,171
Total Revenues	<u>39,753,751</u>	<u>41,505,961</u>	<u>40,745,612</u>	<u>(760,349)</u>
Expenditures:				
Current:				
Security of Persons and Property	29,140,289	30,107,830	29,206,334	901,496
Public Health and Welfare Services	1,059,070	1,131,267	945,503	185,764
Leisure Time Activities	1,108,898	1,137,857	1,082,005	55,852
Community Environment	1,133,718	1,136,423	1,005,738	130,685
Basic Utility Services	1,483,319	1,490,754	1,206,333	284,421
General Government	7,688,677	9,135,774	8,022,182	1,113,592
Total Expenditures	<u>41,613,971</u>	<u>44,139,905</u>	<u>41,468,095</u>	<u>2,671,810</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,860,220)	(2,633,944)	(722,483)	1,911,461
Other Financing Sources (Uses):				
Sale of Capital Assets	1,000	1,000	0	(1,000)
Transfers In	85,000	282,133	279,983	(2,150)
Transfers Out	(912,500)	(1,405,216)	(1,405,215)	1
Advances In	225,713	143,193	143,193	0
Advances Out	(50,000)	(193,500)	(108,150)	85,350
Total Other Financing Sources (Uses):	<u>(650,787)</u>	<u>(1,172,390)</u>	<u>(1,090,189)</u>	<u>82,201</u>
Net Change in Fund Balance	(2,511,007)	(3,806,334)	(1,812,672)	1,993,662
Fund Balance at Beginning of Year	9,790,160	9,790,160	9,790,160	0
Prior Year Encumbrances	581,604	581,604	581,604	0
Fund Balance at End of Year	<u>\$ 7,860,757</u>	<u>\$ 6,565,430</u>	<u>\$ 8,559,092</u>	<u>\$ 1,993,662</u>

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
Assets:			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 9,122,043	\$ 26,075,615	\$ 12,176,829
Restricted Cash and Investments	3,356,889	10,162,186	959,006
Receivables:			
Accounts	2,577,017	6,449,254	1,448,553
Interest	932	3,002	1,896
Interfund Receivable	0	340,000	600,000
Inventory of Supplies at Cost	169,798	1,837,274	218,666
Prepaid Items	107,575	642,873	67,380
Total Current Assets	<u>15,334,254</u>	<u>45,510,204</u>	<u>15,472,330</u>
Noncurrent Assets:			
Non Depreciable Capital Assets	3,536,521	30,355,693	12,961,136
Depreciable Capital Assets, Net	31,591,402	98,211,721	85,970,664
Total Noncurrent Assets	<u>35,127,923</u>	<u>128,567,414</u>	<u>98,931,800</u>
Total Assets	<u>50,462,177</u>	<u>174,077,618</u>	<u>114,404,130</u>
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	<u>122,465</u>	<u>3,797,102</u>	<u>763,068</u>
Liabilities:			
Current Liabilities:			
Accounts Payable	1,808,085	2,918,513	724,026
Accrued Wages and Benefits	65,216	352,682	138,793
Intergovernmental Payable	24,118	135,551	37,500
Claims Payable - Current	0	0	0
Customer Deposits Payable	579,593	818,928	158,050
Compensated Absences Payable - Current	116,116	571,582	278,751
Accrued Interest Payable	81,115	1,612,355	311,153
General Obligation Notes Payable	0	4,000,000	6,690,000
Revenue Bonds Payable - Current	1,290,000	7,700,000	1,065,000
OWDA Loans Payable - Current	0	0	0
Total Current Liabilities	<u>3,964,243</u>	<u>18,109,611</u>	<u>9,403,273</u>

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2012**

	Wastewater	Total	Governmental Activities Internal Service Funds
Assets:			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 35,533,363	\$ 82,907,850	\$ 1,300,376
Restricted Cash and Investments	6,061,623	20,539,704	0
Receivables:			
Accounts	1,534,588	12,009,412	0
Interest	3,010	8,840	0
Interfund Receivable	0	940,000	0
Inventory of Supplies at Cost	1,647	2,227,385	35,321
Prepaid Items	82,570	900,398	0
Total Current Assets	43,216,801	119,533,589	1,335,697
Noncurrent Assets:			
Non Depreciable Capital Assets	12,971,264	59,824,614	0
Depreciable Capital Assets, Net	33,127,529	248,901,316	49,877
Total Noncurrent Assets	46,098,793	308,725,930	49,877
Total Assets	89,315,594	428,259,519	1,385,574
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	509,338	5,191,973	0
Liabilities:			
Current Liabilities:			
Accounts Payable	549,403	6,000,027	370,960
Accrued Wages and Benefits	88,139	644,830	121,176
Intergovernmental Payable	33,825	230,994	52,559
Claims Payable - Current	0	0	129,091
Customer Deposits Payable	154,254	1,710,825	0
Compensated Absences Payable - Current	161,166	1,127,615	186,494
Accrued Interest Payable	710,141	2,714,764	0
General Obligation Notes Payable	0	10,690,000	0
Revenue Bonds Payable - Current	2,045,000	12,100,000	0
OWDA Loans Payable - Current	16,665	16,665	0
Total Current Liabilities	3,758,593	35,235,720	860,280

(Continued)

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
Noncurrent Liabilities:			
Revenue Bonds Payable	7,298,256	146,074,110	23,641,460
OWDA Loans Payable	0	0	0
Claims Payable	0	0	0
Compensated Absences Payable	149,648	787,271	379,195
Total Noncurrent Liabilities	<u>7,447,904</u>	<u>146,861,381</u>	<u>24,020,655</u>
Total Liabilities	<u>11,412,147</u>	<u>164,970,992</u>	<u>33,423,928</u>
Net Position:			
Net Investment in Capital Assets	26,577,513	(25,228,826)	71,739,620
Restricted for Debt Service	856,889	6,162,186	559,006
Restricted for Rate Stabilization	2,500,000	4,000,000	400,000
Unrestricted	9,238,093	27,970,368	9,044,644
Total Net Position	<u>\$ 39,172,495</u>	<u>\$ 12,903,728</u>	<u>\$ 81,743,270</u>

Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.

Net Position of Business-type Activities

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2012**

	Wastewater	Total	Governmental Activities Internal Service Funds
Noncurrent Liabilities:			
Revenue Bonds Payable	56,339,649	233,353,475	0
OWDA Loans Payable	383,412	383,412	0
Claims Payable	0	0	1,070,909
Compensated Absences Payable	195,275	1,511,389	296,475
Total Noncurrent Liabilities	56,918,336	235,248,276	1,367,384
Total Liabilities	60,676,929	270,483,996	2,227,664
Net Position:			
Net Investment in Capital Assets	15,122,814	88,211,121	49,877
Restricted for Debt Service	4,061,623	11,639,704	0
Restricted for Rate Stabilization	2,000,000	8,900,000	0
Unrestricted	7,963,566	54,216,671	(891,967)
Total Net Position	\$ 29,148,003	\$ 162,967,496	\$ (842,090)
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.		(928,718)	
Net Position of Business-type Activities		\$ 162,038,778	

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012**

	Business-Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
Operating Revenues:			
Charges for Services	\$ 16,525,968	\$ 61,482,228	\$ 14,523,058
Other Operating Revenues	48,170	690,737	226,521
Total Operating Revenues	16,574,138	62,172,965	14,749,579
Operating Expenses:			
Personal Services	1,724,108	9,875,893	3,658,651
Contractual Services	1,526,734	5,652,000	3,890,575
Materials and Supplies	301,450	1,188,268	1,311,788
Purchase of Gas and Electric	8,898,738	21,836,976	0
Depreciation	1,913,431	11,252,662	2,748,808
Other Operating Expenses	1,984,097	2,915,507	2,007,960
Total Operating Expenses	16,348,558	52,721,306	13,617,782
Operating Income (Loss)	225,580	9,451,659	1,131,797
Non-Operating Revenue (Expenses):			
Interest Income	37,643	83,572	48,474
Interest and Fiscal Charges	(467,625)	(7,616,356)	(1,284,051)
Loss on Disposal of Capital Assets	(34,106)	(97)	(7,333)
Total Non-Operating Revenues (Expenses)	(464,088)	(7,532,881)	(1,242,910)
Income (Loss) Before Transfers and Contributions	(238,508)	1,918,778	(111,113)
Transfers and Contributions:			
Transfers In	0	0	278,695
Capital Contributions	0	200,000	0
Total Transfers and Contributions	0	200,000	278,695
Change in Net Position	(238,508)	2,118,778	167,582
Net Position Beginning of Year - Restated	39,411,003	10,784,950	81,575,688
Net Position End of Year	\$ 39,172,495	\$ 12,903,728	\$ 81,743,270

Change in Net Position - Total Enterprise Funds

Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.

Change in Net Position - Business-type Activities

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012**

	Wastewater	Total	Governmental Activities Internal Service Funds
Operating Revenues:			
Charges for Services	\$ 12,046,230	\$ 104,577,484	\$ 8,757,041
Other Operating Revenues	21,926	987,354	12,271
Total Operating Revenues	12,068,156	105,564,838	8,769,312
Operating Expenses:			
Personal Services	2,361,732	17,620,384	5,264,688
Contractual Services	2,441,842	13,511,151	2,145,685
Materials and Supplies	484,596	3,286,102	1,511,451
Purchase of Gas and Electric	0	30,735,714	0
Depreciation	2,288,196	18,203,097	11,874
Other Operating Expenses	1,700,334	8,607,898	219,925
Total Operating Expenses	9,276,700	91,964,346	9,153,623
Operating Income (Loss)	2,791,456	13,600,492	(384,311)
Non-Operating Revenue (Expenses):			
Interest Income	113,498	283,187	(23)
Interest and Fiscal Charges	(2,595,927)	(11,963,959)	0
Loss on Disposal of Capital Assets	0	(41,536)	(1,748)
Total Non-Operating Revenues (Expenses)	(2,482,429)	(11,722,308)	(1,771)
Income (Loss) Before Transfers and Contributions	309,027	1,878,184	(386,082)
Transfers and Contributions:			
Transfers In	0	278,695	0
Capital Contributions	0	200,000	0
Total Transfers and Contributions	0	478,695	0
Change in Net Position	309,027	2,356,879	(386,082)
Net Position Beginning of Year - Restated	28,838,976	160,610,617	(456,008)
Net Position End of Year	\$ 29,148,003	\$ 162,967,496	\$ (842,090)
Change in Net Position - Total Enterprise Funds		\$ 2,356,879	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.		(323,797)	
Change in Net Position - Business-type Activities		\$ 2,033,082	

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Business Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$16,760,128	\$62,399,333	\$14,824,490
Cash Payments for Goods and Services	(13,201,391)	(29,021,254)	(7,220,581)
Cash Payments to Employees	(1,818,892)	(10,952,996)	(3,705,464)
Net Cash Provided by Operating Activities	<u>1,739,845</u>	<u>22,425,083</u>	<u>3,898,445</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	0	278,695
Advances In from Other Funds	0	85,000	200,000
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>85,000</u>	<u>478,695</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from the Sale of Notes	0	4,000,000	6,690,000
Premium on Note Issuance	0	20,800	34,788
Note Retirement	0	0	(5,900,000)
Capital Grants	0	200,000	0
Revenue Bond Payable Principal Retirement	(1,230,000)	(7,450,000)	(1,035,000)
OWDA Loan Principal Retirement	0	0	0
Interest and Fiscal Charges	(440,737)	(7,091,252)	(1,154,551)
Acquisition and Construction of Assets	(1,996,186)	(8,458,648)	(3,053,558)
Net Cash Used by Capital and Related Financing Activities	<u>(3,666,923)</u>	<u>(18,779,100)</u>	<u>(4,418,321)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	40,286	88,207	51,060
Net Cash Provided by Investing Activities	<u>40,286</u>	<u>88,207</u>	<u>51,060</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,886,792)	3,819,190	9,879
Cash and Cash Equivalents at Beginning of Year	<u>14,365,724</u>	<u>32,418,611</u>	<u>13,125,956</u>
Cash and Cash Equivalents at End of Year	<u>\$12,478,932</u>	<u>\$36,237,801</u>	<u>\$13,135,835</u>
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Statement of Net Position:</u>			
Cash and Cash Equivalents	\$9,122,043	\$26,075,615	\$12,176,829
Restricted Cash and Cash Equivalents	3,356,889	10,162,186	959,006
Cash and Cash Equivalents at End of Year	<u>\$12,478,932</u>	<u>\$36,237,801</u>	<u>\$13,135,835</u>

CITY OF HAMILTON, OHIO

***Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012***

	Wastewater	Totals	Governmental- Activities Internal Service Fund
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$12,398,666	\$106,382,617	\$8,769,417
Cash Payments for Goods and Services	(4,637,136)	(54,080,362)	(3,695,058)
Cash Payments to Employees	(2,441,886)	(18,919,238)	(4,122,073)
Net Cash Provided by Operating Activities	5,319,644	33,383,017	952,286
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	278,695	0
Advances In from Other Funds	0	285,000	0
Net Cash Provided by Noncapital Financing Activities	0	563,695	0
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from the Sale of Notes	0	10,690,000	0
Premium on Note Issuance	0	55,588	0
Note Retirement	0	(5,900,000)	0
Capital Grants	0	200,000	0
Revenue Bond Payable Principal Retirement	(1,995,000)	(11,710,000)	0
OWDA Loan Principal Retirement	(16,136)	(16,136)	0
Interest and Fiscal Charges	(2,605,047)	(11,291,587)	0
Acquisition and Construction of Assets	(5,960,896)	(19,469,288)	0
Net Cash Used by Capital and Related Financing Activities	(10,577,079)	(37,441,423)	0
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	121,750	301,303	0
Net Cash Provided by Investing Activities	121,750	301,303	0
Net Increase (Decrease) in Cash and Cash Equivalents	(5,135,685)	(3,193,408)	952,286
Cash and Cash Equivalents at Beginning of Year	46,730,671	106,640,962	348,090
Cash and Cash Equivalents at End of Year	\$41,594,986	\$103,447,554	\$1,300,376
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Statement of Net Position:</u>			
Cash and Cash Equivalents	\$35,533,363	\$82,907,850	\$1,300,376
Restricted Cash and Cash Equivalents	6,061,623	20,539,704	0
Cash and Cash Equivalents at End of Year	\$41,594,986	\$103,447,554	\$1,300,376

(Continued)

CITY OF HAMILTON, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012**

	Business Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income (Loss)	\$225,580	\$9,451,659	\$1,131,797
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation Expense	1,913,431	11,252,662	2,748,808
Non-Operating Revenue	0	0	0
Non-Operating Expense	0	0	0
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	175,046	197,851	55,722
(Increase) Decrease in Inventory	(17,689)	2,100,269	(22,627)
Decrease in Prepaids	41,105	23,161	42,552
Increase (Decrease) in Accounts Payable	(514,019)	(298,329)	(30,550)
Increase in Accrued Wages and Benefits	2,851	16,029	18,797
Increase in Customer Deposits Payable	10,944	29,122	19,189
Decrease in Accrued Liabilities	0	(605)	0
Increase (Decrease) in Intergovernmental Payable	(22,393)	(1,749)	(31,433)
Increase in Claims Liability	0	0	0
Decrease in Compensated Absences	(75,011)	(344,987)	(33,810)
Total Adjustments	<u>1,514,265</u>	<u>12,973,424</u>	<u>2,766,648</u>
Net Cash Provided by Operating Activities	<u>\$1,739,845</u>	<u>\$22,425,083</u>	<u>\$3,898,445</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2012 the Gas, Electric, Water and Wastewater Funds had outstanding liabilities of \$430,286, \$691,096, \$457,374 and \$386,701, respectively for the purchase of certain capital assets.

At December 31, 2012 the Gas, Electric, Water, Wastewater, Fleet Maintenance, Central Services and Central Benefits Funds reported a change in the fair value of investments of \$708, \$1,683, \$670, \$696, \$11, \$1, and \$105 respectively.

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

***Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012***

	Wastewater	Totals	Governmental- Activities Internal Service Fund
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income	\$2,791,456	\$13,600,492	(\$384,311)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	2,288,196	18,203,097	11,874
Non-Operating Revenue	0	0	105
Non-Operating Expense	0	0	(128)
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	311,188	739,807	0
(Increase) Decrease in Inventory	(19)	2,059,934	4,882
Decrease in Prepays	42,093	148,911	0
Increase (Decrease) in Accounts Payable	(50,509)	(893,407)	179,724
Increase (Decrease) in Accrued Wages and Benefits	6,658	44,335	9,760
Increase in Customer Deposits Payable	19,322	78,577	0
Increase in Accrued Liabilities	0	(605)	0
Decrease in Intergovernmental Payable	(19,633)	(75,208)	13,341
Increase in Claims Liability	0	0	1,200,000
Increase (Decrease) in Compensated Absences	(69,108)	(522,916)	(82,961)
Total Adjustments	2,528,188	19,782,525	1,336,597
Net Cash Provided (Used) by Operating Activities	\$5,319,644	\$33,383,017	\$952,286

CITY OF HAMILTON, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2012***

	<u>Agency Funds</u>
Assets:	
Equity in Pooled Cash and Investments	\$ 958,964
Receivables:	
Taxes	<u>47,110</u>
Total Assets	<u>1,006,074</u>
Liabilities:	
Accounts Payable	22,579
Intergovernmental Payable	437,672
Due to Others	<u>545,823</u>
Total Liabilities	<u>\$ 1,006,074</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are presented as of December 31, 2012 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The City of Hamilton, Ohio (the City) is a home rule municipal corporation created under the auspices of the laws and constitution of the State of Ohio. The origins of the City date back as early as 1791. In 1803, the State of Ohio officially created Butler County and named the City as the county seat in 1810. Hamilton operates under a city charter adopted November 2, 1926 which became effective on January 1, 1928. The current charter, as amended, was adopted November 7, 2000 and became effective on January 1, 2001.

A seven-member council elected by voters of the City governs the City. The Mayor, who is separately elected, is recognized as the official head of the City for all ceremonial purposes. The City also elects a municipal court judge (the Judge) to preside over the proceedings of the Hamilton Municipal Court. The Judge is elected to a six-year term.

The City Council appoints the City Manager who serves as Chief Executive Officer and Director of Public Safety. He is charged with the proper administration of all city affairs. The City Manager appoints all Directors and the Deputy City Manager-Operations, to whom the various utility systems' directors report. The City Manager also appoints the Finance Director, who acts as the Chief Financial Officer, as well as, the Directors of Law, Planning, Economic Development, Public Works, Health, Information Technology, the Chiefs of Police and Fire, and the Directors of the Electric and Gas and Water Utilities. Ultimately, the City Manager retains the power to appoint and remove all department heads, subordinate staff and employees and exercises control over all departments.

The services provided under the direction of the City Manager as delegated to each of the subordinate Directors and their departments comprise the primary government unit of the City. They have therefore been included as part of the reporting entity. The funds, agencies, boards and commissions that are a part of the primary government include the following services: operation of a municipal court, police and fire protection, health, parks and recreation, street maintenance, and other governmental services. In addition, the City owns and operates a gas distribution system, electric generation facilities and distribution system, a water treatment and distribution system, a wastewater treatment and collection system, all of which are reported as enterprise funds (business type-major). The City also operates parking facilities, athletic facilities, and two golf courses, which are reported as special revenue funds (governmental – non-major).

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The reporting entity is composed of the primary government, component units and other organizations. The primary government includes all funds, organizations, activities and component units for which the City (the primary government) is financially accountable and that are not legally separate.

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

The following potential component units have been excluded from the accompanying financial statements because they are legally separate from the City and the City is not financially accountable for the unit nor is the unit fiscally dependent on the City.

Butler County, Ohio
Butler Technology and Career Development Center
Hamilton City School District
Lane Public Library
Greater Hamilton Convention and Visitor's Bureau
Hamilton Chamber of Commerce
Hamilton Central Business Special Improvement District

The City participates in three governmental joint ventures, two Hamilton-Indian Springs Joint Economic Development Districts (JEDD) and the Ohio Municipal Electric Generation Agency (OMEGA) JV2. The City also participates in the following jointly governed organizations: American Municipal Power (AMP) Inc., the Economic Development Association of Butler County (EDABC), the Transportation Improvement District (TID) of Butler County, the Butler County Emergency Management Agency (EMA), the Hamilton Community Improvement Corporation (CIC), the Hamilton Economic Development Corporation (HEDC), and the Ohio-Kentucky-Indiana Regional Council of Governments (OKI). These organizations are presented in Note 17 and Note 18 to the basic financial statements and are excluded from the accompanying financial statements except as noted.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

As a custodian of public funds, the City invests all public monies held on deposit in the City Treasury. In the case of the Hamilton-Indian Springs Joint Economic Development Districts (the "JEDD"), a legally separate district, the City serves as fiscal agent but the organization is not considered a part of the City. The JEDD has a five-member board of trustees for which the City appoints one member and for which the City is not financially accountable. The JEDD was formed under the auspices of Ohio Revised Code Charter 715 to facilitate commercial and economic development within a specific territory completely located within the boundaries of then Indian Springs, now Fairfield Township. The JEDD has levied an income tax equal to the income tax rate charged within the City of Hamilton (2%) on all compensation earned by employees working in the JEDD. Income tax collections net of collection expenses and refunds are first applied to District operating expenses in accordance with the District's Budget, then to any long-term maintenance set aside, with any surplus to be paid to Hamilton and Fairfield Township according to contractual percentages. The JEDD is a joint venture of the City, which is more fully explained in Note 17 to the basic financial statements. Accordingly, the activity of the JEDD is presented as agency funds (fiduciary) within the City's financial statements.

B. Basis of Presentation - Fund Accounting

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies:

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues and expenditures (expenses). The following fund types are used by the City:

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following is the City's major governmental fund:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Gas Fund – To account for the operation of the City's gas service.

Electric Fund – To account for the operation of the City's electric service.

Water Fund – To account for the operation of the City's water system.

Wastewater Fund – To account for the operation of the City's wastewater system.

Internal Service Funds – These funds are used to account for fleet management services, cost of certain goods or services, and costs associated with health care benefits, pension, and worker's compensation provided to other departments or agencies of the City.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The City has thirteen Agency funds. The City has a Rounding Up Utility Account Agency fund to account voluntary contributions from citizens and/or organizations within the City to assist elderly, needy and disabled utility customers with utility charges incurred, a Convention and Visitor's Bureau Agency Fund to account for the Hotel/Motel tax levied on guests of the City where 50% of all such tax monies are distributed to the Convention & Visitors Bureau and for which the City receives 50% remuneration, an Employee Taxes and Benefits Agency Fund to account for special taxes and benefits of Hamilton employees, a Miscellaneous Collections for Others Agency Fund to account for monies received and held for others, an Unclaimed Monies Agency Fund to account for the receipt

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds (Continued)

of monies unable to be returned or disbursed (the City will hold the receipts for the statutory period and then the monies will be disbursed to the State of Ohio), a Tax Collections Agency Fund to account for taxes obtained on behalf of other municipalities, a Butler County Annexation Tax Agency Fund to account for income taxes obtained from a special annexation of contiguous property to Hamilton, a Hamilton Central Business Special Improvement District Agency Fund to account for the receiving and disbursing of Special Assessments levied upon real property within the Hamilton Central Business Special Improvement District, a Joint Economic Development District Agency Fund to account for the receipt and disbursement of income tax revenue pursuant to Section 11 of The Joint Economic Development District Agreement with Indian Springs/Fairfield Township, a Joint Economic Development District II Agency Fund to account for the receipt and disbursement of income tax revenue pursuant to Section 11 of The 2004 Joint Economic Development District Agreement with Indian Springs/Fairfield Township, a Fire Damage Deposit Escrow Agency Fund to account for deposits and reimbursements held for fire damage as prescribed by Ohio Revised Code, a Police Property Room Forfeiture Agency Fund to account for the receipt of items remaining in the custody of the police department (the City will hold the items for certain period of time at which they will be auctioned or disposed) and Municipal Court Agency Fund to account for funds that flow through the municipal court office. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City currently has no trust funds.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenue considered susceptible to accrual at year end includes income taxes, interest on investments and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Licenses, permits, charges for service and other miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

Special assessment installments including related accrued interest, which are measurable but not available at December 31, 2012, are recorded as deferred inflows of resources. Property taxes, which are measurable at December 31, 2012 but are not intended to finance 2012 operations, and delinquent property taxes whose availability is indeterminate, are recorded as deferred inflows of resources as further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and agency funds. Revenues are recognized when they are earned and expenses recognized when incurred.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the fund, department and object level. Budgetary modifications may be made only by ordinance of the City Council.

1. Tax Budget

The Director of Finance submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2012.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations

As required by charter, an annual appropriation ordinance must be adopted prior to the beginning of the fiscal year. The appropriation ordinance establishes spending controls at the fund, department and object level, the legal level of control. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified by the County Budget Commission. During the year, several supplemental appropriations are necessary to budget contingency funds, intergovernmental grants and proceeds of debt issues. The allocation of appropriations among departments and objects within a fund may be modified during the year by management. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual for the General Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Encumbrance

As part of the formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities.

5. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

6. Budgetary Basis of Accounting

The City's budgetary process accounts for the City's transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures on the budgetary basis.

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

6. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary cash basis statements for the General Fund:

	<u>Net Change in Fund Balances</u>
	<u>General Fund</u>
GAAP Basis (as reported)	(\$1,944,297)
Increase (Decrease):	
Accrued Revenues at December 31, 2012 received during 2013	(2,443,628)
Accrued Revenues at December 31, 2011 received during 2012	2,810,306
Accrued Expenditures at December 31, 2012 paid during 2013	2,641,492
Accrued Expenditures at December 31, 2011 paid during 2012	(2,318,134)
2011 Prepays for 2012	167,041
2012 Prepays for 2013	(105,856)
Outstanding Encumbrances	(640,032)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	<u>20,436</u>
Budget Basis	<u><u>(\$1,812,672)</u></u>

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment. See Note 4, "Cash, Cash Equivalents and Investments."

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments".

The City invested funds in the STAR Ohio during 2012. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2012.

H. Inventory

Inventories are stated at moving average cost. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. The costs of proprietary fund-type inventories are recorded as expenses when consumed rather than when purchased.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation (Continued)

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment - Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Buildings	40
Improvements Other than Buildings	40
Machinery, Equipment, Furniture and Fixtures	5 – 10
Infrastructure	25 – 75
Intangible Assets – FERC License	50

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Debt Service Fund Parking Fund Golf Course Fund
OWDA Loan	Wastewater Fund
Special Assessment Bonds	Debt Service Fund
Revenue Bonds	Gas Fund, Electric Fund, Water Fund Wastewater Fund
Compensated Absences	General Fund Safety Services Fund, Refuse Fund Street Maintenance Fund Community Development Block Grant Fund Gas Fund, Electric Fund, Water Fund Wastewater Fund, Parking Fund Golf Course Fund, Fleet Maintenance Fund Central Services Fund

L. Compensated Absences

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under ordinance. Vacation earned in a calendar year must be used during that year. Vacation time cannot carry over into the subsequent year, unless written permission is granted from the City Manager. At termination or retirement, employees are paid at their then full rate for 100% of their unused vacation leave.

The rate of cash compensation for sick leave payout varies within specified limits under collective bargaining agreements or City ordinance. Employees hired before 1990 are paid 75% of the accumulated sick time upon retirement or death up to a maximum of 1,200 hours for employees whose normal work schedule is 40 hours per week, and up to 1,680 hours for those working a 51 hour week. Those individuals that commenced employment on or after January 1, 1990, will be paid 50%, and those individuals that commenced employment on or after January 1, 1994 will be paid 25% of the accumulated sick leave upon death or retirement. Employees are eligible for retirement at age 60 with 5 years of service, age 55 with 25 years of service, and any age with at least 30 years of service. Compensation for sick leave is paid at the employee's then full rate of pay at the time of termination or retirement.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences (Continued)

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, the current portion of unpaid compensated absences is the amount normally due for payment during the current year. Matured leave payable in the fund financial statements represents the entire current portion. These amounts are reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements. The City had no such fund liability at year end. The entire liability is reported on the government-wide statement of net position.

M. Net Position

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

N. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

O. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. In order to avoid distorting the measurement of the cost of individual functional activities, entries are made to eliminate the activity provided by the internal service funds to those funds considered governmental and those considered business-type. The elimination of the internal service funds is based on the activity of each fund to which it provides service.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

In 2012, City Council enacted Budget and Financial Policies (R2012-6-25), which requires the maintenance of a minimum General Fund Balance (reserve) of 10-16% of annual expenditures. If the General Fund reserve rises above 16% of General Fund revenue at fiscal year end, the amount over 16% will be swept into the Economic Development Capital Projects Fund and/or the Economic Budget Stabilization Fund, which can be expended only through special action by City Council.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited for debt service payments and rate stabilization.

R. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for gas and electric service, water treatment and distribution and wastewater collection and treatment. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

S. Estimates

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

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 2 – FUND BALANCE CLASSIFICATION

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

Fund Balances	General Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:			
Supplies Inventory	\$44,420	\$25,240	\$69,660
Prepaid Items	105,856	20,566	126,422
Permanent Fund Corpus	0	75,000	75,000
Total Nonspendable	<u>150,276</u>	<u>120,806</u>	<u>271,082</u>
Restricted:			
Public Health and Safety	0	1,407,276	1,407,276
County Court Computer Improvements	0	257,187	257,187
Dispute Resolution	0	77,005	77,005
Law Enforcement	0	1,067,448	1,067,448
Street Maintenance	0	1,781,221	1,781,221
Community Environment	0	661,505	661,505
Capital Improvements	0	2,063,384	2,063,384
Total Restricted	<u>0</u>	<u>7,315,026</u>	<u>7,315,026</u>
Committed:			
Storm water Operations	0	1,715,317	1,715,317
Refuse Operations	0	1,473,100	1,473,100
Parking Operations	0	241,434	241,434
Golf Course Operations	0	163,027	163,027
Total Committed	<u>0</u>	<u>3,592,878</u>	<u>3,592,878</u>
Assigned:			
Debt Retirement	0	614,903	614,903
Capital Improvements	0	2,463,227	2,463,227
Other Purposes	2,797,712	0	2,797,712
Total Assigned	<u>2,797,712</u>	<u>3,078,130</u>	<u>5,875,842</u>
Unassigned (Deficits):	<u>7,014,183</u>	<u>(498,843)</u>	<u>6,515,340</u>
Total Fund Balances	<u>\$9,962,171</u>	<u>\$13,607,997</u>	<u>\$23,570,168</u>

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equities – The following funds had deficit fund balance/net position amounts at December 31, 2012:

<u>Fund</u>	<u>Fund Balance/ Net Position Deficit</u>
<i>Nonmajor Governmental Funds</i>	
Capital Projects Funds:	
Special Assessment	\$436,302
Clean Ohio Grants Program	62,541
 <i>Internal Service Funds</i>	
Fleet Maintenance	129,919
Central Services	673,012
Central Benefits	39,159

The deficit occurring in the Special Assessment Capital Projects Fund arose from the recognition of interfund payables within the individual fund balance sheets.

The deficit occurring in the Clean Ohio Grants Program Capital Projects Fund arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the budgetary basis. As cash is received and the payables liquidated, the deficits will be eliminated.

The deficits occurring in the Fleet Maintenance, Central Services, and Central Benefits Internal Service Funds have risen due to recognition of liabilities at year-end. The Internal Service funds operate as a rotary fund and cash is recognized as revenue operationally only after an actual expenditure is made.

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. The City's policy is to deposit funds with banking institutions which collateralize public monies in accordance with the Ohio Revised Code.

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

A. Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a custodial credit risk policy.

As of December 31, 2012, \$62,409,742 of the City's bank balance of \$63,195,574 was exposed to custodial credit risk since it was uninsured and uncollateralized.

B. Investments

The City's investments at December 31, 2012 are summarized below:

Categorized Investments	Fair Value	Weighed Average Maturity (Years)	Concentration of Credit Risk	Credit Rating (S&P)
Federal Home Loan Bank	\$14,996,000	4.92	22.20%	AA+
STAR Ohio	40,910,695	N/A	60.57%	AAAm
Certificates of Deposit	5,511,864	N/A	8.16%	AAA
Money Market Fund	6,127,840	N/A	9.07%	AA+
Total Fair Value	<u>\$67,546,399</u>		<u>100.00%</u>	
Portfolio Weighted Average Maturity		4.92		

Custodial Credit Risk

The risk that, in the event of a failure of a counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City employs the use of "safekeeping" accounts to hold and maintain custody of its investments as identified within this policy and as a means of mitigating this risk.

Interest Rate Risk

The risk that the City will incur fair value losses arising from rising interest rates. Such risk is mitigated by the investment policy by limiting investments to certain maximum maturities. As a rule, unless specified otherwise within the policy, investments are to have a maximum maturity of five years unless the investment is matched to a specific expenditure. The context of a specific investment purchase must be weighed in proportion to the remainder of the existing investment portfolio and the "prudent investor" rule to attempt to limit such risk.

Credit Risk

It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

B. Investments (Continued)

Concentration of Credit Risk

The City places no limit on the amount it may invest in any one issuer. The City has several investment categories that are above the five percent threshold as detailed above.

C. Benninghoffen Trust

The Benninghoffen Trust fund reports the endowment bequeathed to the City from the estate of Christian Benninghoffen. The endowment is to be held permanently by the City and invested and reinvested in bonds issued by the United States, the State of Ohio, or any County, as well as municipal bonds issued by such subdivisions with the State of Ohio. Earnings from the endowment are to be used for the purpose of assisting and aiding the needy poor of the City. The City disburses earnings from the endowment quarterly.

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2012 were levied after October 1, 2011 on assessed values as of January 1, 2011, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be reevaluated every six years and equalization adjustments made in the third year following the reappraisal. The last revaluation was completed for tax year 2011. Real property taxes are payable annually or semiannually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Hamilton. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for the City's operations for the year ended December 31, 2012 was \$6.81 per \$1,000 of assessed value. The assessed value upon which the 2012 receipts were based was \$828,698,560. This amount constitutes \$822,899,950 in real property assessed value and \$5,798,610 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is 0.681% (6.81 mills) of assessed value.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 5 - TAXES (Continued)

B. Income Tax

The City levies a tax of 2.00% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of 2.00% of taxable salaries, wages, commissions and other compensation.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. All City residents are required to file a municipal income tax return annually regardless of whether tax is owed.

NOTE 6 – RECEIVABLES

Receivables at December 31, 2012 consisted of taxes, accounts receivable, accrued interest, loans receivable, interfund receivables and intergovernmental (due from other governments) receivables arising from shared revenues. These receivables result from both exchange and non-exchange transactions.

Business-type receivables at December 31, 2012, are presented net of allowances for doubtful accounts. To better detail the accounts receivable balances in the Business-type Funds, the following schedule identifies and reconciles these amounts as of December 31, 2012 as follows:

Accounts Receivable

As of December 31, 2012

	<u>Gas</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Business-Type Activities</u>
Earned and unbilled consumer accounts	\$1,719,475	\$3,748,866	\$992,559	\$655,151	\$7,116,051
Earned and billed consumer accounts	3,202,249	6,721,808	1,104,206	1,897,333	12,925,596
Other	0	150,151	7,053	0	157,204
Less allowance for uncollectible accounts	<u>(2,344,707)</u>	<u>(4,171,571)</u>	<u>(655,265)</u>	<u>(1,017,896)</u>	<u>(8,189,439)</u>
Accounts Receivable	<u>2,577,017</u>	<u>6,449,254</u>	<u>1,448,553</u>	<u>1,534,588</u>	<u>12,009,412</u>
Accrued Interest Receivable	932	3,002	1,896	3,010	8,840
Total Receivables :	<u><u>\$2,577,949</u></u>	<u><u>\$6,452,256</u></u>	<u><u>\$1,450,449</u></u>	<u><u>\$1,537,598</u></u>	<u><u>\$12,018,252</u></u>

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 7 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2012:

Fund	Transfer In	Transfer Out
Governmental Funds		
General Fund	\$279,983	\$2,844,297
Other Governmental Funds	8,564,129	6,278,510
Total Governmental Funds	8,844,112	9,122,807
Proprietary Funds		
Water Fund	278,695	0
Totals	\$9,122,807	\$9,122,807

The City makes transfers between various funds during the year for operating and debt service related payments. The individual governmental funds transfer their portion of the debt service payment during the year into the Debt Service Sinking Fund for payment of obligations and some transfers are made from the general fund at year-end to eliminate deficit balances. In addition, during 2012 the Municipal Improvement Tax Increment Equivalent Fund transferred excess money to several funds as allowed by the tax increment financing agreement.

NOTE 8 – INTERFUND TRANSACTIONS

The composition of inter-fund balances as of December 31, 2012, is as follows:

	Interfund Receivable	Interfund Payable	Due from Other Funds	Due to Other Funds
General Fund	\$409,102	\$0	\$14,055	\$0
Other Governmental Funds	0	1,349,102	0	14,055
Electric Fund	340,000	0	0	0
Water Fund	600,000	0	0	0
	\$1,349,102	\$1,349,102	\$14,055	\$14,055

The due from other funds for the General Fund is monies where the General Fund serves as a participant in the activity for the City. All monies due between funds are expected to be paid/received within the next fiscal year.

\$108,150 of the interfund activity relates to cash advances the general fund made to various grant funds during the year. The advances are expected to be returned within the next fiscal year.

The Golf Course Fund issued a note of \$100,000 purchased by the General Fund for the purchase of golf equipment. At year end this note had an outstanding balance of \$60,000. The Special Assessment Fund issued notes that were purchased by the General Fund, Electric Fund and Water Fund for \$575,000, \$425,000 and \$1,000,000, respectively, for street improvement projects. At year end these notes had outstanding balances of \$240,952, \$340,000 and \$600,000, respectively.

An internal balance of \$940,000 is reported between the Governmental Activities and Business-Type Activities as a result of these interfund balances.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2012:

Historical Cost:

Class	December 31, 2011	Additions	Deletions	December 31, 2012
<i>Capital assets not being depreciated:</i>				
Land	\$22,217,479	\$117,754	\$0	\$22,335,233
Construction in Progress	13,753,679	647,618	(1,264,732)	13,136,565
Sub-Total	35,971,158	765,372	(1,264,732)	35,471,798
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	40,183,308	404,333	0	40,587,641
Machinery and Equipment	26,660,828	1,310,033	(240,746)	27,730,115
Infrastructure	144,383,451	2,564,539	0	146,947,990
Total Cost	\$247,198,745	\$5,044,277	(\$1,505,478)	\$250,737,544

Accumulated Depreciation:

Class	December 31, 2011	Additions	Deletions	December 31, 2012
Buildings and Improvements	(\$14,174,453)	(\$685,411)	\$0	(\$14,859,864)
Machinery and Equipment	(18,870,544)	(1,287,660)	215,922	(19,942,282)
Infrastructure	(124,406,195)	(1,741,016)	109,093	(126,038,118)
Total Depreciation	(\$157,451,192)	(\$3,714,087) *	\$325,015	(\$160,840,264)
<i>Net Value:</i>	\$89,747,553			\$89,897,280

*Depreciation expenses were charged to governmental functions as follows:

General Government	\$569,527
Security of Persons and Property	647,037
Leisure Time Activities	206,010
Community Environment	750
Transportation	2,288,970
Public Health and Welfare Services	1,793
Total Depreciation Expense	<u>\$3,714,087</u>

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2012:

Historical Cost:

Class	December 31, 2011	Additions	Deletions	December 31, 2012
<i>Capital assets not being depreciated:</i>				
Land	\$7,459,638	\$522,383	\$0	\$7,982,021
Construction in Progress	41,557,361	14,326,291	(4,041,059)	51,842,593
Sub-Total	49,016,999	14,848,674	(4,041,059)	59,824,614
<i>Capital assets being depreciated:</i>				
Intangible Capital Assets	1,070,786	0	0	1,070,786
Buildings and Improvements	95,026,532	0	0	95,026,532
Machinery and Equipment	573,991,564	10,572,598	(2,006,731)	582,557,431
Total Cost	<u>\$719,105,881</u>	<u>\$25,421,272</u>	<u>(\$6,047,790)</u>	<u>\$738,479,363</u>

Accumulated Depreciation:

Class	December 31, 2011	Additions	Deletions	December 31, 2012
Intangible Capital Assets	(\$85,664)	(\$21,416)	\$0	(\$107,080)
Buildings and Improvements	(57,528,215)	(1,518,589)	0	(59,046,804)
Machinery and Equipment	(354,332,794)	(16,663,091)	396,336	(370,599,549)
Total Depreciation	<u>(\$411,946,673)</u>	<u>(\$18,203,096)</u>	<u>\$396,336</u>	<u>(\$429,753,433)</u>
<i>Net Value:</i>	<u>\$307,159,208</u>			<u>\$308,725,930</u>

NOTE 10 – DEFINED BENEFIT PENSION PLANS

All of the City’s full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

A. Ohio Public Employees Retirement System (“OPERS”)

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, “Accounting for Pensions by State and Local Government Employers.”

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2012, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2012 employer contribution rate for local government employer units was 14.00%, of covered payroll which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional Plan was 10.0% for calendar year 2012. The portion of employer contributions allocated to pension obligations for members in the Combined Plan was 7.95% for calendar year 2012. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City’s required contributions for pension obligations to OPERS for the years ending December 31, 2012, 2011, and 2010 were \$2,682,640, \$2,687,933 and \$2,346,407, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”)

All City full-time police officers and full-time firefighters participate in OP&F, a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for 2012, 12.75% of annual covered salary for police and 17.25% of annual covered salary for firefighters, respectively, were the portions used to fund pension obligations. The City’s contributions for pension obligations to the OP&F Fund for the years ending December 31, 2012, 2011, and 2010 were \$991,059, \$1,044,443 and \$1,116,411 for police and \$1,500,156, \$1,580,176 and \$1,627,800 for firefighters, respectively, which were equal to the required contributions for each year.

C. Metropolitan Pension Plan

Employees of the City who were not included under the Ohio Public Employees Retirement System “OPERS” prior to May 15, 1962 and who were included under a Group Annuity Contract of the Metropolitan Life Insurance Company participate in the City of Hamilton Metropolitan Pension Plan, a single-employer defined benefit pension plan.

Upon retirement, plan participants are entitled to a supplemental retirement benefit paid by the City, equal to the difference between OPERS benefits that would have been payable to such employee had the employee been covered by OPERS during the full period of employment and actual OPERS benefits received. Benefit provisions of the plan are established and may be amended by City Council through ordinance. All current participants in the Metropolitan Pension Plan are retired from service with the City.

For fiscal year 2012, annual pension cost was \$223,126. The City contributed 83.5%, or \$186,273, resulting in a net pension obligation of \$36,853. The net pension obligation for the prior year was \$22,660. The total unfunded accrued liability at year end was \$1,252,694.

The actuarial valuation date was December 31, 2012 and the accrued liability was calculated using the entry age normal cost method. The Metropolitan Pension Plan currently has no assets. The amortization method used was level dollar and the amortization period was 7 years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 11 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (“OPERS”)

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost-sharing, multiple-employer defined benefit pension plan; the Member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% for calendar year 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% for calendar year 2012.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

A. Ohio Public Employees Retirement System (“OPERS”) (Continued)

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2012, 2011, and 2010 were \$1,073,056, \$1,075,173 and \$1,401,178, respectively, which were equal to the required contributions for each year.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund (“OP&F”)

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2012, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OP&F for the years ending December 31, 2012, 2011, and 2010 were \$524,678, \$552,940 and \$591,041 for police and \$587,018, \$618,330 and \$636,965 for firefighters, respectively, which were equal to the required contributions for each year.

C. Retiree Life Insurance

The City provides post-employment life insurance coverage through The Hartford Insurance Company. The insurance coverage provided is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

Eligible employees are grouped into two classes. Employees who retired prior to March 1, 1977 are eligible to receive \$2,000 in life insurance benefits. Employees who retired after March 1, 1977 are eligible to receive \$4,000 in life insurance benefits. Benefit provisions of the plan are established and may be amended by City Council through ordinance.

For fiscal year 2012, annual OPEB cost was \$56,730. The City contributed 85.8%, or \$48,682, resulting in a net OPEB obligation of \$8,048. The net OPEB obligation for the prior year was \$8,084. The total unfunded accrued liability at year end was \$823,487.

The actuarial valuation date was December 31, 2012 and the accrued liability was calculated using the entry age normal cost method. The City's post-employment life-insurance plan currently has no assets.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 12 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five year period. Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources.

	Balance December 31, 2011	Issued	(Retired)	Balance December 31, 2012
Business Type Activities :				
Enterprise Notes Payable:				
1.25% Water System Improvement	\$5,900,000	\$0	(\$5,900,000)	\$0
1.25% Water System Improvement	0	6,690,000	0	6,690,000
1.25% Electric System Improvement	0	4,000,000	0	4,000,000
Total Notes Payable	\$5,900,000	\$10,690,000	(\$5,900,000)	\$10,690,000

This space intentionally left blank.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2012 were as follows:

Issue Date	Interest Rate	Description	Maturity Date	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012	Due Within One Year
Governmental activities:								
Bonds payable:								
General Obligation Bonds:								
2003	2% - 3.75%	Road Improvement	2016	\$ 1,520,000	\$0	\$ (300,000)	\$ 1,220,000	\$ 300,000
2002	2.25% - 4.70%	Various Purpose Series B	2012	145,000	0	(145,000)	0	0
2009	2.25% - 4.50%	Various Purpose 2009 G O Bonds	2028	6,260,000	0	(485,000)	5,775,000	490,000
1997	4.99%	Golf	2012	210,000	0	(210,000)	0	0
2011	2% - 5.00%	Various Purpose Refunding	2026	18,360,000	0	(1,225,000)	17,135,000	1,305,000
2011	2% - 5.00%	Various Purpose	2026	2,535,000	0	(125,000)	2,410,000	135,000
Total General Obligation Bonds				29,030,000	0	(2,490,000)	26,540,000	2,230,000
Special Assessment Bonds:								
2007	4.75%	Various Purpose 2005 Resurfacing	2012	80,000	0	(80,000)	0	0
2005	4.00%	Main Street Area Streetscape	2015	20,000	0	(5,000)	15,000	5,000
2003	3.15% - 5.25%	Shaffer's Creek Sanitary Sewer	2023	130,000	0	(10,000)	120,000	10,000
1998	4.7-5.0%	Various Purpose Series 1998	2018	450,000	0	(55,000)	395,000	60,000
2000	5.4-5.8%	Various Purpose Series 2000	2020	185,000	0	(15,000)	170,000	15,000
2001	6.00%	Various Purpose Series 2001	2021	535,000	0	(40,000)	495,000	45,000
Total Special Assessment Bonds (with Governmental Commitment)				1,400,000	0	(205,000)	1,195,000	135,000
Less Unamortized Amounts:								
For Issuance Discounts/Premiums				1,778,704	0	(203,219)	1,575,485	0
Total Bonds Payable				32,208,704	0	(2,898,219)	29,310,485	2,365,000
Worker's Compensation Retrospective Liability				0	1,200,000	0	1,200,000	129,091
Compensated absences				6,533,087	1,836,258	(2,231,510)	6,137,835	2,071,706
Governmental Activities Long-term liabilities				\$38,741,791	\$3,036,258	(\$5,129,729)	\$36,648,320	\$4,565,797

This space intentionally left blank.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Outstanding general obligation bonds are direct obligations of the City for which the full faith and credit of City resources are pledged. Outstanding revenue bonds totaled \$245,815,000 at December 31, 2012.

Issue Date	Interest Rate	Description	Maturity Date	Balance December 31, 2011	Additions	Reductions	Balance December 31, 2012	Due Within One Year
Business-type activities:								
Mortgage Revenue Bonds:								
2003	4.75% - 5.00%	Gas Refunding	2015	\$5,295,000	\$0	(\$1,230,000)	\$4,065,000	\$1,290,000
2009	2.75% - 5.00%	Gas series A	2029	4,500,000	0	0	4,500,000	0
2005	4.00% - 4.7%	Electric series	2025	128,610,000	0	(7,255,000)	121,355,000	7,490,000
2009	2.0% - 5.00%	Electric series A	2030	18,620,000	0	(195,000)	18,425,000	210,000
2009	6.5% - 6.6%	Electric series B	2039	14,520,000	0	0	14,520,000	0
2002	4.0% - 5.0%	Water Revenue Refunding	2021	7,975,000	0	(650,000)	7,325,000	675,000
2009	2.25% - 4.63%	Water series A	2029	9,010,000	0	(385,000)	8,625,000	390,000
2009	6.62%	Water series B	2039	8,915,000	0	0	8,915,000	0
2005	4.4% - 5.250%	Wastewater Refunding	2023	17,340,000	0	(1,185,000)	16,155,000	1,235,000
2009	2.25% - 3.38%	Wastewater series A	2017	1,655,000	0	(265,000)	1,390,000	265,000
2011	2.0% - 5.00%	Wastewater	2041	29,620,000	0	(545,000)	29,075,000	545,000
2009	6.11% - 6.62%	Wastewater series B	2039	11,465,000	0	0	11,465,000	0
Total Mortgage Revenue Bonds				257,525,000	0	(11,710,000)	245,815,000	12,100,000
Less Unamortized Amounts:								
For Issuance Discounts/Premiums				(310,720)	0	(50,805)	(361,525)	0
Total Bonds Payable				257,214,280	0	(11,760,805)	245,453,475	12,100,000
Ohio Water Development Authority Loan:								
Sanitary Sewer Improvements			2030	416,213	0	(16,136)	400,077	16,665
Compensated absences				3,622,157	795,608	(1,413,788)	3,003,977	1,261,859
Business-type activity Long-term liabilities				\$261,252,650	\$795,608	(\$13,190,729)	\$248,857,529	\$13,378,524

This space intentionally left blank.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

The principal amount of the City's special assessment bonds outstanding was \$1,195,000. The special assessments issued are for non-capital related repairs to sidewalks, streets, etc. Special assessment bonds are general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance in the Debt Service Fund at December 31, 2012 is \$614,903, of which \$200,498 is assigned for the retirement of outstanding special assessment bonds.

Under the terms of the revenue bond indentures, the City has agreed to certain covenants including, among other things, maintaining revenue levels to provide for operating expenses and debt service. All of the borrowing issued under the master trust indentures for the revenue bonds are insured under municipal bond insurance policies. Under the terms of the policies, the insurer guarantees the payments of principal and interest.

A. Defeasance of General Obligation Debt

In September 2009, the City defeased \$2,235,000 of General Obligation Bonds for Police and Fire Pension through the issuance of \$2,235,000 of Various Purpose Bonds. The net proceeds of the 2009 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$1,790,000 at December 31, 2012 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

This space intentionally left blank.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

B. Future Long-Term Financing Requirements

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2012 follows:

GOVERNMENTAL ACTIVITIES						
Years	General Obligation Bonds			Special Assessment Bonds		
	Principal	Interest	Total	Principal	Interest	Total
	2013	\$2,230,000	\$1,040,474	\$3,270,474	\$135,000	\$65,498
2014	2,265,000	990,449	3,255,449	140,000	58,523	198,523
2015	2,325,000	938,224	3,263,224	150,000	51,078	201,078
2016	2,380,000	882,944	3,262,944	145,000	43,020	188,020
2017	2,180,000	793,844	2,973,844	155,000	35,153	190,153
2018-2022	8,235,000	2,848,594	11,083,594	455,000	64,525	519,525
2023-2027	6,825,000	873,138	7,698,138	15,000	788	15,788
2028-2031	100,000	4,500	104,500	0	0	0
Totals	<u>\$26,540,000</u>	<u>\$8,372,167</u>	<u>\$34,912,167</u>	<u>\$1,195,000</u>	<u>\$318,585</u>	<u>\$1,513,585</u>

BUSINESS-TYPE ACTIVITIES						
Years	Revenue Bonds			OWDA Loan		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$12,100,000	\$11,578,233	\$23,678,233	\$16,665	\$12,868	\$29,533
2014	13,115,000	11,095,020	24,210,020	17,211	12,322	29,533
2015	13,560,000	10,572,798	24,132,798	17,775	11,759	29,534
2016	12,815,000	10,007,701	22,822,701	18,358	11,176	29,534
2017	13,275,000	9,477,026	22,752,026	18,959	10,575	29,534
2018-2022	72,510,000	38,129,043	110,639,043	104,529	43,137	147,666
2023-2027	52,325,000	21,725,460	74,050,460	122,810	24,855	147,665
2028-2032	19,255,000	14,195,602	33,450,602	83,770	4,827	88,597
2033-2037	22,780,000	8,312,196	31,092,196	0	0	0
2038-2042	14,080,000	1,525,772	15,605,772	0	0	0
Totals	<u>\$245,815,000</u>	<u>\$136,618,851</u>	<u>\$382,433,851</u>	<u>\$400,077</u>	<u>\$131,519</u>	<u>\$531,596</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

C. Conduit Debt

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2012, there were seven series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$20,684,977.

D. Ohio Water Development Authority Loan

Sanitary Sewer Improvements - In 2010 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for sanitary sewer improvements in the amount of \$431,837. The interest rate on the loan is 3.25%, per annum. This loan is payable from wastewater utility charges. As of December 31, 2012 the outstanding balance of the loan is \$400,077.

E. Pledged Revenue Coverage

The Gas Utility revenue bonds are payable from the net revenue derived from operations of the gas utility and are secured by a pledge of and lien on such net revenues until the bond maturity dates of 2015 and 2029. In 2012 the Gas Fund reported \$2,176,654 of net pledged revenues for coverage of a principal and interest debt service requirement of \$1,670,737.

The Electric Utility revenue bonds are payable from the net revenue derived from operations of the electric utility and are secured by a pledge of and lien on such net revenues until the bond maturity dates of 2025, 2030 and 2039. In 2012 the Electric Fund reported \$20,787,893 of net pledged revenues for coverage of a principal and interest debt service requirement of \$14,874,641.

The Water Utility revenue bonds are payable from the net revenue derived from operations of the water utility and are secured by a pledge of and lien on such net revenues until the bond maturity dates of 2021, 2029 and 2039. In 2012 the Water Fund reported \$3,929,079 of net pledged revenues for coverage of a principal and interest debt service requirement of \$2,322,567.

The Wastewater Utility revenue bonds are payable from the net revenue derived from operations of the wastewater utility and are secured by a pledge of and lien on such net revenues until the bond maturity dates of 2017, 2023, 2039, and 2041. In 2012 the Wastewater Fund reported \$5,193,150 of net pledged revenues for coverage of a principal and interest debt service requirement of \$4,853,775.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 14 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts and liability; damage to and theft of or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains a number of insurance coverages in order to protect against the various risks mentioned above. Those coverages are as follows:

Property Insurance	\$170,474,064	Limit
Earthquake	75,000,000	
Flood	5,000,000	
Ordinance or Law Coverage	2,500,000	
Extra Expense Designated Locations	500,000	
Valuable Papers Restoration	1,250,000	
 Electric Property Insurance	 \$565,000,000	 Limit
Earthquake	125,000,000	
Flood	125,000,000	
Demolition and Increased Cost Construction	10,000,000	
Misc. Unnamed Locations	5,000,000	
 Boiler and Machinery	 \$40,000,000	 Limit
 Auto	 \$1,000,000	 Limit
Comprehensive and Collision	20,000	Deductible
Physical Damage		
Garage Keepers Liability	500,000	Limit
	\$15,000,000	Umbrella
 Crime – Theft of Money and Securities In/Out	 \$100,000	 Limit
 Forgery and Alteration Coverage	 \$100,000	 Limit
 Public Officials Bond – Treasurer	 \$150,000	 Limit
 Public Officials Bond – All Others		
Various Limits to Named Positions	\$2,500	Limit
Blanket Limit (for police officers)	\$1,000	Limit
Blanket minimum for all other employees	\$2,500	Limit
 Underground Petroleum Storage Tank	 \$1,000,000	 Limit
 Police Professional Liability (per occurrence)	 \$1,000,000	 Limit
	\$15,000,000	Umbrella

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 14 - INSURANCE AND RISK MANAGEMENT (Continued)

Public Officials Liability	\$5,000,000	Limit
Employment Practices		
Claims Made – Full Prior Acts	\$15,000,000	Umbrella
Public Utilities Excess Liability	\$100,000,000	Limit
Claims made Retroactive 4/86		
Combined Products Liability		
Completed Operations Liability		
Failure to Supply Liability		
Pollution Liability		
Medical Malpractice Liability		
General Liability (per occurrence)	\$5,000,000	Limit
Products, Personal Injury, Stop Gap Liability	\$15,000,000	Umbrella
Ambulance Attendants Errors & Omissions (included in G.L.)	\$5,000,000	Limit
Pollution Legal Liability	\$10,000,000	Limit
Named NDD Housing Lead Abatement One Year Term		
Pollution Legal Liability		
Named Brownfield Location – Hamilton Die Cast 10 Year Term	\$5,000,000	Limit
Umbrella	\$15,000,000	Limit
Does not apply separately over the underlying/primary coverages		

Third party liability coverages are to be subject to \$100,000 Self-Insured Retention (SIR). A \$400,000 total Self-Insured Retention (SIR) (annual) will be applicable to Public Entity General Liability, Employee Benefit, Plan Administration Liability, Law Enforcement Liability, Auto Liability, Public Entity Management Liability. This will act as an aggregate stop loss maximum. Third party claims adjustment services are provided by Cunningham Lindsey U.S. Inc. as per the terms of the City of Hamilton's contract with Cunningham Lindsey U.S. Inc. that is in compliance with Travelers' TPA requirements.

The City had no reduction in coverage in 2012. Settled claims did not exceed this commercial coverage in any of the past three years.

The City has a group health insurance program for employees. The City maintained a contract to provide a premium based health insurance plan to covered employees through United Health Care during 2012. The City also maintains premium based insurance coverage through the Ohio Bureau of Worker's Compensation to mitigate job related illness and injury.

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 14 - INSURANCE AND RISK MANAGEMENT (Continued)

The City is enrolled in the Ohio BWC's Individual Retrospective Rating program for policy years 2011, 2012 and 2013. Each retrospective rated policy year carries a 10 year liability period. The Individual Retrospective Rating provides the City with an up-front premium discount in exchange for assuming dollar-for-dollar claims liability for any claim filed during the Retrospective Rating policy year. There is a maximum per claim limit and an aggregate policy limit in Retrospective Rating. For 2011, 2012 and 2013, Hamilton's per claim limit is \$200,000 and its aggregate policy limit is 150% of the standard premium (i.e., premium before the Individual Retrospective Rating discount and less BWC administrative costs). The standard premium for 2011 was \$960,204; for 2012 it is estimated to be \$1,016,758.

Beginning with 2012, the City plans to escrow the annual savings from participation in this program in the Central Benefits Fund for unanticipated catastrophic claims in the future. In 2012, \$560,736 was set aside as a reserve in the Central Benefits Fund. The claims liability of \$1,200,000 reported in the Central Benefits Fund at December 31, 2012 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	End of Year Liability
2012	\$0	\$1,200,000	\$0	\$1,200,000

This space intentionally left blank.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2012**

NOTE 15 – SIGNIFICANT COMMITMENTS

A. Contractual Commitments

As of December 31, 2012, the City had contractual commitments related to property, plant and equipment improvements and additions, as well as various other contracts and agreements to provide or receive services related to the operations of the City. The list below reflects the major contracts that comprise commitments at December 31, 2012:

<u>Vendor</u>	<u>Contractual Commitment</u>
Arcadis U S Inc	\$1,336,792
Rack & Ballauer Excavating	1,031,560
Minnotte Contracting Corp	1,000,000
Vaughn Industries LLC	793,504
Dugan & Meyers Construction Co	682,778
RLA Investments Inc	541,850
Caldwell Tanks	476,675
C&H/M Excavating Inc	351,508
Jordon Jones & Goulding	346,075
Structural Systems Repair Group	256,614
Harris Computer Corp	250,000
Babcock & Wilcox Co	234,626
Barrett Paving	206,302
Minnotte Contracting Corp	205,679
Ch2M Hill Inc	204,505
Dueco, Inc	194,955
Ford Development Corp	194,705
Butler Co Bd of Commissioners	175,000
Mi-De-Con Inc	173,425
Synagro	128,861
	<u>\$8,785,414</u>

B. Encumbrance Commitments

At December 31, 2012 the City had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$671,064
Other Governmental Funds	1,499,622
Total Governmental Funds	<u>\$2,170,686</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 16 – CONTINGENCIES

A. Litigation

Various claims and lawsuits are pending against the City. With the possible exception described in the following paragraph, the City believes that the ultimate disposition of such claims and lawsuits will not have a material adverse effect on the City's financial position.

The Ohio Environmental Protection Agency (EPA) alleged, in previous years, that sanitary sewer overflows from the City's sanitary sewer collection system were violations of the Federal Clean Water Act and analogous State law. Federal agencies have pursued similar enforcement actions nationally against public wastewater treatment systems. The City contested this action and the initial remedial measures proposed by the State. Negotiations to resolve the enforcement action through the entry of a mutually agreeable Consent Decree began in 1997. In January 2007 a proposed Consent Decree was executed with the Ohio EPA in which the City agreed to undertake certain remedial measures to eliminate and/or reduce sanitary sewer overflow occurrences. On July 11, 2009 the Ohio EPA approved a System Evaluation and Capacity Assurance Plan (SECAP) which is the master plan of capital improvements for the Consent Decree. In 2010 and 2011, three sanitary sewer projects were constructed which eliminated the sanitary sewer overflows at three locations in the sanitary sewer collection system. Since then, detailed engineering design and preparation of construction drawings for an interceptor project have been in progress by an engineering firm which will mitigate sanitary sewer overflows from the last two known sanitary sewer overflow locations in the sanitary sewer collection system. In addition, construction of improvements is underway at the Water Reclamation Facility to enhance its ability to provide secondary treatment of wastewater prior to discharging into the Great Miami River. Finally, detailed engineering design and preparation of construction drawings by an engineering firm have just been initiated for increasing the capacity of the Water Reclamation Facility for compliance with the SECAP. It is anticipated that all of the improvements associated with the SECAP will be completed and operational by October 2015.

B. Federal and State Grants

For the period January 1, 2012 to December 31, 2012, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 17 – JOINT VENTURES

The City of Hamilton is a member of a number of Governmental Joint Ventures as described in GASB Statement No. 14, The Financial Reporting Entity. The following is a list of organizations and a brief description of each Joint Venture.

A. Hamilton-Indian Springs Joint Economic Development Districts

In 1996, a Joint Economic Development District (JEDD) between the City of Hamilton and Fairfield Township was approved by Fairfield Township voters. It set aside over 200 acres of prime land, zoned for business and industrial, to be serviced jointly as specified in the contract and marketed for commercial/industrial development. The original JEDD (I) authorized a 2% earnings tax on all business within its boundaries, of which 75% flows to the City and 25% flows to the Township. One stipulation of the JEDD agreement is that the City of Hamilton will not annex any township land for the 30-year term of the contract. In exchange, 12 acres of county-owned land on the boundary between Hamilton and the Township was transferred to the City. Construction work that began on a new Menards in 2010 was completed in early 2011. Menards opened for business in 2011 thereby adding many jobs to the community. Menards is a chain of home improvement stores in the Midwestern United States. The construction of an automotive dealership was completed in the last quarter of 2012. A Quaker Steak and Lube is expected to be built in 2013.

A second JEDD (JEDDII) was approved in August 2004 to include over 100 acres of retail development. This second JEDD reversed the collection percentage of the entities (75% for Fairfield Township and 25% for the City). To date, the development in the JEDD areas has proceeded at a strong pace. A number of projects and developments have occurred within all phases of the JEDD, including several banks and restaurants, as well as stores such as Wal-Mart, Target, Dick's, Best Buy, JC Penney, Staples and a variety of other retail establishments. Due to this JEDD's location around the interchange of State Route 129 and the State Route 4 By-Pass, additional retail and commercial development is expected to continue at this location into the future. The interchange will be upgraded and the State Route 4 By-Pass will be widened to provide improved access to JEDD I and JEDD II. Work is expected to begin in one year.

During 2012, the City's distribution of tax collections for JEDD I and JEDD II were \$364,643 and \$132,448, respectively, with a total JEDD distribution of \$497,091.

This space intentionally left blank.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 17 – JOINT VENTURES (Continued)

B. American Municipal Power (AMP) – OMEGA JV2 Project

In December 2000, the City became a part of the OMEGA (Ohio Municipal Energy Generation Association) JV2 Project. The OMEGA JV2 project is a joint venture among the City of Hamilton and 35 other participating municipalities created under the auspices of the Ohio Constitution Section XVIII, Sections 3 and 4 and Ohio Revised Code Section 715.02. All of the participating communities are members of AMP, Inc. and the joint venture has appointed that non-profit corporation to perform certain management functions. The purpose of the joint venture is to create distributive generation among the participating members allowing for increased electric production capacity during peak demand. The degree of control exercised by any participating member is weighted in proportion to each participant's project share, which is 23.87% for the City (a non-majority voting position). Project share is equal to the amount of distributive generation capacity for each of the members. Membership in the joint venture is defined as financing or non-financing participant, as well as an owner or purchasing participant, for which the City qualifies as a financing, purchasing participant. As a financing purchasing participant, the City makes payments to OMEGA JV2.

The following amount was expended in 2012 by the Electric Fund and recorded within the Purchase of Electric expense account to the OMEGA JV2:

Payments – OMEGA JV2	<u>\$559,227</u>
----------------------	------------------

The continued existence of OMEGA JV2 is dependent upon the City's continued participation but the City, as a financing purchasing participant, does not have an equity interest in OMEGA JV2. Complete financial statements may be obtained from AMP, Inc., 1111 Schrock Road, Columbus, Ohio 43219.

This space intentionally left blank.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

The City of Hamilton is a member of a number of Jointly Governed Organizations as described in GASB Statement No. 14, The Financial Reporting Entity. The following is a list of organizations and a brief description of each Jointly Governed Organization.

A. AMP, Inc.

The City of Hamilton is a member of American Municipal Power, Inc. (AMP). AMP is a non-profit corporation organized under Ohio law and Internal Revenue Code Section 501 and is a jointly governed organization. The organization operates on a non-profit basis for the mutual benefit of its member municipalities, all of whom own or operate a municipal electric system. The non-profit corporation is dedicated to providing member assistance and low-cost power supplies.

The controlling board of AMP, Inc. is based upon a representative from several of the member communities. The degree of control exercised by any participating government is limited to its representation on the board. The continued existence of the corporation is not dependent upon the City. Complete financial statements may be obtained from AMP, Inc., 1111 Schrock Road, Columbus, Ohio 43219.

B. Butler County Alliance (aka Economic Development Association of Butler County, Inc.)

The Butler County Alliance (BCA) was created by resolution of the County Commissioners and organized as a non-profit corporation under Internal Revenue Code Section 501(c)(6). The BCA is a jointly governed organization and was created to promote economic development in the County. Membership on the Board of Trustees is made up of private and public sector investors in the BCA, the County and a representative of the public economic development organizations in the County. Membership on the Advisory Board of the BCA consists of Butler County, five cities including the City of Hamilton, two townships and all five chambers of commerce in Butler County. The Board of Trustees oversees the operation of the Association. The continued existence of the BCA is not dependent upon the City's continued participation and the City of Hamilton has no equity interest in the BCA. Complete financial statements can be obtained from the BCA, 315 High Street, 6th Floor, Hamilton, Ohio 45011. In 2012 the BCA filed a final tax return, and ceased operations.

C. Transportation Improvement District of Butler County

The Transportation Improvement District of Butler County (TID), a jointly governed organization, provides the opportunity to construct roads, bridges, and accompanying improvements within the County. The TID's Board of Trustees, which consists of representatives from Butler County, two cities and three townships, oversees the operation of the District. The continued existence of the TID is not dependent upon the City of Hamilton's continued participation and the City of Hamilton has no equity interest in the Transportation Improvement District. Complete financial statements can be obtained from the Transportation Improvement District, 1921 Fairgrove Ave., Hamilton, Ohio 45011.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

D. Butler County Emergency Management Agency

The Butler County Emergency Management Agency (EMA) is a jointly governed organization whose membership consists of Butler County, five cities including the City of Hamilton, and seven villages. The EMA was created by a countywide agreement with the Butler County Commissioners and is intended to provide cooperative effort between all local governments to manage disaster relief and coordinate with the Federal Emergency Management Agency (FEMA) in times of crisis. The twenty-six members of the advisory council comprise one County Commissioner and the chief official of each of the local government members. The continued existence of the Butler County Emergency Management Agency is not dependent upon the City's continued participation and the City of Hamilton has no equity interest in the Butler County EMA. Complete financial statements can be obtained from the Butler County Emergency Management Agency, 315 High Street, Hamilton, Ohio 45011.

E. Hamilton Community Improvement Corporation

The Hamilton Community Improvement Corporation (CIC) was incorporated under Internal Revenue Code Section 501(c)(6) in 1966 to advance, encourage, and promote the industrial, economic, commercial, and civil development of the City of Hamilton and the area surrounding it. The CIC is a jointly governed organization. The Board of Trustees of the CIC provides oversight to the CIC's operations and is comprised of members representing the City of Hamilton, the Greater Hamilton Chamber of Commerce and local business officials. The City does not maintain a voting majority on the Board and the CIC is not dependent on the City's continued participation for its continued existence. Complete financial statements can be obtained from the Hamilton Community Improvement Corporation, 345 High Street, Hamilton, Ohio 45011.

F. Hamilton Economic Development Corporation

The Hamilton Economic Development Corporation (HEDC) was organized to provide increased awareness to Downtown Hamilton businesses and to foster economic growth within the City. The corporation was formed under Internal Revenue Code Section 501(c)(6) and is a jointly governed organization. The HEDC's Board provides oversight to the activities of the organization. The Board consists of the City Manager of Hamilton, the Mayor and Vice-Mayor of Hamilton, one County Commissioner, the Superintendent of the Hamilton City School District, and the thirty-three members of the Hamilton Chamber of Commerce. The City does not maintain a voting majority on the Board and the HEDC is not dependent on the City's continued participation for its continued existence. Complete financial statements can be obtained from the HEDC, 201 Dayton Street, Hamilton, Ohio 45011.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

G. Ohio-Kentucky-Indiana Regional Council of Governments

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), a jointly governed organization, was established to provide coordinated planning services to the appropriate federal, state and local governments, their political subdivisions, agencies, departments, instrumentalities, and special districts, in connection with the preparation and development of comprehensive and continuing regional transportation and development plans within the OKI Region. OKI members include Butler, Clermont, Hamilton, and Warren Counties in Ohio, Boone, Campbell and Kenton Counties in Kentucky, and Dearborn and Ohio Counties in Indiana. OKI also serves as an area wide review agency in conjunction with in the OKI Region.

OKI contracts for local funds and other support with the governing board of each of the governments who are members of OKI or with such other persons as may be appropriate to provide such funds and support. The support is based on the population of the area represented.

A Board of Trustees was created for conducting the activities of the OKI. This Board consists of one elected official of each City and municipal corporation, one individual selected by each City planning agency or commission and one person selected by each planning agency or commission of each municipal corporation located in each member City. This Board of Trustees then selects not more than ten residents of the OKI Region. The total membership of the Board of Trustees shall not exceed 100. Any member of OKI may withdraw its membership upon written notice to OKI effective two years after receipt of the notice by OKI. To obtain financial statements of the Ohio-Kentucky-Indiana Regional Council of governments, write to OKI at 720 E. Pete Rose Way, Suite 420, Cincinnati, OH 45202.

NOTE 19 – ENTERPRISE INTERFUND REVENUES AND ADMINISTRATIVE CHARGES

The City's Utility Enterprise activities (Gas, Electric, Water & Wastewater) make sales to one another on both a daily basis and a non-routine basis, at standard utility rates defined by municipal ordinance.

During 2012, the Electric Fund purchased \$547,913 of natural gas from the Gas Fund. This amount is reflected in the purchased electric expense account in the Electric Fund and as charges for services in the Gas Fund.

The Water and Wastewater Funds purchased electric services from the Electric Fund in the amount of \$788,510 and \$480,728 respectively, during 2012. These amounts are recorded in the Water and Wastewater Funds as contractual services and as Charges for Services in the Electric Fund.

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 19 – ENTERPRISE INTERFUND REVENUES AND ADMINISTRATIVE CHARGES
(Continued)

Historically and by ordinance, the City’s Electric System provides street lighting and traffic light services to the City without charge. Street and traffic light facilities used approximately 5,714,622 kilowatt-hours of electrical energy in 2012, and the estimated operating cost of supplying these free services was \$342,878 for the year ending December 31, 2012. Beginning in 2009, Council approved a policy to provide certain utility costs to general government facilities at no cost. The estimated operating cost of supplying gas, water, and wastewater utilities at no cost to general governmental facilities was \$155,855 for the year ending December 31, 2012.

The Utility Systems are allocated a portion of the City’s administrative cost from the General Fund. In addition, each Utility is charged expenses by the City’s Internal Service Funds. Represented below is the amount charged for each Utility Fund by type of charge or activity for 2012.

	<u>Gas</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>
Administrative cost (General Fund)	\$ 942,000	\$1,085,000	\$ 942,000	\$880,000
Central Services Fund	1,282,000	1,527,000	1,000,000	1,000,000
Fleet Maintenance Fund	<u>134,341</u>	<u>134,341</u>	<u>134,341</u>	<u>0</u>
Total	<u>\$2,358,341</u>	<u>\$2,746,341</u>	<u>\$2,076,341</u>	<u>\$1,880,000</u>

NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLE – RESTATEMENT OF FUND BALANCE/NET POSITION

For 2012 the City implemented GASB Statement No. 62, “*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*,” GASB Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*” and GASB Statement No. 65, “*Items Previously Reported as Assets and Liabilities*”.

Statement No. 62 incorporated into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants’ (AICPA) Committee on Accounting Procedure issued on or before November 30, 1989 which does not conflict with or contradict GASB pronouncements.

Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. GASB 63 standardizes the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government’s net position.

Statement No. 65 provides guidance on how to properly classify items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. In addition, guidance is provided on recognizing certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues).

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2012***

NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLE – RESTATEMENT OF FUND BALANCE/NET POSITION (Continued)

The implementation of GASB Statements No. 62 and No. 63 had no impact on beginning of year fund balance/net position. The implementation of GASB Statement No. 65 resulted in the restatement of fund balance/net position as detailed below:

	<u>Gas Fund</u>	<u>Electric Fund</u>	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Business Type Activities</u>
Net Position					
at December 31, 2011	\$39,562,973	\$13,644,941	\$82,058,042	\$29,862,489	\$164,523,524
Deferred Bond Issuance Costs	<u>(151,970)</u>	<u>(2,859,991)</u>	<u>(482,354)</u>	<u>(1,023,513)</u>	<u>(4,517,828)</u>
Net Position, as restated	<u>\$39,411,003</u>	<u>\$10,784,950</u>	<u>\$81,575,688</u>	<u>\$28,838,976</u>	<u>\$160,005,696</u>

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, INTERNAL
SERVICE FUNDS AND FIDUCIARY FUNDS.*



Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

One Renaissance Center Fund

To account for revenues and expenditures related to the City-owned office tower known as One Renaissance Center. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Federal Emergency Management Grant Fund

To account for revenues and expenditures related to grants from the Federal Emergency Management Agency (FEMA).

Municipal Court Improvement Fund

To account for an extra five dollar fee charged by the municipal court on all cases. The money received from this fee is used for computerization projects within the municipal court.

Public Safety/Health Income Tax Fund

To account for revenue from 0.25% of the City's income tax and designated expenditures for health and public safety.

Dispute Resolution Proceeds Fund

To account for the collection of certain fees imposed by Municipal Court. These are designated to be used for dispute resolution.

Safety Services Fund

To account for all monies designated for public safety services including crime prevention, youth intervention, drug education and helmet and seatbelt safety.

(Continued)

Special Revenue Funds

Police Pension Fund

To accumulate property taxes levied for the partial payment of the current and accrued liability for police disability and pension.

Police Levy Fund

To account for monies from the one-mill levy to provide additional police personnel, motor vehicles and equipment of the police division.

Firemen's Pension Fund

To accumulate property taxes levied for the partial payment of the current and accrued liability for fire disability and pension.

Emergency Medical Services Grant Fund

To account for grant funds designated for the purchase of paramedic supplies.

Fire EMS Levy Fund

To account for monies from the one-mill levy to provide and maintain an additional front line paramedic unit with the fire division.

Energy Efficiency Block Grant Fund

To account for federal grants to be used for energy efficiency and conservation programs and projects communitywide, as well as renewable energy installations on government buildings. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Public Health Care Services Fund

To account for funds designated for public health care services.

Street and Parks Beautification Fund

To account for monies designated for the beautification of the City's parks and streetscapes. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Stormwater Management Fund

To account for the planning, construction, operation and maintenance of storm water devices.

Refuse Fund

To account for revenues collected to help fund the refuse collection activity of the City. Revenue collected is designated to defray the cost of refuse collection.

(Continued)

Special Revenue Funds

Street Maintenance Fund

To account for state levied and controlled gasoline tax and motor vehicle license fees designated for local street construction, maintenance and repair

Land Reutilization Fund

To account for State grants from the Moving Ohio Forward program to be used for demolition of vacant, abandoned and blighted properties in the City.

Home Program Fund

To account for federal grants designated for improvement of the community's housing stock.

Parking Fund

To account for revenues and expenditures associated with the operation of City-owned parking facilities.

Golf Course Fund

To account for revenues and expenditures associated with the operation of two City-owned golf courses.

Local Energy Assurance Planning Fund

To account for federal grants to allow local governments to hire and train staff and expand their capabilities to respond to a variety of energy emergencies such as blackouts, hurricanes, floods, ice storms, or possible terrorist attacks. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Community Development Block Grant Fund

To account for federal grants designated for community and environmental improvements.

Debt Service Fund

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for payment.

Debt Service Fund

To account for resources that are used for payment of principal, interest and fiscal charges on general obligation debt.

Capital Projects Fund

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Hamilton Capital Improvement Fund

To account for revenue from one-fourth of one percent (.25%) of the City income tax receipts. Funds are to be used for capital acquisition for Police, Fire, Public Works, Parks and Recreation and Public Health. Funds may also be used to retire outstanding General Obligation Bonds and Notes issued for capital acquisition.

Capital Projects Fund

To account for revenues and expenditures on large capital projects which are funded by the General Fund. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Special Assessment Fund

To account for revenues and expenditures associated with the levy of special assessments on citizen's property.

Municipal Improvement Tax Increment Equivalent (MITIE) Fund

To account for monies deposited as service payments in lieu of taxes distributed by the County Treasurer for improvements exempt from taxation and for their related costs. To account for the deposit of any income tax revenue that has been dedicated to finance the aforementioned improvements.

Central Business District Streetscape Improvements Fund

To account for revenues and expenditures associated with a major Streetscape project in the Central Business District. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Issue II Projects Fund

To account for road and bridge construction projects, partially funded by state grants from the Ohio Public Works Commission, pursuant to Auditor of State specifications. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

(Continued)

Capital Projects Fund

Clean Ohio Grants Program Fund

To account for monies received from the Ohio Department of Development for the clean up and remediation of the site of the former Mosler Company at 1400 South Erie Highway.

Infrastructure Program Fund

To account for the purpose of improving the City's infrastructure from 2003 to 2005 with proceeds from the issuance of gasoline tax revenue general obligation bonds.

Permanent Fund

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

Benninghoffen Trust Fund

To account for the investment revenues received and uses of the monies from a charitable bequest made to the City for use with the poor by the Benninghoffen Family. The bequest cannot be used for any purpose other than generating investment income.

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$ 8,346,139	\$ 614,854	\$ 5,316,531	\$ 75,048	\$ 14,352,572
Receivables:					
Taxes	3,919,966	506,085	1,641,410	0	6,067,461
Accounts	724,323	0	0	0	724,323
Intergovernmental	1,268,787	0	0	0	1,268,787
Interest	290	49	0	6	345
Loans	452,324	0	0	0	452,324
Inventory of Supplies, at Cost	25,240	0	0	0	25,240
Prepaid Items	20,566	0	0	0	20,566
Total Assets	\$ 14,757,635	\$ 1,120,988	\$ 6,957,941	\$ 75,054	\$ 22,911,618
Liabilities:					
Accounts Payable	\$ 681,401	\$ 0	\$ 255,120	\$ 0	\$ 936,521
Accrued Wages and Benefits Payable	136,487	0	0	0	136,487
Intergovernmental Payable	50,404	0	0	0	50,404
Accrued Liabilities	72,630	0	58,104	0	130,734
Customer Deposits	9,715	0	0	0	9,715
Due to Other Funds	14,055	0	0	0	14,055
Interfund Payable	167,650	0	1,181,452	0	1,349,102
Total Liabilities	1,132,342	0	1,494,676	0	2,627,018
Deferred Inflows of Resources:					
Unavailable Amounts	1,710,156	43,840	380,702	0	2,134,698
Property Tax Levy for Next Fiscal Year	3,024,865	462,245	1,054,795	0	4,541,905
Total Deferred Inflows of Resources	4,735,021	506,085	1,435,497	0	6,676,603
Fund Balance:					
Nonspendable	45,806	0	0	75,000	120,806
Restricted	5,251,588	0	2,063,384	54	7,315,026
Committed	3,592,878	0	0	0	3,592,878
Assigned	0	614,903	2,463,227	0	3,078,130
Unassigned	0	0	(498,843)	0	(498,843)
Total Fund Balance	8,890,272	614,903	4,027,768	75,054	13,607,997
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 14,757,635	\$ 1,120,988	\$ 6,957,941	\$ 75,054	\$ 22,911,618

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2012***

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Income Taxes	\$ 2,726,776	\$ 0	\$ 2,357,120	\$ 0	\$ 5,083,896
Property and Other Local Taxes	2,449,790	0	1,045,090	0	3,494,880
Intergovernmental Revenues	6,729,729	0	1,138,969	0	7,868,698
Charges for Services	7,225,017	0	0	0	7,225,017
Licenses and Permits	368,783	0	0	0	368,783
Investment Earnings	7,539	3,474	(2,625)	252	8,640
Special Assessments	0	465,240	346,693	0	811,933
Fines and Forfeitures	425,333	0	0	0	425,333
All Other Revenue	259,620	0	262,315	0	521,935
Total Revenue	20,192,587	468,714	5,147,562	252	25,809,115
Expenditures:					
Current:					
General Government	730,761	0	0	618	731,379
Security of Persons and Property	6,858,389	0	0	0	6,858,389
Leisure Time Activities	917,306	0	0	0	917,306
Community Environment	2,810,415	0	0	0	2,810,415
Basic Utility Services	5,472,696	0	0	0	5,472,696
Transportation	3,762,769	0	0	0	3,762,769
Public Health and Welfare Services	111,771	0	0	0	111,771
Capital Outlay	0	0	5,461,124	0	5,461,124
Debt Service:					
Principal Retirement	355,000	2,340,000	0	0	2,695,000
Interest and Fiscal Charges	31,425	1,243,294	0	0	1,274,719
Total Expenditures	21,050,532	3,583,294	5,461,124	618	30,095,568
Excess (Deficiency) of Revenues Over (Under) Expenditures	(857,945)	(3,114,580)	(313,562)	(366)	(4,286,453)
Other Financing Sources (Uses):					
Sale of Capital Assets	418	0	0	0	418
Transfers In	1,347,071	3,269,380	3,947,678	0	8,564,129
Transfers Out	0	(399,886)	(5,878,624)	0	(6,278,510)
Total Other Financing Sources (Uses)	1,347,489	2,869,494	(1,930,946)	0	2,286,037
Net Change in Fund Balance	489,544	(245,086)	(2,244,508)	(366)	(2,000,416)
Fund Balance at Beginning of Year	8,415,081	859,989	6,272,276	75,420	15,622,766
Decrease in Inventory	(14,353)	0	0	0	(14,353)
Fund Balance End of Year	\$ 8,890,272	\$ 614,903	\$ 4,027,768	\$ 75,054	\$ 13,607,997

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	Federal Emergency Management Grant	Municipal Court Improvement	Public Safety/Health Income Tax	Dispute Resolution Proceeds
Assets:				
Equity in Pooled Cash and Investments	\$ 5,132	\$ 264,229	\$ 622,419	\$ 77,402
Receivables:				
Taxes	0	0	608,221	0
Accounts	0	0	0	0
Intergovernmental	22,279	0	0	0
Interest	0	0	0	0
Loans	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 27,411</u>	<u>\$ 264,229</u>	<u>\$ 1,230,640</u>	<u>\$ 77,402</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 4,250	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	2,018	0	0
Intergovernmental Payable	0	774	0	397
Accrued Liabilities	0	0	72,630	0
Customer Deposits	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>7,042</u>	<u>72,630</u>	<u>397</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	350,830	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>350,830</u>	<u>0</u>
Fund Balance:				
Nonspendable	0	0	0	0
Restricted	27,411	257,187	807,180	77,005
Committed	0	0	0	0
Total Fund Balance	<u>27,411</u>	<u>257,187</u>	<u>807,180</u>	<u>77,005</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 27,411</u>	<u>\$ 264,229</u>	<u>\$ 1,230,640</u>	<u>\$ 77,402</u>

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	<u>Safety Services</u>	<u>Police Pension</u>	<u>Police Levy</u>	<u>Firemen's Pension</u>
Assets:				
Equity in Pooled Cash and Investments	\$ 733,671	\$ 115,265	\$ 240,531	\$ 113,717
Receivables:				
Taxes	973,505	301,765	867,355	301,765
Accounts	0	0	0	0
Intergovernmental	35,130	0	0	0
Interest	0	0	0	0
Loans	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 1,742,306</u>	<u>\$ 417,030</u>	<u>\$ 1,107,886</u>	<u>\$ 415,482</u>
Liabilities:				
Accounts Payable	\$ 13,802	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	5,311	0	0	0
Intergovernmental Payable	2,036	0	0	0
Accrued Liabilities	0	0	0	0
Customer Deposits	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	36,000	0	0	0
Total Liabilities	<u>57,149</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Amounts	84,330	26,140	75,135	26,140
Property Tax Levy for Next Fiscal Year	889,175	275,625	792,220	275,625
Total Deferred Inflows of Resources	<u>973,505</u>	<u>301,765</u>	<u>867,355</u>	<u>301,765</u>
Fund Balance:				
Nonspendable	0	0	0	0
Restricted	711,652	115,265	240,531	113,717
Committed	0	0	0	0
Total Fund Balance	<u>711,652</u>	<u>115,265</u>	<u>240,531</u>	<u>113,717</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,742,306</u>	<u>\$ 417,030</u>	<u>\$ 1,107,886</u>	<u>\$ 415,482</u>

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	Emergency Medical Services Grant	Fire EMS Levy	Public Health Care Services	Stormwater Management
Assets:				
Equity in Pooled Cash and Investments	\$ 6,274	\$ 257,228	\$ 200,664	\$ 1,497,584
Receivables:				
Taxes	0	867,355	0	0
Accounts	0	0	0	269,759
Intergovernmental	0	0	0	0
Interest	0	0	0	120
Loans	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 6,274	\$ 1,124,583	\$ 200,664	\$ 1,767,463
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 5,252	\$ 10,571
Accrued Wages and Benefits Payable	0	0	0	30,663
Intergovernmental Payable	0	0	0	10,912
Accrued Liabilities	0	0	0	0
Customer Deposits	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Total Liabilities	0	0	5,252	52,146
Deferred Inflows of Resources:				
Unavailable Amounts	0	75,135	0	0
Property Tax Levy for Next Fiscal Year	0	792,220	0	0
Total Deferred Inflows of Resources	0	867,355	0	0
Fund Balance:				
Nonspendable	0	0	0	0
Restricted	6,274	257,228	195,412	0
Committed	0	0	0	1,715,317
Total Fund Balance	6,274	257,228	195,412	1,715,317
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 6,274	\$ 1,124,583	\$ 200,664	\$ 1,767,463

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	Refuse	Street Maintenance	Land Reutilization	Home Program
Assets:				
Equity in Pooled Cash and Investments	\$ 1,331,976	\$ 1,610,983	\$ 480,371	\$ 4,361
Receivables:				
Taxes	0	0	0	0
Accounts	394,464	50	0	0
Intergovernmental	0	930,627	0	12,827
Interest	0	129	0	0
Loans	0	0	0	83,784
Inventory of Supplies, at Cost	0	17,826	0	0
Prepaid Items	1,126	4,861	0	0
Total Assets	<u>\$ 1,727,566</u>	<u>\$ 2,564,476</u>	<u>\$ 480,371</u>	<u>\$ 100,972</u>
Liabilities:				
Accounts Payable	\$ 249,256	\$ 86,531	\$ 6,341	\$ 12,827
Accrued Wages and Benefits Payable	3,234	66,776	0	1,008
Intergovernmental Payable	850	21,159	0	460
Accrued Liabilities	0	0	0	0
Customer Deposits	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Total Liabilities	<u>253,340</u>	<u>174,466</u>	<u>6,341</u>	<u>14,295</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	586,102	0	83,784
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>586,102</u>	<u>0</u>	<u>83,784</u>
Fund Balance:				
Nonspendable	1,126	22,687	0	0
Restricted	0	1,781,221	474,030	2,893
Committed	1,473,100	0	0	0
Total Fund Balance	<u>1,474,226</u>	<u>1,803,908</u>	<u>474,030</u>	<u>2,893</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,727,566</u>	<u>\$ 2,564,476</u>	<u>\$ 480,371</u>	<u>\$ 100,972</u>

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012**

	Parking	Golf Course	Community Development Block Grant	Total Nonmajor Special Revenue Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 265,506	\$ 250,376	\$ 268,450	\$ 8,346,139
Receivables:				
Taxes	0	0	0	3,919,966
Accounts	60,050	0	0	724,323
Intergovernmental	0	0	267,924	1,268,787
Interest	21	20	0	290
Loans	0	0	368,540	452,324
Inventory of Supplies, at Cost	0	7,414	0	25,240
Prepaid Items	3,159	2,232	9,188	20,566
Total Assets	\$ 328,736	\$ 260,042	\$ 914,102	\$ 14,757,635
Liabilities:				
Accounts Payable	\$ 29,827	\$ 13,263	\$ 249,481	\$ 681,401
Accrued Wages and Benefits Payable	8,462	6,900	12,115	136,487
Intergovernmental Payable	2,119	7,206	4,491	50,404
Accrued Liabilities	0	0	0	72,630
Customer Deposits	9,715	0	0	9,715
Due to Other Funds	0	0	14,055	14,055
Interfund Payable	0	60,000	71,650	167,650
Total Liabilities	50,123	87,369	351,792	1,132,342
Deferred Inflows of Resources:				
Unavailable Amounts	34,020	0	368,540	1,710,156
Property Tax Levy for Next Fiscal Year	0	0	0	3,024,865
Total Deferred Inflows of Resources	34,020	0	368,540	4,735,021
Fund Balance:				
Nonspendable	3,159	9,646	9,188	45,806
Restricted	0	0	184,582	5,251,588
Committed	241,434	163,027	0	3,592,878
Total Fund Balance	244,593	172,673	193,770	8,890,272
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 328,736	\$ 260,042	\$ 914,102	\$ 14,757,635

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Federal Emergency Management Grant	Municipal Court Improvement	Public Safety/Health Income Tax	Dispute Resolution Proceeds
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 2,726,776	\$ 0
Property and Other Local Taxes	0	0	0	0
Intergovernmental Revenues	540,079	0	0	0
Charges for Services	0	119,100	0	9,132
Licenses and Permits	0	0	0	0
Investment Earnings	0	(74)	(151)	(20)
Fines and Forfeitures	0	94,802	0	0
All Other Revenue	0	0	0	0
Total Revenue	<u>540,079</u>	<u>213,828</u>	<u>2,726,625</u>	<u>9,112</u>
Expenditures:				
Current:				
General Government	523,784	0	0	353
Security of Persons and Property	0	167,576	2,643,312	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>523,784</u>	<u>167,576</u>	<u>2,643,312</u>	<u>353</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,295	46,252	83,313	8,759
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	16,295	46,252	83,313	8,759
Fund Balance at Beginning of Year	11,116	210,935	723,867	68,246
Increase (Decrease) in Inventory	0	0	0	0
Fund Balance End of Year	<u>\$ 27,411</u>	<u>\$ 257,187</u>	<u>\$ 807,180</u>	<u>\$ 77,005</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	<u>Safety Services</u>	<u>Police Pension</u>	<u>Police Levy</u>	<u>Firemen's Pension</u>
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	716,526	225,307	641,325	225,307
Intergovernmental Revenues	574,685	32,167	91,296	32,167
Charges for Services	79,999	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	(284)	(39)	(78)	(38)
Fines and Forfeitures	330,531	0	0	0
All Other Revenue	23,294	0	0	0
Total Revenue	<u>1,724,751</u>	<u>257,435</u>	<u>732,543</u>	<u>257,436</u>
Expenditures:				
Current:				
General Government	0	0	0	0
Security of Persons and Property	2,030,701	264,650	741,500	264,650
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
Public Health and Welfare Services	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>2,030,701</u>	<u>264,650</u>	<u>741,500</u>	<u>264,650</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(305,950)	(7,215)	(8,957)	(7,214)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	112,500	0	0	0
Total Other Financing Sources (Uses)	<u>112,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(193,450)	(7,215)	(8,957)	(7,214)
Fund Balance at Beginning of Year	905,102	122,480	249,488	120,931
Increase (Decrease) in Inventory	0	0	0	0
Fund Balance End of Year	<u>\$ 711,652</u>	<u>\$ 115,265</u>	<u>\$ 240,531</u>	<u>\$ 113,717</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Emergency Medical Services Grant	Fire EMS Levy	Energy Efficiency Block Grant	Public Health Care Services
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	0	641,325	0	0
Intergovernmental Revenues	4,500	91,296	71,122	102,476
Charges for Services	0	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	(2)	(84)	0	(81)
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	363
Total Revenue	<u>4,498</u>	<u>732,537</u>	<u>71,122</u>	<u>102,758</u>
Expenditures:				
Current:				
General Government	0	0	117,911	0
Security of Persons and Property	4,500	741,500	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
Public Health and Welfare Services	0	0	0	111,771
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>4,500</u>	<u>741,500</u>	<u>117,911</u>	<u>111,771</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2)	(8,963)	(46,789)	(9,013)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(2)	(8,963)	(46,789)	(9,013)
Fund Balance at Beginning of Year	6,276	266,191	46,789	204,425
Increase (Decrease) in Inventory	0	0	0	0
Fund Balance End of Year	<u>\$ 6,274</u>	<u>\$ 257,228</u>	<u>\$ 0</u>	<u>\$ 195,412</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Stormwater Management	Refuse	Street Maintenance	Land Reutilization
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	0	0	0	0
Intergovernmental Revenues	0	16,185	2,293,545	376,250
Charges for Services	2,158,691	3,508,027	0	0
Licenses and Permits	0	0	368,783	0
Investment Earnings	4,124	(268)	3,485	43
Fines and Forfeitures	0	0	0	0
All Other Revenue	21,240	19,500	28,452	0
Total Revenue	<u>2,184,055</u>	<u>3,543,444</u>	<u>2,694,265</u>	<u>376,293</u>
Expenditures:				
Current:				
General Government	0	0	0	0
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	27,263
Basic Utility Services	2,287,977	3,184,719	0	0
Transportation	0	0	3,352,694	0
Public Health and Welfare Services	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>2,287,977</u>	<u>3,184,719</u>	<u>3,352,694</u>	<u>27,263</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(103,922)	358,725	(658,429)	349,030
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	418	0
Transfers In	0	0	481,931	125,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>482,349</u>	<u>125,000</u>
Net Change in Fund Balance	(103,922)	358,725	(176,080)	474,030
Fund Balance at Beginning of Year	1,819,239	1,115,501	1,995,588	0
Increase (Decrease) in Inventory	0	0	(15,600)	0
Fund Balance End of Year	<u>\$ 1,715,317</u>	<u>\$ 1,474,226</u>	<u>\$ 1,803,908</u>	<u>\$ 474,030</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Home Program	Parking	Golf Course	Local Energy Assurance Planning
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	0	0	0	0
Intergovernmental Revenues	596,418	0	0	88,713
Charges for Services	0	351,275	998,793	0
Licenses and Permits	0	0	0	0
Investment Earnings	0	270	432	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	9,590	15,734	22,195	0
Total Revenue	606,008	367,279	1,021,420	88,713
Expenditures:				
Current:				
General Government	0	0	0	88,713
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	917,306	0
Community Environment	720,140	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	410,075	0	0
Public Health and Welfare Services	0	0	0	0
Debt Service:				
Principal Retirement	0	145,000	210,000	0
Interest and Fiscal Charges	0	18,129	13,296	0
Total Expenditures	720,140	573,204	1,140,602	88,713
Excess (Deficiency) of Revenues Over (Under) Expenditures	(114,132)	(205,925)	(119,182)	0
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	0	384,344	243,296	0
Total Other Financing Sources (Uses)	0	384,344	243,296	0
Net Change in Fund Balance	(114,132)	178,419	124,114	0
Fund Balance at Beginning of Year	117,025	66,174	47,312	0
Increase (Decrease) in Inventory	0	0	1,247	0
Fund Balance End of Year	\$ 2,893	\$ 244,593	\$ 172,673	\$ 0

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Community Development Block Grant	Total Nonmajor Special Revenue Funds
Revenues:		
Income Taxes	\$ 0	\$ 2,726,776
Property and Other Local Taxes	0	2,449,790
Intergovernmental Revenues	1,818,830	6,729,729
Charges for Services	0	7,225,017
Licenses and Permits	0	368,783
Investment Earnings	304	7,539
Fines and Forfeitures	0	425,333
All Other Revenue	119,252	259,620
Total Revenue	1,938,386	20,192,587
Expenditures:		
Current:		
General Government	0	730,761
Security of Persons and Property	0	6,858,389
Leisure Time Activities	0	917,306
Community Environment	2,063,012	2,810,415
Basic Utility Services	0	5,472,696
Transportation	0	3,762,769
Public Health and Welfare Services	0	111,771
Debt Service:		
Principal Retirement	0	355,000
Interest and Fiscal Charges	0	31,425
Total Expenditures	2,063,012	21,050,532
Excess (Deficiency) of Revenues Over (Under) Expenditures	(124,626)	(857,945)
Other Financing Sources (Uses):		
Sale of Capital Assets	0	418
Transfers In	0	1,347,071
Total Other Financing Sources (Uses)	0	1,347,489
Net Change in Fund Balance	(124,626)	489,544
Fund Balance at Beginning of Year	318,396	8,415,081
Increase (Decrease) in Inventory	0	(14,353)
Fund Balance End of Year	\$ 193,770	\$ 8,890,272

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012**

	Hamilton Capital Improvement	Special Assessment	MITIE
Assets:			
Equity in Pooled Cash and Investments	\$ 1,932,239	\$ 744,650	\$ 7,236
Receivables:			
Taxes	486,577	0	1,154,833
Total Assets	\$ 2,418,816	\$ 744,650	\$ 1,162,069
Liabilities:			
Accounts Payable	\$ 23,900	\$ 0	\$ 0
Accrued Liabilities	58,104	0	0
Interfund Payable	0	1,180,952	0
Total Liabilities	82,004	1,180,952	0
Deferred Inflows of Resources:			
Unavailable Amounts	280,664	0	100,038
Property Tax Levy for Next Fiscal Year	0	0	1,054,795
Total Deferred Inflows of Resources	280,664	0	1,154,833
Fund Balance:			
Restricted	2,056,148	0	7,236
Assigned	0	0	0
Unassigned	0	(436,302)	0
Total Fund Balance	2,056,148	(436,302)	7,236
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 2,418,816	\$ 744,650	\$ 1,162,069

(Continued)

CITY OF HAMILTON, OHIO

***Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012***

	Clean Ohio Grants Program	Infrastructure Program	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 500	\$ 2,631,906	\$ 5,316,531
Receivables:			
Taxes	0	0	1,641,410
Total Assets	<u>\$ 500</u>	<u>\$ 2,631,906</u>	<u>\$ 6,957,941</u>
Liabilities:			
Accounts Payable	\$ 62,541	\$ 168,679	\$ 255,120
Accrued Liabilities	0	0	58,104
Interfund Payable	500	0	1,181,452
Total Liabilities	<u>63,041</u>	<u>168,679</u>	<u>1,494,676</u>
Deferred Inflows of Resources:			
Unavailable Amounts	0	0	380,702
Property Tax Levy for Next Fiscal Year	0	0	1,054,795
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>1,435,497</u>
Fund Balance:			
Restricted	0	0	2,063,384
Assigned	0	2,463,227	2,463,227
Unassigned	(62,541)	0	(498,843)
Total Fund Balance	<u>(62,541)</u>	<u>2,463,227</u>	<u>4,027,768</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 500</u>	<u>\$ 2,631,906</u>	<u>\$ 6,957,941</u>

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

	<u>Hamilton Capital Improvement</u>	<u>Capital Projects</u>	<u>Special Assessment</u>
Revenues:			
Income Taxes	\$ 2,181,420	\$ 0	\$ 0
Property and Other Local Taxes	0	0	0
Intergovernmental Revenues	0	0	0
Investment Earnings	(573)	(144)	(205)
Special Assessments	0	0	346,693
All Other Revenue	27,081	0	5
Total Revenue	<u>2,207,928</u>	<u>(144)</u>	<u>346,493</u>
Expenditures:			
Capital Outlay	891,930	0	210,260
Total Expenditures	<u>891,930</u>	<u>0</u>	<u>210,260</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,315,998	(144)	136,233
Other Financing Sources (Uses):			
Transfers In	706,321	0	399,886
Transfers Out	(2,000,051)	(358,179)	0
Total Other Financing Sources (Uses)	<u>(1,293,730)</u>	<u>(358,179)</u>	<u>399,886</u>
Net Change in Fund Balance	22,268	(358,323)	536,119
Fund Balance at Beginning of Year	<u>2,033,880</u>	<u>358,323</u>	<u>(972,421)</u>
Fund Balance End of Year	<u>\$ 2,056,148</u>	<u>\$ 0</u>	<u>\$ (436,302)</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

	MITIE	Central Business District Streetscape Improvements	Issue II Projects
Revenues:			
Income Taxes	\$ 175,700	\$ 0	\$ 0
Property and Other Local Taxes	1,045,090	0	0
Intergovernmental Revenues	0	0	933,758
Investment Earnings	(1,358)	(110)	0
Special Assessments	0	0	0
All Other Revenue	234,100	0	0
Total Revenue	<u>1,453,532</u>	<u>(110)</u>	<u>933,758</u>
Expenditures:			
Capital Outlay	1,830,835	0	933,758
Total Expenditures	<u>1,830,835</u>	<u>0</u>	<u>933,758</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(377,303)	(110)	0
Other Financing Sources (Uses):			
Transfers In	0	0	0
Transfers Out	(3,008,226)	(275,496)	0
Total Other Financing Sources (Uses)	<u>(3,008,226)</u>	<u>(275,496)</u>	<u>0</u>
Net Change in Fund Balance	(3,385,529)	(275,606)	0
Fund Balance at Beginning of Year	<u>3,392,765</u>	<u>275,606</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 7,236</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

	Clean Ohio Grants Program	Infrastructure Program	Total Nonmajor Capital Project Funds
Revenues:			
Income Taxes	\$ 0	\$ 0	\$ 2,357,120
Property and Other Local Taxes	0	0	1,045,090
Intergovernmental Revenues	91,130	114,081	1,138,969
Investment Earnings	0	(235)	(2,625)
Special Assessments	0	0	346,693
All Other Revenue	0	1,129	262,315
Total Revenue	<u>91,130</u>	<u>114,975</u>	<u>5,147,562</u>
Expenditures:			
Capital Outlay	172,012	1,422,329	5,461,124
Total Expenditures	<u>172,012</u>	<u>1,422,329</u>	<u>5,461,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,882)	(1,307,354)	(313,562)
Other Financing Sources (Uses):			
Transfers In	0	2,841,471	3,947,678
Transfers Out	0	(236,672)	(5,878,624)
Total Other Financing Sources (Uses)	<u>0</u>	<u>2,604,799</u>	<u>(1,930,946)</u>
Net Change in Fund Balance	(80,882)	1,297,445	(2,244,508)
Fund Balance at Beginning of Year	<u>18,341</u>	<u>1,165,782</u>	<u>6,272,276</u>
Fund Balance End of Year	<u>\$ (62,541)</u>	<u>\$ 2,463,227</u>	<u>\$ 4,027,768</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 16,380,000	\$ 16,260,000	\$ 16,380,972	\$ 120,972
Property and Other Local Taxes	5,590,000	5,785,630	5,424,454	(361,176)
Intergovernmental Revenues	2,938,314	3,302,069	3,289,549	(12,520)
Charges for Services	13,439,795	14,173,379	13,696,743	(476,636)
Licenses and Permits	434,757	577,157	612,917	35,760
Investment Earnings	40,000	71,088	76,566	5,478
Fines and Forfeitures	787,343	787,343	704,945	(82,398)
All Other Revenue	143,542	549,295	559,466	10,171
Total Revenues	39,753,751	41,505,961	40,745,612	(760,349)
Expenditures:				
Security of Persons and Property:				
Municipal Court:				
Personal Services	1,286,004	1,286,004	1,282,558	3,446
Other Expenditures	286,471	291,727	212,154	79,573
Total Municipal Court	1,572,475	1,577,731	1,494,712	83,019
Police:				
Personal Services	11,972,305	12,193,558	11,918,922	274,636
Other Expenditures	1,055,959	1,105,394	1,010,287	95,107
Total Police	13,028,264	13,298,952	12,929,209	369,743
Civilian Dispatch:				
Personal Services	1,146,909	1,201,909	1,171,491	30,418
Other Expenditures	87,334	90,313	76,690	13,623
Total Civilian Dispatch	1,234,243	1,292,222	1,248,181	44,041
Building Maintenance - Criminal Justice:				
Other Expenditures	175,945	178,715	157,161	21,554
Total Building Maintenance - Criminal Justice	175,945	178,715	157,161	21,554
Corrections:				
Personal Services	505,893	505,893	439,555	66,338
Other Expenditures	30,000	31,206	16,372	14,834
Total Corrections	535,893	537,099	455,927	81,172

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Police - Safe Neighborhood:				
Personal Services	16,236	16,236	13,185	3,051
Other Expenditures	1,455	1,455	808	647
Total Police - Safe Neighborhood	<u>17,691</u>	<u>17,691</u>	<u>13,993</u>	3,698
Fire:				
Personal Services	9,643,716	9,945,431	9,788,310	157,121
Other Expenditures	450,400	487,561	479,438	8,123
Total Fire	<u>10,094,116</u>	<u>10,432,992</u>	<u>10,267,748</u>	165,244
Fire - Building:				
Other Expenditures	176,000	201,813	184,747	17,066
Total Fire - Building	<u>176,000</u>	<u>201,813</u>	<u>184,747</u>	17,066
Fire - Paramedics:				
Personal Services	2,101,987	2,351,987	2,241,247	110,740
Other Expenditures	203,675	218,628	213,409	5,219
Total Fire - Paramedics	<u>2,305,662</u>	<u>2,570,615</u>	<u>2,454,656</u>	115,959
Total Security of Persons and Property	<u>29,140,289</u>	<u>30,107,830</u>	<u>29,206,334</u>	901,496
Public Health and Welfare Services:				
Health:				
Personal Services	727,644	754,010	654,104	99,906
Other Expenditures	331,426	377,257	291,399	85,858
Total Health	<u>1,059,070</u>	<u>1,131,267</u>	<u>945,503</u>	185,764
Total Public Health and Welfare Services	<u>1,059,070</u>	<u>1,131,267</u>	<u>945,503</u>	185,764
Leisure Time Activities:				
Parks and Recreation - Administration:				
Other Expenditures	0	212	212	0
Total Parks and Recreation - Administration	<u>0</u>	<u>212</u>	<u>212</u>	0

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Outdoor Athletic Program:				
Other Expenditures	0	46	46	0
Total Outdoor Athletic Program	0	46	46	0
Parks and Playgrounds Maintenance:				
Personal Services	510,666	519,666	492,445	27,221
Other Expenditures	454,811	473,708	459,735	13,973
Total Parks and Playgrounds Maintenance	965,477	993,374	952,180	41,194
Community Center:				
Other Expenditures	93,280	92,276	83,812	8,464
Total Community Center	93,280	92,276	83,812	8,464
Colligan:				
Personal Services	31,459	32,459	31,815	644
Other Expenditures	18,682	19,490	13,940	5,550
Total Colligan	50,141	51,949	45,755	6,194
Total Leisure Time Activities	1,108,898	1,137,857	1,082,005	55,852
Community Environment:				
Construction Services:				
Personal Services	444,546	431,546	418,259	13,287
Other Expenditures	29,900	32,563	26,498	6,065
Total Construction Services	474,446	464,109	444,757	19,352
Department of Planning:				
Personal Services	414,221	427,221	422,995	4,226
Other Expenditures	129,050	129,092	120,771	8,321
Total Department of Planning	543,271	556,313	543,766	12,547

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
CDBG:				
Other Expenditures	100,000	100,000	7,691	92,309
Total CDBG	<u>100,000</u>	<u>100,000</u>	<u>7,691</u>	<u>92,309</u>
Fair Housing:				
Personal Services	13,201	13,201	9,524	3,677
Other Expenditures	2,800	2,800	0	2,800
Total Fair Housing	<u>16,001</u>	<u>16,001</u>	<u>9,524</u>	<u>6,477</u>
Total Community Environment	<u>1,133,718</u>	<u>1,136,423</u>	<u>1,005,738</u>	<u>130,685</u>
Basic Utility Services:				
Public Works - Administration:				
Personal Services	216,168	226,168	217,184	8,984
Other Expenditures	9,500	9,708	4,268	5,440
Total Public Works - Administration	<u>225,668</u>	<u>235,876</u>	<u>221,452</u>	<u>14,424</u>
Engineering:				
Personal Services	511,782	483,425	312,698	170,727
Other Expenditures	82,560	88,271	63,099	25,172
Total Engineering	<u>594,342</u>	<u>571,696</u>	<u>375,797</u>	<u>195,899</u>
Public Works - Maintenance:				
Personal Services	536,559	541,309	474,167	67,142
Other Expenditures	126,750	141,873	134,917	6,956
Total Public Works - Maintenance	<u>663,309</u>	<u>683,182</u>	<u>609,084</u>	<u>74,098</u>
Total Basic Utility Services	<u>1,483,319</u>	<u>1,490,754</u>	<u>1,206,333</u>	<u>284,421</u>
General Government:				
City Council:				
Personal Services	88,376	88,376	81,865	6,511
Other Expenditures	10,640	10,996	8,005	2,991
Total City Council	<u>99,016</u>	<u>99,372</u>	<u>89,870</u>	<u>9,502</u>

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
City Clerk:				
Personal Services	84,430	84,430	84,059	371
Other Expenditures	15,180	16,613	12,881	3,732
Total City Clerk	<u>99,610</u>	<u>101,043</u>	<u>96,940</u>	4,103
City Manager:				
Personal Services	225,607	349,027	347,964	1,063
Other Expenditures	20,570	23,910	24,060	(150)
Total City Manager	<u>246,177</u>	<u>372,937</u>	<u>372,024</u>	913
Finance - Cashiers:				
Personal Services	169,278	160,278	159,701	577
Other Expenditures	6,750	18,749	15,423	3,326
Total Finance - Cashiers	<u>176,028</u>	<u>179,027</u>	<u>175,124</u>	3,903
Department of Law:				
Personal Services	490,137	490,136	451,950	38,186
Other Expenditures	66,135	66,810	20,814	45,996
Total Department of Law	<u>556,272</u>	<u>556,946</u>	<u>472,764</u>	84,182
Department of Civil Service:				
Personal Services	298,218	298,218	270,436	27,782
Other Expenditures	21,050	21,477	7,273	14,204
Total Department of Civil Service	<u>319,268</u>	<u>319,695</u>	<u>277,709</u>	41,986
Finance - Administration:				
Personal Services	1,264,385	1,264,385	1,200,214	64,171
Other Expenditures	49,550	71,167	62,239	8,928
Total Finance - Administration	<u>1,313,935</u>	<u>1,335,552</u>	<u>1,262,453</u>	73,099

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Finance - Purchasing:				
Personal Services	257,338	252,338	236,615	15,723
Other Expenditures	5,620	10,865	7,013	3,852
Total Finance - Purchasing	<u>262,958</u>	<u>263,203</u>	<u>243,628</u>	19,575
Finance - Building Services:				
Personal Services	126,557	126,557	126,244	313
Other Expenditures	252,620	258,933	228,575	30,358
Total Finance - Building Services	<u>379,177</u>	<u>385,490</u>	<u>354,819</u>	30,671
Finance - Income Tax:				
Personal Services	775,040	815,040	720,020	95,020
Other Expenditures	222,000	292,177	234,582	57,595
Total Finance - Income Tax	<u>997,040</u>	<u>1,107,217</u>	<u>954,602</u>	152,615
Special Appropriations - General:				
Personal Services	300,000	605,000	602,259	2,741
Other Expenditures	2,080,696	3,015,635	2,500,314	515,321
Total Special Appropriations - General	<u>2,380,696</u>	<u>3,620,635</u>	<u>3,102,573</u>	518,062
Special Appropriations:				
Personal Services	247,000	148,200	84,789	63,411
Other Expenditures	611,500	646,457	534,887	111,570
Total Special Appropriations	<u>858,500</u>	<u>794,657</u>	<u>619,676</u>	174,981
Total General Government	<u>7,688,677</u>	<u>9,135,774</u>	<u>8,022,182</u>	1,113,592
Total Expenditures	<u>41,613,971</u>	<u>44,139,905</u>	<u>41,468,095</u>	2,671,810
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,860,220)	(2,633,944)	(722,483)	1,911,461

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Sale of Capital Assets	1,000	1,000	0	(1,000)
Transfers In	85,000	282,133	279,983	(2,150)
Transfers Out	(912,500)	(1,405,216)	(1,405,215)	1
Advances In	225,713	143,193	143,193	0
Advances Out	(50,000)	(193,500)	(108,150)	85,350
Total Other Financing Sources (Uses)	(650,787)	(1,172,390)	(1,090,189)	82,201
Net Change in Fund Balance	(2,511,007)	(3,806,334)	(1,812,672)	1,993,662
Fund Balance at Beginning of Year	9,790,160	9,790,160	9,790,160	0
Prior Year Encumbrances	581,604	581,604	581,604	0
Fund Balance at End of Year	\$ 7,860,757	\$ 6,565,430	\$ 8,559,092	\$ 1,993,662

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

ONE RENAISSANCE CENTER FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 2,018,880	\$ 2,018,880	\$ 2,012,948	\$ (5,932)
Total Revenues	<u>2,018,880</u>	<u>2,018,880</u>	<u>2,012,948</u>	<u>(5,932)</u>
Expenditures:				
General Government:				
Other Expenditures	577,138	660,119	625,500	34,619
Total Expenditures	<u>577,138</u>	<u>660,119</u>	<u>625,500</u>	<u>34,619</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,441,742	1,358,761	1,387,448	28,687
Other Financing Sources (Uses):				
Transfers Out	(1,439,080)	(1,439,083)	(1,439,082)	1
Total Other Financing Sources (Uses)	<u>(1,439,080)</u>	<u>(1,439,083)</u>	<u>(1,439,082)</u>	<u>1</u>
Net Change in Fund Balance	2,662	(80,322)	(51,634)	28,688
Fund Balance at Beginning of Year	728,508	728,508	728,508	0
Prior Year Encumbrances	43,403	43,403	43,403	0
Fund Balance at End of Year	<u>\$ 774,573</u>	<u>\$ 691,589</u>	<u>\$ 720,277</u>	<u>\$ 28,688</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
FEDERAL EMERGENCY MANAGEMENT GRANT FUND				
Revenues:				
Intergovernmental Revenues	\$ 539,855	\$ 564,818	\$ 561,359	\$ (3,459)
Total Revenues	<u>539,855</u>	<u>564,818</u>	<u>561,359</u>	<u>(3,459)</u>
Expenditures:				
General Government:				
Personal Services	539,855	539,855	536,398	3,457
Other Expenditures	0	5,000	5,000	0
Total Expenditures	<u>539,855</u>	<u>544,855</u>	<u>541,398</u>	<u>3,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	19,963	19,961	(2)
Other Financing Sources (Uses):				
Advances In	0	55,000	0	(55,000)
Advances Out	(45,000)	(20,963)	(20,963)	0
Total Other Financing Sources (Uses)	<u>(45,000)</u>	<u>34,037</u>	<u>(20,963)</u>	<u>(55,000)</u>
Net Change in Fund Balance	(45,000)	54,000	(1,002)	(55,002)
Fund Balance at Beginning of Year	1,134	1,134	1,134	0
Prior Year Encumbrances	5,000	5,000	5,000	0
Fund Balance at End of Year	<u>\$ (38,866)</u>	<u>\$ 60,134</u>	<u>\$ 5,132</u>	<u>\$ (55,002)</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

MUNICIPAL COURT IMPROVEMENT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for Services	\$ 126,311	\$ 126,311	\$ 119,100	\$ (7,211)
Fines and Forfeitures	100,143	100,143	94,802	(5,341)
Total Revenues	<u>226,454</u>	<u>226,454</u>	<u>213,902</u>	<u>(12,552)</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	71,722	71,722	66,334	5,388
Other Expenditures	137,237	145,737	129,008	16,729
Total Expenditures	<u>208,959</u>	<u>217,459</u>	<u>195,342</u>	<u>22,117</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,495	8,995	18,560	9,565
Fund Balance at Beginning of Year	244,658	244,658	244,658	0
Prior Year Encumbrances	987	987	987	0
Fund Balance at End of Year	<u>\$ 263,140</u>	<u>\$ 254,640</u>	<u>\$ 264,205</u>	<u>\$ 9,565</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

PUBLIC SAFETY/HEALTH INCOME TAX FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 2,693,750	\$ 2,733,750	\$ 2,749,995	\$ 16,245
Total Revenues	<u>2,693,750</u>	<u>2,733,750</u>	<u>2,749,995</u>	<u>16,245</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	2,628,750	2,653,750	2,643,312	10,438
Total Expenditures	<u>2,628,750</u>	<u>2,653,750</u>	<u>2,643,312</u>	<u>10,438</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	65,000	80,000	106,683	26,683
Fund Balance at Beginning of Year	<u>515,680</u>	<u>515,680</u>	<u>515,680</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 580,680</u>	<u>\$ 595,680</u>	<u>\$ 622,363</u>	<u>\$ 26,683</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

DISPUTE RESOLUTION PROCEEDS FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 9,770	\$ 9,770	\$ 9,132	\$ (638)
Total Revenues	<u>9,770</u>	<u>9,770</u>	<u>9,132</u>	<u>(638)</u>
Expenditures:				
General Government:				
Personal Services	53,647	53,647	0	53,647
Other Expenditures	2,000	2,000	0	2,000
Total Expenditures	<u>55,647</u>	<u>55,647</u>	<u>0</u>	<u>55,647</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,877)	(45,877)	9,132	55,009
Fund Balance at Beginning of Year	<u>68,263</u>	<u>68,263</u>	<u>68,263</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,386</u>	<u>\$ 22,386</u>	<u>\$ 77,395</u>	<u>\$ 55,009</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	SAFETY SERVICES FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Local Taxes	\$ 743,500	\$ 773,500	\$ 716,526	\$ (56,974)
Intergovernmental Revenues	499,951	642,181	571,784	(70,397)
Charges for Services	69,287	76,787	79,999	3,212
Fines and Forfeitures	210,578	375,578	330,531	(45,047)
All Other Revenue	27,080	27,080	23,294	(3,786)
Total Revenues	<u>1,550,396</u>	<u>1,895,126</u>	<u>1,722,134</u>	<u>(172,992)</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	652,476	665,026	624,316	40,710
Other Expenditures	1,025,162	1,510,518	1,441,531	68,987
Total Expenditures	<u>1,677,638</u>	<u>2,175,544</u>	<u>2,065,847</u>	<u>109,697</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(127,242)	(280,418)	(343,713)	(63,295)
Other Financing Sources (Uses):				
Transfers In	112,500	112,500	112,500	0
Advances In	0	38,500	36,000	(2,500)
Advances Out	0	(32,230)	(32,230)	0
Total Other Financing Sources (Uses)	<u>112,500</u>	<u>118,770</u>	<u>116,270</u>	<u>(2,500)</u>
Net Change in Fund Balance	(14,742)	(161,648)	(227,443)	(65,795)
Fund Balance at Beginning of Year	905,422	905,422	905,422	0
Prior Year Encumbrances	9,656	9,656	9,656	0
Fund Balance at End of Year	<u>\$ 900,336</u>	<u>\$ 753,430</u>	<u>\$ 687,635</u>	<u>\$ (65,795)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

POLICE PENSION FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Local Taxes	\$ 212,650	\$ 232,650	\$ 225,307	\$ (7,343)
Intergovernmental Revenues	10,350	32,000	32,167	167
Total Revenues	<u>223,000</u>	<u>264,650</u>	<u>257,474</u>	<u>(7,176)</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	<u>223,000</u>	<u>264,650</u>	<u>264,650</u>	<u>0</u>
Total Expenditures	<u>223,000</u>	<u>264,650</u>	<u>264,650</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(7,176)	(7,176)
Fund Balance at Beginning of Year	<u>122,431</u>	<u>122,431</u>	<u>122,431</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 122,431</u>	<u>\$ 122,431</u>	<u>\$ 115,255</u>	<u>\$ (7,176)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

POLICE LEVY FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property and Other Local Taxes	\$ 623,500	\$ 653,500	\$ 641,325	\$ (12,175)
Intergovernmental Revenues	0	88,000	91,296	3,296
Total Revenues	<u>623,500</u>	<u>741,500</u>	<u>732,621</u>	<u>(8,879)</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	623,500	741,500	741,500	0
Total Expenditures	<u>623,500</u>	<u>741,500</u>	<u>741,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(8,879)	(8,879)
Fund Balance at Beginning of Year	<u>249,388</u>	<u>249,388</u>	<u>249,388</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 249,388</u>	<u>\$ 249,388</u>	<u>\$ 240,509</u>	<u>\$ (8,879)</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

FIREMEN'S PENSION FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property and Other Local Taxes	\$ 212,650	\$ 235,000	\$ 225,307	\$ (9,693)
Intergovernmental Revenues	10,350	33,500	32,167	(1,333)
Total Revenues	<u>223,000</u>	<u>268,500</u>	<u>257,474</u>	<u>(11,026)</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	<u>223,000</u>	<u>268,500</u>	<u>264,650</u>	<u>3,850</u>
Total Expenditures	<u>223,000</u>	<u>268,500</u>	<u>264,650</u>	<u>3,850</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(7,176)	(7,176)
Fund Balance at Beginning of Year	<u>120,883</u>	<u>120,883</u>	<u>120,883</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 120,883</u>	<u>\$ 120,883</u>	<u>\$ 113,707</u>	<u>\$ (7,176)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

EMERGENCY MEDICAL SERVICES GRANT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ 5,000	\$ 10,000	\$ 4,500	\$ (5,500)
Total Revenues	<u>5,000</u>	<u>10,000</u>	<u>4,500</u>	<u>(5,500)</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	9,500	14,500	4,500	10,000
Total Expenditures	<u>9,500</u>	<u>14,500</u>	<u>4,500</u>	<u>10,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,500)	(4,500)	0	4,500
Fund Balance at Beginning of Year	<u>6,273</u>	<u>6,273</u>	<u>6,273</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 1,773</u></u>	<u><u>\$ 1,773</u></u>	<u><u>\$ 6,273</u></u>	<u><u>\$ 4,500</u></u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

FIRE EMS LEVY FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Local Taxes	\$ 623,500	\$ 655,000	\$ 641,325	\$ (13,675)
Intergovernmental Revenues	0	90,000	91,296	1,296
Total Revenues	<u>623,500</u>	<u>745,000</u>	<u>732,621</u>	<u>(12,379)</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	623,500	745,000	741,500	3,500
Total Expenditures	<u>623,500</u>	<u>745,000</u>	<u>741,500</u>	<u>3,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(8,879)	(8,879)
Fund Balance at Beginning of Year	266,084	266,084	266,084	0
Fund Balance at End of Year	<u>\$ 266,084</u>	<u>\$ 266,084</u>	<u>\$ 257,205</u>	<u>\$ (8,879)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

ENERGY EFFICIENCY BLOCK GRANT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 115,095	\$ 77,593	\$ 71,122	\$ (6,471)
Total Revenues	<u>115,095</u>	<u>77,593</u>	<u>71,122</u>	<u>(6,471)</u>
Expenditures:				
General Government:				
Personal Services	2,770	1,573	1,571	2
Other Expenditures	<u>112,325</u>	<u>118,489</u>	<u>118,422</u>	<u>67</u>
Total Expenditures	<u>115,095</u>	<u>120,062</u>	<u>119,993</u>	<u>69</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(42,469)	(48,871)	(6,402)
Other Financing Sources (Uses):				
Advances Out	<u>(26,500)</u>	0	0	0
Total Other Financing Sources (Uses)	<u>(26,500)</u>	0	0	0
Net Change in Fund Balance	(26,500)	(42,469)	(48,871)	(6,402)
Fund Balance at Beginning of Year	13,671	13,671	13,671	0
Prior Year Encumbrances	<u>35,200</u>	<u>35,200</u>	<u>35,200</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,371</u>	<u>\$ 6,402</u>	<u>\$ 0</u>	<u>\$ (6,402)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

PUBLIC HEALTH CARE SERVICES FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 113,846	\$ 116,869	\$ 102,476	\$ (14,393)
Investment Earnings	10	10	6	(4)
All Other Revenue	260	370	363	(7)
Total Revenues	114,116	117,249	102,845	(14,404)
Expenditures:				
Public Health and Welfare Services:				
Personal Services	75,823	75,823	74,960	863
Other Expenditures	38,293	50,217	49,996	221
Total Expenditures	114,116	126,040	124,956	1,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(8,791)	(22,111)	(13,320)
Fund Balance at Beginning of Year	194,639	194,639	194,639	0
Prior Year Encumbrances	22,862	22,862	22,862	0
Fund Balance at End of Year	\$ 217,501	\$ 208,710	\$ 195,390	\$ (13,320)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

STREET AND PARKS BEAUTIFICATION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Investment Earnings	\$ 100	\$ 180	\$ 168	\$ (12)
Total Revenues	<u>100</u>	<u>180</u>	<u>168</u>	<u>(12)</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	180	168	(12)
Fund Balance at Beginning of Year	<u>57,090</u>	<u>57,090</u>	<u>57,090</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 57,190</u>	<u>\$ 57,270</u>	<u>\$ 57,258</u>	<u>\$ (12)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

STORMWATER MANAGEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 2,100,000	\$ 2,180,000	\$ 2,166,963	\$ (13,037)
Investment Earnings	11,000	11,000	5,007	(5,993)
All Other Revenue	17,000	22,500	21,240	(1,260)
Total Revenues	<u>2,128,000</u>	<u>2,213,500</u>	<u>2,193,210</u>	<u>(20,290)</u>
Expenditures:				
Basic Utility Services:				
Personal Services	900,694	935,054	916,430	18,624
Other Expenditures	1,297,873	1,966,255	1,802,716	163,539
Total Expenditures	<u>2,198,567</u>	<u>2,901,309</u>	<u>2,719,146</u>	<u>182,163</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(70,567)	(687,809)	(525,936)	161,873
Fund Balance at Beginning of Year	1,057,210	1,057,210	1,057,210	0
Prior Year Encumbrances	651,187	651,187	651,187	0
Fund Balance at End of Year	<u>\$ 1,637,830</u>	<u>\$ 1,020,588</u>	<u>\$ 1,182,461</u>	<u>\$ 161,873</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

	REFUSE FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 17,000	\$ 16,185	\$ (815)
Charges for Services	3,507,102	3,507,102	3,508,041	939
All Other Revenue	18,000	18,000	19,500	1,500
Total Revenues	<u>3,525,102</u>	<u>3,542,102</u>	<u>3,543,726</u>	<u>1,624</u>
Expenditures:				
Basic Utility Services:				
Personal Services	77,102	77,102	57,210	19,892
Other Expenditures	3,165,428	3,413,561	3,130,736	282,825
Total Expenditures	<u>3,242,530</u>	<u>3,490,663</u>	<u>3,187,946</u>	<u>302,717</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	282,572	51,439	355,780	304,341
Fund Balance at Beginning of Year	568,761	568,761	568,761	0
Prior Year Encumbrances	399,619	399,619	399,619	0
Fund Balance at End of Year	<u>\$ 1,250,952</u>	<u>\$ 1,019,819</u>	<u>\$ 1,324,160</u>	<u>\$ 304,341</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

STREET MAINTENANCE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 2,785,000	\$ 2,785,000	\$ 2,307,568	\$ (477,432)
Licenses and Permits	360,000	360,000	368,783	8,783
Investment Earnings	5,000	5,000	4,342	(658)
All Other Revenue	18,800	26,800	28,502	1,702
Total Revenues	<u>3,168,800</u>	<u>3,176,800</u>	<u>2,709,195</u>	<u>(467,605)</u>
Expenditures:				
Transportation:				
Personal Services	1,666,979	1,697,479	1,493,118	204,361
Other Expenditures	2,183,649	2,686,856	2,031,069	655,787
Total Expenditures	<u>3,850,628</u>	<u>4,384,335</u>	<u>3,524,187</u>	<u>860,148</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(681,828)	(1,207,535)	(814,992)	392,543
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	418	418
Transfers In	0	483,845	481,931	(1,914)
Transfers Out	(425,000)	(425,000)	0	425,000
Total Other Financing Sources (Uses)	<u>(425,000)</u>	<u>58,845</u>	<u>482,349</u>	<u>423,504</u>
Net Change in Fund Balance	(1,106,828)	(1,148,690)	(332,643)	816,047
Fund Balance at Beginning of Year	1,583,740	1,583,740	1,583,740	0
Prior Year Encumbrances	117,925	117,925	117,925	0
Fund Balance at End of Year	<u>\$ 594,837</u>	<u>\$ 552,975</u>	<u>\$ 1,369,022</u>	<u>\$ 816,047</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

LAND REUTILIZATION FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 752,500	\$ 376,250	\$ (376,250)
Total Revenues	<u>0</u>	<u>752,500</u>	<u>376,250</u>	<u>(376,250)</u>
Expenditures:				
Community Environment:				
Other Expenditures	0	877,500	20,922	856,578
Total Expenditures	<u>0</u>	<u>877,500</u>	<u>20,922</u>	<u>856,578</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(125,000)	355,328	480,328
Other Financing Sources (Uses):				
Transfers In	0	125,000	125,000	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>125,000</u>	<u>125,000</u>	<u>0</u>
Net Change in Fund Balance	0	0	480,328	480,328
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 480,328</u>	<u>\$ 480,328</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

HOME PROGRAM FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental Revenues	\$ 2,265,622	\$ 2,447,721	\$ 609,005	\$ (1,838,716)
All Other Revenue	15,000	55,000	9,590	(45,410)
Total Revenues	<u>2,280,622</u>	<u>2,502,721</u>	<u>618,595</u>	<u>(1,884,126)</u>
Expenditures:				
Community Environment:				
Personal Services	48,551	64,616	38,144	26,472
Other Expenditures	2,117,710	2,324,716	694,242	1,630,474
Total Expenditures	<u>2,166,261</u>	<u>2,389,332</u>	<u>732,386</u>	<u>1,656,946</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	114,361	113,389	(113,791)	(227,180)
Fund Balance at Beginning of Year	117,179	117,179	117,179	0
Prior Year Encumbrances	973	973	973	0
Fund Balance at End of Year	<u>\$ 232,513</u>	<u>\$ 231,541</u>	<u>\$ 4,361</u>	<u>\$ (227,180)</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

PARKING FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 424,210	\$ 426,210	\$ 325,245	\$ (100,965)
Investment Earnings	2,000	2,000	280	(1,720)
All Other Revenue	12,000	27,000	15,734	(11,266)
Total Revenues	438,210	455,210	341,259	(113,951)
Expenditures:				
Transportation:				
Personal Services	298,535	299,535	240,956	58,579
Other Expenditures	133,913	354,632	338,214	16,418
Debt Service:				
Principal Retirement	175,000	175,000	145,000	30,000
Interest and Fiscal Charges	30,677	30,677	18,129	12,548
Total Expenditures	638,125	859,844	742,299	117,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	(199,915)	(404,634)	(401,040)	3,594
Other Financing Sources (Uses):				
Transfers In	205,677	426,892	384,344	(42,548)
Total Other Financing Sources (Uses)	205,677	426,892	384,344	(42,548)
Net Change in Fund Balance	5,762	22,258	(16,696)	(38,954)
Fund Balance at Beginning of Year	82,681	82,681	82,681	0
Prior Year Encumbrances	593	593	593	0
Fund Balance at End of Year	\$ 89,036	\$ 105,532	\$ 66,578	\$ (38,954)

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012**

GOLF COURSE FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 771,286	\$ 1,083,341	\$ 998,793	\$ (84,548)
Investment Earnings	550	550	478	(72)
All Other Revenue	20,000	26,500	21,395	(5,105)
Total Revenues	791,836	1,110,391	1,020,666	(89,725)
Expenditures:				
Leisure Time Activities:				
Personal Services	356,054	453,318	401,975	51,343
Other Expenditures	429,549	590,798	586,974	3,824
Debt Service:				
Principal Retirement	230,000	230,000	230,000	0
Interest and Fiscal Charges	13,296	13,296	13,296	0
Total Expenditures	1,028,899	1,287,412	1,232,245	55,167
Excess (Deficiency) of Revenues Over (Under) Expenditures	(237,063)	(177,021)	(211,579)	(34,558)
Other Financing Sources (Uses):				
Transfers In	243,296	253,296	243,296	(10,000)
Total Other Financing Sources (Uses)	243,296	253,296	243,296	(10,000)
Net Change in Fund Balance	6,233	76,275	31,717	(44,558)
Fund Balance at Beginning of Year	111,734	111,734	111,734	0
Prior Year Encumbrances	23,741	23,741	23,741	0
Fund Balance at End of Year	\$ 141,708	\$ 211,750	\$ 167,192	\$ (44,558)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
LOCAL ENERGY ASSURANCE PLANNING FUND				
Revenues:				
Intergovernmental Revenues	\$ 100,000	\$ 110,000	\$ 98,964	\$ (11,036)
Total Revenues	<u>100,000</u>	<u>110,000</u>	<u>98,964</u>	<u>(11,036)</u>
Expenditures:				
General Government:				
Personal Services	8,494	8,494	8,493	1
Other Expenditures	<u>91,506</u>	<u>101,283</u>	<u>90,471</u>	<u>10,812</u>
Total Expenditures	<u>100,000</u>	<u>109,777</u>	<u>98,964</u>	<u>10,813</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	223	0	(223)
Other Financing Sources (Uses):				
Advances Out	<u>(88,213)</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(88,213)</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>0</u>
Net Change in Fund Balance	(88,213)	(89,777)	(90,000)	(223)
Fund Balance at Beginning of Year	222	222	222	0
Prior Year Encumbrances	<u>89,778</u>	<u>89,778</u>	<u>89,778</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,787</u>	<u>\$ 223</u>	<u>\$ 0</u>	<u>\$ (223)</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND				
Revenues:				
Intergovernmental Revenues	\$ 3,234,750	\$ 3,959,240	\$ 1,576,007	\$ (2,383,233)
Investment Earnings	5,000	5,000	304	(4,696)
All Other Revenue	180,000	214,564	119,252	(95,312)
Total Revenues	<u>3,419,750</u>	<u>4,178,804</u>	<u>1,695,563</u>	<u>(2,483,241)</u>
Expenditures:				
Community Environment:				
Personal Services	384,827	631,400	383,892	247,508
Other Expenditures	2,851,923	3,466,316	1,457,454	2,008,862
Total Expenditures	<u>3,236,750</u>	<u>4,097,716</u>	<u>1,841,346</u>	<u>2,256,370</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	183,000	81,088	(145,783)	(226,871)
Other Financing Sources (Uses):				
Transfers In	0	56,459	56,458	(1)
Transfers Out	0	(56,459)	(56,458)	1
Advances In	0	0	71,650	71,650
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>71,650</u>	<u>71,650</u>
Net Change in Fund Balance	183,000	81,088	(74,133)	(155,221)
Fund Balance at Beginning of Year	277,141	277,141	277,141	0
Prior Year Encumbrances	65,442	65,442	65,442	0
Fund Balance at End of Year	<u>\$ 525,583</u>	<u>\$ 423,671</u>	<u>\$ 268,450</u>	<u>\$ (155,221)</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Fund
For the Year Ended December 31, 2012**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DEBT SERVICE FUND				
Revenues:				
Investment Earnings	\$ 3,000	\$ 4,500	\$ 3,942	\$ (558)
Special Assessments	550,000	550,000	465,240	(84,760)
Total Revenues	553,000	554,500	469,182	(85,318)
Expenditures:				
Debt Service:				
Principal Retirement	2,709,886	2,739,886	2,739,886	0
Interest and Fiscal Charges	1,231,635	1,245,185	1,243,294	1,891
Total Expenditures	3,941,521	3,985,071	3,983,180	1,891
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,388,521)	(3,430,571)	(3,513,998)	(83,427)
Other Financing Sources (Uses):				
Transfers In	3,535,200	3,535,200	3,269,380	(265,820)
Total Other Financing Sources (Uses)	3,535,200	3,535,200	3,269,380	(265,820)
Net Change in Fund Balance	146,679	104,629	(244,618)	(349,247)
Fund Balance at Beginning of Year	859,416	859,416	859,416	0
Fund Balance at End of Year	\$ 1,006,095	\$ 964,045	\$ 614,798	\$ (349,247)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

HAMILTON CAPITAL IMPROVEMENT FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 2,155,000	\$ 2,215,000	\$ 2,199,995	\$ (15,005)
All Other Revenue	50,000	61,000	27,081	(33,919)
Total Revenues	<u>2,205,000</u>	<u>2,276,000</u>	<u>2,227,076</u>	<u>(48,924)</u>
Expenditures:				
Capital Outlay	910,000	1,826,216	993,401	832,815
Total Expenditures	<u>910,000</u>	<u>1,826,216</u>	<u>993,401</u>	<u>832,815</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,295,000	449,784	1,233,675	783,891
Other Financing Sources (Uses):				
Sale of Capital Assets	10,000	10,000	0	(10,000)
Transfers In	0	706,322	706,321	(1)
Transfers Out	(2,308,421)	(2,318,421)	(2,000,051)	318,370
Total Other Financing Sources (Uses)	<u>(2,298,421)</u>	<u>(1,602,099)</u>	<u>(1,293,730)</u>	<u>308,369</u>
Net Change in Fund Balance	(1,003,421)	(1,152,315)	(60,055)	1,092,260
Fund Balance at Beginning of Year	1,787,841	1,787,841	1,787,841	0
Prior Year Encumbrances	78,907	78,907	78,907	0
Fund Balance at End of Year	<u>\$ 863,327</u>	<u>\$ 714,433</u>	<u>\$ 1,806,693</u>	<u>\$ 1,092,260</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012**

CAPITAL PROJECTS FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Transfers Out	0	(358,179)	(358,179)	0
Total Other Financing Sources (Uses)	0	(358,179)	(358,179)	0
Net Change in Fund Balance	0	(358,179)	(358,179)	0
Fund Balance at Beginning of Year	358,179	358,179	358,179	0
Fund Balance at End of Year	<u>\$ 358,179</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

SPECIAL ASSESSMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Special Assessments	\$ 120,000	\$ 350,000	\$ 346,693	\$ (3,307)
All Other Revenue	0	0	5	5
Total Revenues	120,000	350,000	346,698	(3,302)
Expenditures:				
Capital Outlay	675,750	1,038,462	290,093	748,369
Total Expenditures	675,750	1,038,462	290,093	748,369
Excess (Deficiency) of Revenues Over (Under) Expenditures	(555,750)	(688,462)	56,605	745,067
Other Financing Sources (Uses):				
General Obligation Notes Issued	325,000	420,000	0	(420,000)
Total Other Financing Sources (Uses)	325,000	420,000	0	(420,000)
Net Change in Fund Balance	(230,750)	(268,462)	56,605	325,067
Fund Balance at Beginning of Year	287,816	287,816	287,816	0
Prior Year Encumbrances	389,712	389,712	389,712	0
Fund Balance at End of Year	\$ 446,778	\$ 409,066	\$ 734,133	\$ 325,067

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MUNICIPAL IMPROVEMENT TAX INCREMENT EQUIVALENT FUND				
Revenues:				
Income Taxes	\$ 180,000	\$ 180,000	\$ 175,700	\$ (4,300)
Property and Other Local Taxes	846,000	1,332,690	1,045,090	(287,600)
All Other Revenue	182,100	234,100	234,100	0
Total Revenues	1,208,100	1,746,790	1,454,890	(291,900)
Expenditures:				
Capital Outlay	219,600	1,910,185	1,830,835	79,350
Total Expenditures	219,600	1,910,185	1,830,835	79,350
Excess (Deficiency) of Revenues Over (Under) Expenditures	988,500	(163,395)	(375,945)	(212,550)
Other Financing Sources (Uses):				
Transfers In	0	28,266	28,266	0
Transfers Out	(576,154)	(3,128,959)	(3,036,492)	92,467
Total Other Financing Sources (Uses)	(576,154)	(3,100,693)	(3,008,226)	92,467
Net Change in Fund Balance	412,346	(3,264,088)	(3,384,171)	(120,083)
Fund Balance at Beginning of Year	3,391,406	3,391,406	3,391,406	0
Fund Balance at End of Year	\$ 3,803,752	\$ 127,318	\$ 7,235	\$ (120,083)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

CENTRAL BUSINESS DISTRICT STREETScape IMPROVEMENTS FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Other Financing Sources (Uses):				
Transfers Out	0	(275,496)	(275,496)	0
Total Other Financing Sources (Uses)	0	(275,496)	(275,496)	0
Net Change in Fund Balance	0	(275,496)	(275,496)	0
Fund Balance at Beginning of Year	275,496	275,496	275,496	0
Fund Balance at End of Year	<u>\$ 275,496</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

ISSUE II PROJECTS FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 840,000	\$ 1,190,000	\$ 933,758	\$ (256,242)
Total Revenues	<u>840,000</u>	<u>1,190,000</u>	<u>933,758</u>	<u>(256,242)</u>
Expenditures:				
Capital Outlay	840,000	1,190,000	933,758	256,242
Total Expenditures	<u>840,000</u>	<u>1,190,000</u>	<u>933,758</u>	<u>256,242</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012***

CLEAN OHIO GRANTS PROGRAM FUND				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 3,506,622	\$ 2,706,622	\$ 91,130	\$ (2,615,492)
Total Revenues	<u>3,506,622</u>	<u>2,706,622</u>	<u>91,130</u>	<u>(2,615,492)</u>
Expenditures:				
Capital Outlay	3,506,622	2,706,621	121,921	2,584,700
Total Expenditures	<u>3,506,622</u>	<u>2,706,621</u>	<u>121,921</u>	<u>2,584,700</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	1	(30,791)	(30,792)
Other Financing Sources (Uses):				
Advances In	0	100,000	500	(99,500)
Advances Out	(31,000)	0	0	0
Total Other Financing Sources (Uses)	<u>(31,000)</u>	<u>100,000</u>	<u>500</u>	<u>(99,500)</u>
Net Change in Fund Balance	(31,000)	100,001	(30,291)	(130,292)
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	30,324	30,324	30,324	0
Fund Balance at End of Year	<u>\$ (676)</u>	<u>\$ 130,325</u>	<u>\$ 33</u>	<u>\$ (130,292)</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012**

	INFRASTRUCTURE PROGRAM FUND			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 874,115	\$ 0	\$ (874,115)
All Other Revenue	0	175,000	1,129	(173,871)
Total Revenues	<u>0</u>	<u>1,049,115</u>	<u>1,129</u>	<u>(1,047,986)</u>
Expenditures:				
Capital Outlay	1,838,768	4,876,609	1,620,029	3,256,580
Total Expenditures	<u>1,838,768</u>	<u>4,876,609</u>	<u>1,620,029</u>	<u>3,256,580</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,838,768)	(3,827,494)	(1,618,900)	2,208,594
Other Financing Sources (Uses):				
Transfers In	1,801,154	3,371,831	2,841,471	(530,360)
Transfers Out	(236,672)	(236,672)	(236,672)	0
Total Other Financing Sources (Uses)	<u>1,564,482</u>	<u>3,135,159</u>	<u>2,604,799</u>	<u>(530,360)</u>
Net Change in Fund Balance	(274,286)	(692,335)	985,899	1,678,234
Fund Balance at Beginning of Year	653,264	653,264	653,264	0
Prior Year Encumbrances	<u>525,797</u>	<u>525,797</u>	<u>525,797</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 904,775</u>	<u>\$ 486,726</u>	<u>\$ 2,164,960</u>	<u>\$ 1,678,234</u>

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Year Ended December 31, 2012***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 500	\$ 750	\$ 633	\$ (117)
Total Revenues	<u>500</u>	<u>750</u>	<u>633</u>	<u>(117)</u>
Expenditures:				
General Government:				
Other Expenditures	500	750	618	132
Total Expenditures	<u>500</u>	<u>750</u>	<u>618</u>	<u>132</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	15	15
Fund Balance at Beginning of Year	<u>75,033</u>	<u>75,033</u>	<u>75,033</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 75,033</u>	<u>\$ 75,033</u>	<u>\$ 75,048</u>	<u>\$ 15</u>

Internal Service Funds

Internal Service Funds are used to account for financing goods or services provided by one activity to other activities of the City on a cost-reimbursement basis.

Fleet Maintenance Fund

To account for revenues and expenses associated with the maintenance of the City's motor transport equipment.

Central Services Fund

To account for revenues and expenses associated with interdepartmental charges for the costs of certain goods or services.

Central Benefits Fund

To account for cash reserves set aside for unemployment compensation, retirement payouts, and the worker's compensation retrospective claims program.

CITY OF HAMILTON, OHIO

**Combining Statement of Net Position
Internal Service Funds
December 31, 2012**

	Fleet Maintenance	Central Services	Central Benefits	Total
ASSETS:				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 125,768	\$ 13,767	\$ 1,160,841	\$ 1,300,376
Inventory of Supplies at Cost	35,321	0	0	35,321
Total Current Assets	<u>161,089</u>	<u>13,767</u>	<u>1,160,841</u>	<u>1,335,697</u>
Noncurrent Assets:				
Capital Assets, Net	49,877	0	0	49,877
Total Noncurrent Assets	<u>49,877</u>	<u>0</u>	<u>0</u>	<u>49,877</u>
Total Assets	<u>210,966</u>	<u>13,767</u>	<u>1,160,841</u>	<u>1,385,574</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	188,132	182,828	0	370,960
Accrued Wages and Benefits	25,359	95,817	0	121,176
Intergovernmental Payable	9,398	43,161	0	52,559
Compensated Absences Payable - Current	52,250	134,244	0	186,494
Claims Payable - Current	0	0	129,091	129,091
Total Current Liabilities	<u>275,139</u>	<u>456,050</u>	<u>129,091</u>	<u>860,280</u>
Noncurrent Liabilities:				
Claims Payable	0	0	1,070,909	1,070,909
Compensated Absences Payable	65,746	230,729	0	296,475
Total Noncurrent Liabilities	<u>65,746</u>	<u>230,729</u>	<u>1,070,909</u>	<u>1,367,384</u>
Total Liabilities	<u>340,885</u>	<u>686,779</u>	<u>1,200,000</u>	<u>2,227,664</u>
NET POSITION				
Net Investment in Capital Assets	49,877	0	0	49,877
Unrestricted	(179,796)	(673,012)	(39,159)	(891,967)
Total Net Position	<u>\$ (129,919)</u>	<u>\$ (673,012)</u>	<u>\$ (39,159)</u>	<u>\$ (842,090)</u>

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2012***

	Fleet Maintenance	Central Services	Central Benefits	Total
Operating Revenues:				
Charges for Services	\$ 2,103,344	\$ 5,492,961	\$ 1,160,736	\$ 8,757,041
Other Operating Revenue	12,271	0	0	12,271
Total Operating Revenues	<u>2,115,615</u>	<u>5,492,961</u>	<u>1,160,736</u>	<u>8,769,312</u>
Operating Expenses:				
Personal Services	718,660	3,346,028	1,200,000	5,264,688
Contractual Services	341,759	1,803,926	0	2,145,685
Materials and Supplies	1,289,782	221,669	0	1,511,451
Other Operating Expenses	30,501	189,424	0	219,925
Depreciation	11,874	0	0	11,874
Total Operating Expenses	<u>2,392,576</u>	<u>5,561,047</u>	<u>1,200,000</u>	<u>9,153,623</u>
Operating Loss	(276,961)	(68,086)	(39,264)	(384,311)
Nonoperating Revenue (Expenses):				
Investment Earnings	(123)	(5)	105	(23)
Loss on Disposal of Capital Assets	(1,748)	0	0	(1,748)
Total Nonoperating Revenues (Expenses)	<u>(1,871)</u>	<u>(5)</u>	<u>105</u>	<u>(1,771)</u>
Change in Net Position	(278,832)	(68,091)	(39,159)	(386,082)
Net Position Beginning of Year	148,913	(604,921)	0	(456,008)
Net Position End of Year	<u>\$ (129,919)</u>	<u>\$ (673,012)</u>	<u>\$ (39,159)</u>	<u>\$ (842,090)</u>

CITY OF HAMILTON, OHIO

***Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2012***

	Fleet Maintenance	Central Services	Central Benefits	Total
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$2,115,615	\$5,492,961	\$1,160,841	\$8,769,417
Cash Payments for Goods and Services	(1,623,895)	(2,071,163)	0	(3,695,058)
Cash Payments for Employees	(699,519)	(3,422,554)	0	(4,122,073)
Net Cash Provided (Used) by Operating Activities	<u>(207,799)</u>	<u>(756)</u>	<u>1,160,841</u>	<u>952,286</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(207,799)	(756)	1,160,841	952,286
Cash and Cash Equivalents at Beginning of Year	<u>333,567</u>	<u>14,523</u>	<u>0</u>	<u>348,090</u>
Cash and Cash Equivalents at End of Year	<u>\$125,768</u>	<u>\$13,767</u>	<u>\$1,160,841</u>	<u>\$1,300,376</u>
<u>Reconciliation of Operating Loss to Net Cash</u>				
<u>Provided (Used) by Operating Activities:</u>				
Operating Loss	(\$276,961)	(\$68,086)	(\$39,264)	(\$384,311)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities				
Depreciation Expense	11,874	0	0	11,874
Non-Operating Revenue	0	0	105	105
Non-Operating Expense	(123)	(5)	0	(128)
Changes in Assets and Liabilities:				
Decrease in Inventory	4,882	0	0	4,882
Increase in Accounts Payable	34,450	145,274	0	179,724
Increase in Accrued Wages and Benefits	4,402	5,358	0	9,760
Increase in Intergovernmental Payable	1,374	11,967	0	13,341
Increase in Claims Liability	0	0	1,200,000	1,200,000
Increase (Decrease) in Compensated Absences	12,303	(95,264)	0	(82,961)
Total Adjustments	<u>69,162</u>	<u>67,330</u>	<u>1,200,105</u>	<u>1,336,597</u>
Net Cash Provided (Used) by Operating Activities	<u>(\$207,799)</u>	<u>(\$756)</u>	<u>\$1,160,841</u>	<u>\$952,286</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2012 the Fleet Maintenance Fund, Central Services Fund and Central Benefits Fund reported a change in the fair value of investments of \$11, \$1, and \$105 respectively.

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Funds

Rounding Up Utility Account Fund

To account for voluntary contributions from citizens and/or organizations within the City to assist elderly, needy and disabled utility customers with utility charges incurred.

Convention and Visitor's Bureau Fund

To account for the Hotel/Motel tax levied on guests of the City where 50% of such tax monies are distributed to the Convention and Visitor's Bureau and 50% is distributed to the City.

Employee Taxes and Benefits Fund

To account for special taxes and benefits of City employees.

Miscellaneous Collections for Others Fund

To account for monies received and held for others.

Unclaimed Monies Fund

To account for the receipt of monies unable to be returned or distributed. The City will hold the receipts for the statutory period and then the monies will be disbursed to the State of Ohio.

Tax Collections Fund

To account for taxes obtained on behalf of other municipalities.

Butler County Annexation Tax Fund

To account for income taxes obtained from a special annexation of property contiguous to Hamilton.

Central Business Special Improvement District Fund

To account for the receiving and disbursing of special assessments levied upon real property within the Hamilton Central Business Special Improvement District.

Agency Funds

Joint Economic Development District I Fund

To account for the receipt and disbursement of income tax revenue pursuant to Section 11 of The Joint Economic Development District Agreement with Indian Springs/ Fairfield Township.

Joint Economic Development District II Fund

To account for the receipt and disbursement of income tax revenue pursuant to Section 11 of The 2004 Joint Economic Development District Agreement with Indian Springs/ Fairfield Township.

Fire Damage Deposit Escrow Fund

To account for deposits and reimbursements held for fire damage as prescribed by Ohio Revised Code.

Police Property Room Forfeiture Fund

To account for the receipt of items remaining in the custody of the Police Department. The City will hold the items for a certain period of time at which they will be auctioned or disposed.

Municipal Court Fund

To account for funds that flow through the Municipal Court office

CITY OF HAMILTON, OHIO

***Combining Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2012***

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>Rounding Up Utility Account</u>				
Assets:				
Equity in Pooled Cash and Investments	\$1,233	\$3,240	(\$3,633)	\$840
Total Assets	<u>\$1,233</u>	<u>\$3,240</u>	<u>(\$3,633)</u>	<u>\$840</u>
Liabilities:				
Accounts Payable	\$0	\$840	\$0	\$840
Due to Others	1,233	2,400	(3,633)	0
Total Liabilities	<u>\$1,233</u>	<u>\$3,240</u>	<u>(\$3,633)</u>	<u>\$840</u>
<u>Convention and Visitor's Bureau</u>				
Assets:				
Equity in Pooled Cash and Investments	\$23,040	\$75,170	(\$76,471)	\$21,739
Total Assets	<u>\$23,040</u>	<u>\$75,170</u>	<u>(\$76,471)</u>	<u>\$21,739</u>
Liabilities:				
Accounts Payable	\$23,040	\$75,170	(\$76,471)	\$21,739
Total Liabilities	<u>\$23,040</u>	<u>\$75,170</u>	<u>(\$76,471)</u>	<u>\$21,739</u>
<u>Employee Taxes and Benefits</u>				
Assets:				
Equity in Pooled Cash and Investments	\$21,576	\$70,902,401	(\$70,861,006)	\$62,971
Total Assets	<u>\$21,576</u>	<u>\$70,902,401</u>	<u>(\$70,861,006)</u>	<u>\$62,971</u>
Liabilities:				
Due to Others	\$15,098	\$70,880,966	(\$70,854,528)	\$41,536
Intergovernmental Payable	6,478	21,435	(6,478)	21,435
Total Liabilities	<u>\$21,576</u>	<u>\$70,902,401</u>	<u>(\$70,861,006)</u>	<u>\$62,971</u>
<u>Miscellaneous Collections for Others</u>				
Assets:				
Equity in Pooled Cash and Investments	\$7,548	\$0	\$0	\$7,548
Total Assets	<u>\$7,548</u>	<u>\$0</u>	<u>\$0</u>	<u>\$7,548</u>
Liabilities:				
Due to Others	\$7,548	\$0	\$0	\$7,548
Total Liabilities	<u>\$7,548</u>	<u>\$0</u>	<u>\$0</u>	<u>\$7,548</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2012***

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>Unclaimed Monies</u>				
Assets:				
Equity in Pooled Cash and Investments	\$108,648	\$0	(\$852)	\$107,796
Total Assets	<u>\$108,648</u>	<u>\$0</u>	<u>(\$852)</u>	<u>\$107,796</u>
Liabilities:				
Due to Others	\$108,648	\$0	(\$852)	\$107,796
Total Liabilities	<u>\$108,648</u>	<u>\$0</u>	<u>(\$852)</u>	<u>\$107,796</u>
<u>Tax Collections</u>				
Assets:				
Equity in Pooled Cash and Investments	\$151,690	\$4,613,377	(\$4,587,259)	\$177,808
Total Assets	<u>\$151,690</u>	<u>\$4,613,377</u>	<u>(\$4,587,259)</u>	<u>\$177,808</u>
Liabilities:				
Intergovernmental Payable	\$151,690	\$4,613,377	(\$4,587,259)	\$177,808
Total Liabilities	<u>\$151,690</u>	<u>\$4,613,377</u>	<u>(\$4,587,259)</u>	<u>\$177,808</u>
<u>Butler County Annexation Tax</u>				
Assets:				
Equity in Pooled Cash and Investments	\$68,842	\$81,061	(\$81,492)	\$68,411
Total Assets	<u>\$68,842</u>	<u>\$81,061</u>	<u>(\$81,492)</u>	<u>\$68,411</u>
Liabilities:				
Intergovernmental Payable	\$68,842	\$81,061	(\$81,492)	\$68,411
Total Liabilities	<u>\$68,842</u>	<u>\$81,061</u>	<u>(\$81,492)</u>	<u>\$68,411</u>
<u>Central Business Special Improvement District</u>				
Receivables:				
Taxes	\$48,450	\$199,935	(\$201,275)	\$47,110
Total Assets	<u>\$48,450</u>	<u>\$199,935</u>	<u>(\$201,275)</u>	<u>\$47,110</u>
Liabilities:				
Intergovernmental Payable	\$48,450	\$199,935	(\$201,275)	\$47,110
Total Liabilities	<u>\$48,450</u>	<u>\$199,935</u>	<u>(\$201,275)</u>	<u>\$47,110</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2012***

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>Joint Economic Development District I</u>				
Assets:				
Equity in Pooled Cash and Investments	\$13,650	\$620,954	(\$617,494)	\$17,110
Total Assets	<u>\$13,650</u>	<u>\$620,954</u>	<u>(\$617,494)</u>	<u>\$17,110</u>
Liabilities:				
Intergovernmental Payable	\$13,650	\$620,954	(\$617,494)	\$17,110
Total Liabilities	<u>\$13,650</u>	<u>\$620,954</u>	<u>(\$617,494)</u>	<u>\$17,110</u>
<u>Joint Economic Development District II</u>				
Assets:				
Equity in Pooled Cash and Investments	\$28,336	\$552,690	(\$544,782)	\$36,244
Total Assets	<u>\$28,336</u>	<u>\$552,690</u>	<u>(\$544,782)</u>	<u>\$36,244</u>
Liabilities:				
Intergovernmental Payable	\$28,336	\$552,690	(\$544,782)	\$36,244
Total Liabilities	<u>\$28,336</u>	<u>\$552,690</u>	<u>(\$544,782)</u>	<u>\$36,244</u>
<u>Fire Damage Deposit Escrow</u>				
Assets:				
Equity in Pooled Cash and Investments	\$91,552	\$38,675	(\$33,400)	\$96,827
Total Assets	<u>\$91,552</u>	<u>\$38,675</u>	<u>(\$33,400)</u>	<u>\$96,827</u>
Liabilities:				
Due to Others	\$91,552	\$38,675	(\$33,400)	\$96,827
Total Liabilities	<u>\$91,552</u>	<u>\$38,675</u>	<u>(\$33,400)</u>	<u>\$96,827</u>
<u>Police Property Room Forfeiture</u>				
Assets:				
Equity in Pooled Cash and Investments	\$59,799	\$120,620	(\$18,342)	\$162,077
Total Assets	<u>\$59,799</u>	<u>\$120,620</u>	<u>(\$18,342)</u>	<u>\$162,077</u>
Liabilities:				
Due to Others	\$59,799	\$120,620	(\$18,342)	\$162,077
Total Liabilities	<u>\$59,799</u>	<u>\$120,620</u>	<u>(\$18,342)</u>	<u>\$162,077</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement Of Changes In Assets And Liabilities
Agency Funds
For the Year Ended December 31, 2012***

	Balance December 31, 2011	Additions	Deductions	Balance December 31, 2012
<u>Municipal Court</u>				
Assets:				
Equity in Pooled Cash and Investments	\$250,352	\$199,593	(\$250,352)	\$199,593
Total Assets	<u>\$250,352</u>	<u>\$199,593</u>	<u>(\$250,352)</u>	<u>\$199,593</u>
Liabilities:				
Intergovernmental Payable	\$150,601	\$69,554	(\$150,601)	\$69,554
Due to Others	99,751	130,039	(99,751)	130,039
Total Liabilities	<u>\$250,352</u>	<u>\$199,593</u>	<u>(\$250,352)</u>	<u>\$199,593</u>
 <u>Total - All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Investments	\$826,266	\$77,207,781	(\$77,075,083)	\$958,964
Receivables:				
Taxes	48,450	199,935	(201,275)	47,110
Total Assets	<u>\$874,716</u>	<u>\$77,407,716</u>	<u>(\$77,276,358)</u>	<u>\$1,006,074</u>
Liabilities:				
Accounts Payable	\$23,040	\$76,010	(\$76,471)	\$22,579
Intergovernmental Payable	468,047	6,219,491	(6,138,531)	437,672
Due to Others	383,629	71,112,215	(71,061,356)	545,823
Total Liabilities	<u>\$874,716</u>	<u>\$77,407,716</u>	<u>(\$77,276,358)</u>	<u>\$1,006,074</u>



STATISTICAL SECTION





STATISTICAL TABLES

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents

Financial Trends	S 2 – S 21
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
Revenue Capacity	S 22 – S 34
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue sources, the income tax and property tax.	
Debt Capacity	S 35 – S 47
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 48 – S 51
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 52 – S 65
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

CITY OF HAMILTON, OHIO

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				
Net Investment in Capital Assets	\$56,158,847	\$46,914,025	\$55,850,463	\$56,285,912
Restricted	1,065,776	1,346,714	1,096,622	8,292,468
Unrestricted (Deficit)	8,553,473	19,363,783	11,399,609	7,818,532
Total Governmental Activities Net Position	<u>\$65,778,096</u>	<u>\$67,624,522</u>	<u>\$68,346,694</u>	<u>\$72,396,912</u>
Business-type Activities:				
Net Investment in Capital Assets	\$74,353,822	\$95,310,393	\$86,341,113	\$94,984,687
Restricted	0	6,081,729	14,015,713	14,417,833
Unrestricted (1)	52,348,983	37,138,115	40,606,657	33,564,704
Total Business-type Activities Net Position	<u>\$126,702,805</u>	<u>\$138,530,237</u>	<u>\$140,963,483</u>	<u>\$142,967,224</u>
Primary Government:				
Net Investment in Capital Assets	\$130,512,669	\$142,224,418	\$142,191,576	\$151,270,599
Restricted	1,065,776	7,428,443	15,112,335	22,710,301
Unrestricted	60,902,456	56,501,898	52,006,266	41,383,236
Total Primary Government Net Position	<u>\$192,480,901</u>	<u>\$206,154,759</u>	<u>\$209,310,177</u>	<u>\$215,364,136</u>

(1) Prior year balances restated due to GASB Statement 65 Implementation
Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2007	2008	2009	2010
Governmental Activities:				
Net Investment in Capital Assets	\$59,732,393	\$59,645,749	\$61,258,050	\$62,373,720
Restricted	7,367,202	15,051,564	14,612,944	14,372,832
Unrestricted (Deficit)	4,929,462	(1,647,332)	(711,156)	1,391,246
Total Governmental Activities Net Position	<u>\$72,029,057</u>	<u>\$73,049,981</u>	<u>\$75,159,838</u>	<u>\$78,137,798</u>
Business-type Activities:				
Net Investment in Capital Assets	\$94,444,136	\$99,710,125	\$95,260,611	\$96,155,478
Restricted	14,386,221	17,030,271	18,966,340	19,220,759
Unrestricted (1)	40,123,385	32,349,314	38,675,708	41,348,470
Total Business-type Activities Net Position	<u>\$148,953,742</u>	<u>\$149,089,710</u>	<u>\$152,902,659</u>	<u>\$156,724,707</u>
Primary Government:				
Net Investment in Capital Assets	\$154,176,529	\$159,355,874	\$156,518,661	\$158,529,198
Restricted	21,753,423	32,081,835	33,579,284	33,593,591
Unrestricted	45,052,847	30,701,982	37,964,552	42,739,716
Total Primary Government Net Position	<u>\$220,982,799</u>	<u>\$222,139,691</u>	<u>\$228,062,497</u>	<u>\$234,862,505</u>

(continued)

CITY OF HAMILTON, OHIO

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	<u>2011</u>	<u>2012</u>
Governmental Activities:		
Net Investment in Capital Assets	\$61,265,974	\$60,330,073
Restricted	12,456,507	9,033,196
Unrestricted (Deficit)	10,738,609	13,796,160
Total Governmental Activities Net Position	<u>\$84,461,090</u>	<u>\$83,159,429</u>
Business-type Activities:		
Net Investment in Capital Assets	\$92,584,709	\$88,211,121
Restricted	21,542,104	20,539,704
Unrestricted (1)	45,878,883	53,287,953
Total Business-type Activities Net Position	<u>\$160,005,696</u>	<u>\$162,038,778</u>
Primary Government:		
Net Investment in Capital Assets	\$153,850,683	\$148,541,194
Restricted	33,998,611	29,572,900
Unrestricted	56,617,492	67,084,113
Total Primary Government Net Position	<u>\$244,466,786</u>	<u>\$245,198,207</u>

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2003	2004	2005
Expenses			
Governmental Activities:			
General Government	\$8,644,661	\$8,198,520	\$8,820,530
Security of Persons and Property	23,509,934	28,125,387	28,683,794
Leisure Time Activities	3,357,315	2,334,059	2,725,304
Community Environment	4,711,002	7,636,375	4,099,421
Basic Utility Services	3,239,070	3,479,397	4,549,461
Transportation	3,615,021	3,725,413	8,044,762
Public Health and Welfare Services	1,151,216	2,471,205	2,320,928
Interest and Fiscal Charges	1,842,601	1,911,359	2,052,654
<i>Total Governmental Activities Expenses</i>	<u>50,070,820</u>	<u>57,881,715</u>	<u>61,296,854</u>
Business-type Activities:			
Gas Utility	25,705,272	24,756,742	35,317,274
Electric Utility	50,839,938	51,735,827	60,371,316
Water Utility	10,102,024	10,580,588	14,290,977
Wastewater Utility	12,643,903	10,623,965	13,290,251
<i>Total Business-type Activities Expenses</i>	<u>99,291,137</u>	<u>97,697,122</u>	<u>123,269,818</u>
<i>Total Primary Government Expenses</i>	<u>\$149,361,957</u>	<u>\$155,578,837</u>	<u>\$184,566,672</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
General Government	\$2,589,331	\$2,972,044	\$4,087,855
Security of Persons and Property	2,998,981	3,607,548	3,257,631
Leisure Time Activities	1,038,982	1,136,289	1,198,995
Community Environment	749,910	752,647	703,926
Basic Utility Services	2,298,084	2,754,648	3,850,748
Transportation	1,213,364	1,511,184	1,383,310
Public Health and Welfare Services	477,485	514,250	568,897
Interest and Fiscal Charges	408,648	0	479,153
Operating Grants and Contributions	9,168,937	9,422,109	6,563,223
Capital Grants and Contributions	808,510	2,689,249	1,962,756
<i>Total Governmental Activities Program Revenues</i>	<u>21,752,232</u>	<u>25,359,968</u>	<u>24,056,494</u>

(continued)

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2006	2007	2008
Expenses			
Governmental Activities:			
General Government	\$9,080,789	\$8,082,518	\$8,683,408
Security of Persons and Property	29,539,127	31,189,244	34,302,781
Leisure Time Activities	2,640,996	3,011,837	2,635,833
Community Environment	4,341,592	5,088,227	4,416,618
Basic Utility Services	5,242,138	6,444,432	5,986,163
Transportation	5,382,724	5,382,362	5,175,752
Public Health and Welfare Services	1,803,562	2,011,188	1,797,223
Interest and Fiscal Charges	2,036,100	1,731,279	1,841,454
<i>Total Governmental Activities Expenses</i>	<u>60,067,028</u>	<u>62,941,087</u>	<u>64,839,232</u>
Business-type Activities:			
Gas Utility	35,421,943	35,483,116	38,277,473
Electric Utility	56,941,632	62,949,988	66,837,931
Water Utility	14,681,886	15,708,740	15,364,817
Wastewater Utility	10,907,317	11,573,839	11,550,867
<i>Total Business-type Activities Expenses</i>	<u>117,952,778</u>	<u>125,715,683</u>	<u>132,031,088</u>
<i>Total Primary Government Expenses</i>	<u>\$178,019,806</u>	<u>\$188,656,770</u>	<u>\$196,870,320</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
General Government	\$4,055,289	\$3,972,931	\$3,768,171
Security of Persons and Property	3,461,051	3,390,761	2,854,823
Leisure Time Activities	926,474	907,533	1,172,884
Community Environment	1,109,876	1,087,336	696,461
Basic Utility Services	2,431,163	2,381,789	5,072,561
Transportation	972,465	952,715	974,008
Public Health and Welfare Services	905,584	887,193	250,713
Interest and Fiscal Charges	291,740	285,815	0
Operating Grants and Contributions	7,719,161	6,684,403	7,182,857
Capital Grants and Contributions	918,278	2,492,177	2,769,036
<i>Total Governmental Activities Program Revenues</i>	<u>22,791,081</u>	<u>23,042,653</u>	<u>24,741,514</u>

(continued)

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2009	2010	2011
Expenses			
Governmental Activities:			
General Government	\$6,352,352	\$5,096,822	\$5,991,786
Security of Persons and Property	32,717,128	33,222,968	32,949,502
Leisure Time Activities	2,319,113	2,457,896	1,970,218
Community Environment	4,088,119	5,147,583	2,902,576
Basic Utility Services	4,988,742	6,106,116	6,150,598
Transportation	4,937,607	5,543,369	6,605,053
Public Health and Welfare Services	1,391,995	1,187,775	1,163,297
Interest and Fiscal Charges	1,691,303	1,604,305	1,596,931
<i>Total Governmental Activities Expenses</i>	<u>58,486,359</u>	<u>60,366,834</u>	<u>59,329,961</u>
Business-type Activities:			
Gas Utility	29,632,664	25,598,234	21,777,870
Electric Utility	57,846,530	65,413,730	61,257,197
Water Utility	15,812,619	16,425,257	14,968,676
Wastewater Utility	11,640,859	11,546,069	11,441,639
<i>Total Business-type Activities Expenses</i>	<u>114,932,672</u>	<u>118,983,290</u>	<u>109,445,382</u>
<i>Total Primary Government Expenses</i>	<u>\$173,419,031</u>	<u>\$179,350,124</u>	<u>\$168,775,343</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
General Government	\$3,582,518	\$3,596,250	\$3,233,683
Security of Persons and Property	2,989,428	3,032,170	3,356,743
Leisure Time Activities	1,010,294	924,335	741,400
Community Environment	520,120	675,986	575,603
Basic Utility Services	5,193,803	5,472,370	5,480,531
Transportation	929,203	802,245	737,819
Public Health and Welfare Services	260,472	265,739	248,189
Interest and Fiscal Charges	0	0	0
Operating Grants and Contributions	6,094,561	7,464,150	6,122,577
Capital Grants and Contributions	1,036,590	2,204,021	2,800,483
<i>Total Governmental Activities Program Revenues</i>	<u>21,616,989</u>	<u>24,437,266</u>	<u>23,297,028</u>

(continued)

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	<u>2012</u>
Expenses	
Governmental Activities:	
General Government	\$7,057,730
Security of Persons and Property	31,282,855
Leisure Time Activities	2,247,173
Community Environment	3,397,734
Basic Utility Services	5,809,490
Transportation	6,157,603
Public Health and Welfare Services	1,061,241
Interest and Fiscal Charges	1,439,838
<i>Total Governmental Activities Expenses</i>	<u>58,453,664</u>
Business-type Activities:	
Gas Utility	16,850,289
Electric Utility	60,661,556
Water Utility	14,909,166
Wastewater Utility	11,872,627
<i>Total Business-type Activities Expenses</i>	<u>104,293,638</u>
<i>Total Primary Government Expenses</i>	<u>\$162,747,302</u>
 Program Revenues	
Governmental Activities:	
Charges for Services	
General Government	\$3,345,900
Security of Persons and Property	3,678,374
Leisure Time Activities	1,122,766
Community Environment	806,118
Basic Utility Services	5,666,718
Transportation	698,865
Public Health and Welfare Services	237,768
Interest and Fiscal Charges	0
Operating Grants and Contributions	6,402,940
Capital Grants and Contributions	1,138,969
<i>Total Governmental Activities Program Revenues</i>	<u>23,098,418</u>

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2003	2004	2005
Business-type Activities:			
Charges for Services			
Gas Utility	25,722,341	24,322,105	34,869,893
Electric Utility	49,056,403	49,612,998	61,111,870
Water Utility	13,547,648	14,118,507	15,891,265
Wastewater Utility	11,282,116	11,084,644	12,956,156
Operating Grants and Contributions	102,851	57,739	39,110
Capital Grants and Contributions	456,976	199,152	0
<i>Total Business-type Activities Program Revenues</i>	<u>100,168,335</u>	<u>99,395,145</u>	<u>124,868,294</u>
<i>Total Primary Government Program Revenues</i>	<u>121,920,567</u>	<u>124,755,113</u>	<u>148,924,788</u>
Net (Expense)/Revenue			
Governmental Activities	(28,318,588)	(32,521,747)	(37,240,360)
Business-type Activities	877,198	1,698,023	1,598,476
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$27,441,390)</u></u>	<u><u>(\$30,823,724)</u></u>	<u><u>(\$35,641,884)</u></u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Income Taxes	\$20,449,696	\$22,166,068	\$22,697,147
Property and Other Local Taxes	6,555,179	7,209,615	9,006,024
Intergovernmental, Unrestricted	4,871,892	3,249,105	4,039,317
Investment Earnings	329,082	332,995	592,057
Loss on Disposal of Capital Assets	(1,143,604)	0	0
Miscellaneous	1,169,620	1,410,390	1,591,410
Transfers	0	0	36,577
<i>Total Governmental Activities</i>	<u>32,231,865</u>	<u>34,368,173</u>	<u>37,962,532</u>
Business-type Activities:			
Other Local Taxes (kWh Tax)	0	0	0
Investment Earnings	769,239	820,707	1,872,202
All Other Revenues	359,280	0	0
Loss on Disposal of Capital Assets	(367,139)	0	0
Extraordinary Item	0	0	0
Transfers	0	0	(36,577)
Special Item - Meldahl License Sharing Agreement	0	0	0
<i>Total Business-type Activities</i>	<u>761,380</u>	<u>820,707</u>	<u>1,835,625</u>
<i>Total Primary Government</i>	<u><u>\$32,993,245</u></u>	<u><u>\$35,188,880</u></u>	<u><u>\$39,798,157</u></u>
Change in Net Position			
Governmental Activities	\$3,913,277	\$1,846,426	\$722,172
Business-type Activities	1,638,578	2,518,730	3,434,101
<i>Total Primary Government Change in Net Position</i>	<u><u>\$5,551,855</u></u>	<u><u>\$4,365,156</u></u>	<u><u>\$4,156,273</u></u>

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2006	2007	2008
Business-type Activities:			
Charges for Services			
Gas Utility	33,577,717	37,972,254	39,522,340
Electric Utility	58,694,775	62,927,311	65,136,558
Water Utility	13,735,240	15,828,437	14,266,483
Wastewater Utility	10,602,668	11,019,239	10,682,911
Operating Grants and Contributions	23,547	117,344	0
Capital Grants and Contributions	1,983,855	124,275	0
<i>Total Business-type Activities Program Revenues</i>	<u>118,617,802</u>	<u>127,988,860</u>	<u>129,608,292</u>
<i>Total Primary Government Program Revenues</i>	<u>141,408,883</u>	<u>151,031,513</u>	<u>154,349,806</u>
Net (Expense)/Revenue			
Governmental Activities	(37,275,947)	(39,898,434)	(40,097,718)
Business-type Activities	665,024	2,273,177	(2,422,796)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$36,610,923)</u>	<u>(\$37,625,257)</u>	<u>(\$42,520,514)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Income Taxes	\$23,203,869	\$23,297,050	\$24,521,745
Property and Other Local Taxes	8,121,738	9,732,886	9,601,028
Intergovernmental, Unrestricted	4,359,527	3,999,620	4,764,901
Investment Earnings	659,587	783,876	678,248
Loss on Disposal of Capital Assets	0	0	0
Miscellaneous	3,208,403	1,717,147	1,382,720
Transfers	1,773,041	0	170,000
<i>Total Governmental Activities</i>	<u>41,326,165</u>	<u>39,530,579</u>	<u>41,118,642</u>
Business-type Activities:			
Other Local Taxes (kWh Tax)	0	0	0
Investment Earnings	2,655,494	3,273,372	2,305,537
All Other Revenues	0	0	0
Loss on Disposal of Capital Assets	0	0	0
Extraordinary Item	0	0	0
Transfers	(1,773,041)	0	(170,000)
Special Item - Meldahl License Sharing Agreement	0	0	0
<i>Total Business-type Activities</i>	<u>882,453</u>	<u>3,273,372</u>	<u>2,135,537</u>
<i>Total Primary Government</i>	<u>\$42,208,618</u>	<u>\$42,803,951</u>	<u>\$43,254,179</u>
Change in Net Position			
Governmental Activities	\$4,050,218	(\$367,855)	\$1,020,924
Business-type Activities	1,547,477	5,546,549	(287,259)
<i>Total Primary Government Change in Net Position</i>	<u>\$5,597,695</u>	<u>\$5,178,694</u>	<u>\$733,665</u>

(continued)

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2009	2010	2011
Business-type Activities:			
Charges for Services			
Gas Utility	31,662,109	26,793,820	21,930,366
Electric Utility	61,177,918	64,552,173	63,327,834
Water Utility	14,231,316	14,815,360	14,948,140
Wastewater Utility	10,722,481	11,203,887	12,302,310
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	0	652,642	40,500
<i>Total Business-type Activities Program Revenues</i>	<u>117,793,824</u>	<u>118,017,882</u>	<u>112,549,150</u>
<i>Total Primary Government Program Revenues</i>	<u>139,410,813</u>	<u>142,455,148</u>	<u>135,846,178</u>
Net (Expense)/Revenue			
Governmental Activities	(36,869,370)	(35,929,568)	(36,032,933)
Business-type Activities	2,861,152	(965,408)	3,103,768
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$34,008,218)</u></u>	<u><u>(\$36,894,976)</u></u>	<u><u>(\$32,929,165)</u></u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Income Taxes	\$22,555,364	\$22,230,625	\$21,912,270
Property and Other Local Taxes	9,688,166	9,142,263	9,024,254
Intergovernmental, Unrestricted	4,827,624	5,674,578	10,357,132
Investment Earnings	143,617	100,931	98,396
Loss on Disposal of Capital Assets	0	0	0
Miscellaneous	1,846,956	1,184,131	964,173
Transfers	492,500	0	0
<i>Total Governmental Activities</i>	<u>39,554,227</u>	<u>38,332,528</u>	<u>42,356,225</u>
Business-type Activities:			
Other Local Taxes (kWh Tax)	40,816	25,222	2,086
Investment Earnings	602,636	392,067	275,171
All Other Revenues	0	0	0
Loss on Disposal of Capital Assets	0	0	0
Extraordinary Item	0	0	0
Transfers	(492,500)	0	0
Special Item - Meldahl License Sharing Agreement	0	3,888,044	0
<i>Total Business-type Activities</i>	<u>150,952</u>	<u>4,305,333</u>	<u>277,257</u>
<i>Total Primary Government</i>	<u><u>\$39,705,179</u></u>	<u><u>\$42,637,861</u></u>	<u><u>\$42,633,482</u></u>
Change in Net Position			
Governmental Activities	\$2,684,857	\$2,402,960	\$6,323,292
Business-type Activities	3,012,104	3,339,925	3,381,025
<i>Total Primary Government Change in Net Position</i>	<u><u>\$5,696,961</u></u>	<u><u>\$5,742,885</u></u>	<u><u>\$9,704,317</u></u>

(continued)

CITY OF HAMILTON, OHIO

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2012
Business-type Activities:	
Charges for Services	
Gas Utility	16,574,138
Electric Utility	62,172,965
Water Utility	14,749,579
Wastewater Utility	12,068,156
Operating Grants and Contributions	0
Capital Grants and Contributions	200,000
<i>Total Business-type Activities Program Revenues</i>	105,764,838
<i>Total Primary Government Program Revenues</i>	128,863,256
Net (Expense)/Revenue	
Governmental Activities	(35,355,246)
Business-type Activities	1,471,200
<i>Total Primary Government Net (Expense)/Revenue</i>	(\$33,884,046)
General Revenues and Other Changes in Net Position	
Governmental Activities:	
Income Taxes	\$21,259,474
Property and Other Local Taxes	8,969,655
Intergovernmental, Unrestricted	3,112,982
Investment Earnings	76,967
Loss on Disposal of Capital Assets	0
Miscellaneous	913,202
Transfers	(278,695)
<i>Total Governmental Activities</i>	34,053,585
Business-type Activities:	
Other Local Taxes (kWh Tax)	0
Investment Earnings	283,187
All Other Revenues	0
Loss on Disposal of Capital Assets	0
Extraordinary Item	0
Transfers	278,695
Special Item - Meldahl License Sharing Agreement	0
<i>Total Business-type Activities</i>	561,882
<i>Total Primary Government</i>	\$34,615,467
Change in Net Position	
Governmental Activities	(\$1,301,661)
Business-type Activities	2,033,082
<i>Total Primary Government Change in Net Position</i>	\$731,421

CITY OF HAMILTON, OHIO

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2003	2004	2005	2006
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	531,779	567,672	584,110	512,104
Unreserved	6,657,098	7,293,591	7,463,154	5,821,858
<i>Total General Fund</i>	<u>7,188,877</u>	<u>7,861,263</u>	<u>8,047,264</u>	<u>6,333,962</u>
All Other Governmental Funds				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	6,884,996	5,249,433	4,560,962	5,805,929
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	2,511,970	2,937,386	1,402,305	3,699,611
Debt Service Funds	0	0	0	462,379
Capital Projects Funds	836,008	64,988	(387,213)	(760,126)
<i>Total All Other Governmental Funds</i>	<u>10,232,974</u>	<u>8,251,807</u>	<u>5,576,054</u>	<u>9,207,793</u>
<i>Total Governmental Funds</i>	<u><u>\$17,421,851</u></u>	<u><u>\$16,113,070</u></u>	<u><u>\$13,623,318</u></u>	<u><u>\$15,541,755</u></u>

(continued)

Source: City Records

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

CITY OF HAMILTON, OHIO

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2007	2008	2009	2010
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	949,595	358,802	320,800	647,346
Unreserved	3,650,400	2,393,672	2,234,918	4,604,450
<i>Total General Fund</i>	<u>4,599,995</u>	<u>2,752,474</u>	<u>2,555,718</u>	<u>5,251,796</u>
All Other Governmental Funds				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	4,063,502	1,832,382	1,251,859	2,588,395
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	3,441,448	6,052,023	9,652,045	7,632,072
Debt Service Funds	413,719	545,256	519,843	639,917
Capital Projects Funds	(985,852)	(1,962,315)	4,592,911	4,738,598
<i>Total All Other Governmental Funds</i>	<u>6,932,817</u>	<u>6,467,346</u>	<u>16,016,658</u>	<u>15,598,982</u>
<i>Total Governmental Funds</i>	<u><u>\$11,532,812</u></u>	<u><u>\$9,219,820</u></u>	<u><u>\$18,572,376</u></u>	<u><u>\$20,850,778</u></u>

(continued)

CITY OF HAMILTON, OHIO

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2011</u>	<u>2012</u>
General Fund		
Nonspendable	\$212,005	\$150,276
Restricted	0	0
Committed	0	0
Assigned	1,586,391	2,797,712
Unassigned	10,108,616	7,014,183
Reserved	0	0
Unreserved	<u>0</u>	<u>0</u>
<i>Total General Fund</i>	<u>11,907,012</u>	<u>9,962,171</u>
All Other Governmental Funds		
Nonspendable	\$134,858	\$120,806
Restricted	10,764,914	7,315,026
Committed	3,035,715	3,592,878
Assigned	2,659,700	3,078,130
Unassigned	(972,421)	(498,843)
Reserved	0	0
Unreserved, Undesignated, Reported in:		
Special Revenue Funds	0	0
Debt Service Funds	0	0
Capital Projects Funds	<u>0</u>	<u>0</u>
Total All Other Governmental Funds	<u>15,622,766</u>	<u>13,607,997</u>
<i>Total Governmental Funds</i>	<u><u>\$27,529,778</u></u>	<u><u>\$23,570,168</u></u>

CITY OF HAMILTON, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2003	2004	2005	2006
Revenues:				
Taxes	\$26,880,596	\$28,202,670	\$30,698,503	\$31,875,087
Intergovernmental Revenues	14,232,422	14,657,215	12,670,971	10,862,027
Charges for Services	8,764,142	9,284,129	10,493,927	11,198,175
Licenses and Permits	1,644,438	1,692,128	1,669,710	1,616,785
Investment Earnings	331,305	331,725	592,606	1,029,667
Special Assessments	582,506	524,335	551,213	541,788
Fines and Forfeitures	1,462,186	1,320,913	1,309,135	1,308,179
All Other Revenue	1,322,329	2,461,100	1,917,975	2,942,798
Total Revenue	<u>55,219,924</u>	<u>58,474,215</u>	<u>59,904,040</u>	<u>61,374,506</u>
Expenditures:				
Current:				
General Government	6,849,565	6,771,561	7,858,380	8,675,905
Security of Persons and Property	25,020,605	26,005,766	28,348,718	29,379,866
Leisure Time Activities	2,287,623	2,212,104	2,492,608	2,414,964
Community Environment	4,726,538	7,003,217	4,186,858	4,343,714
Basic Utility Services	3,311,482	3,237,936	4,533,336	5,248,571
Transportation	3,385,373	3,288,729	4,038,465	3,527,957
Public Health and Welfare Services	1,187,802	2,225,705	2,366,475	1,796,070
Capital Outlay	2,618,713	5,757,861	5,900,827	2,965,518
Debt Service:				
Principal Retirement	1,550,000	1,798,770	1,857,000	1,862,000
Interest and Fiscal Charges	1,849,261	1,852,238	1,991,616	1,982,479
Total Expenditures	<u>52,786,962</u>	<u>60,153,887</u>	<u>63,574,283</u>	<u>62,197,044</u>
Excess (Deficiency) of Revenues Over Expenditures	2,432,962	(1,679,672)	(3,670,243)	(822,538)

(continued)

CITY OF HAMILTON, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2007	2008	2009	2010
Revenues:				
Taxes	\$32,477,358	\$33,726,071	\$32,187,244	\$31,926,401
Intergovernmental Revenues	12,114,525	13,577,781	13,171,624	15,353,253
Charges for Services	11,663,269	12,113,048	11,940,972	12,018,069
Licenses and Permits	1,617,944	928,440	900,996	1,026,594
Investment Earnings	1,207,785	678,248	143,617	100,931
Special Assessments	579,531	646,254	515,488	686,661
Fines and Forfeitures	1,169,628	1,101,672	1,080,015	1,017,725
All Other Revenue	1,417,602	1,336,575	2,041,280	1,226,936
Total Revenue	<u>62,247,642</u>	<u>64,108,089</u>	<u>61,981,236</u>	<u>63,356,570</u>
Expenditures:				
Current:				
General Government	7,374,610	7,448,102	5,628,443	3,965,793
Security of Persons and Property	30,438,704	32,092,050	31,100,200	31,574,695
Leisure Time Activities	2,792,748	2,369,005	2,059,769	2,202,403
Community Environment	5,089,993	4,185,051	4,114,757	5,013,534
Basic Utility Services	6,465,442	5,761,957	4,879,843	5,945,443
Transportation	3,443,964	2,900,974	2,650,327	3,336,713
Public Health and Welfare Services	2,020,528	1,755,859	1,356,162	1,219,842
Capital Outlay	6,522,370	6,392,174	2,084,004	4,383,743
Debt Service:				
Principal Retirement	1,885,000	1,997,000	2,045,000	2,425,000
Interest and Fiscal Charges	1,674,562	1,791,973	1,679,943	1,573,877
Total Expenditures	<u>67,707,921</u>	<u>66,694,145</u>	<u>57,598,448</u>	<u>61,641,043</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,460,279)	(2,586,056)	4,382,788	1,715,527

(continued)

CITY OF HAMILTON, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2011</u>	<u>2012</u>
Revenues:		
Taxes	\$30,848,001	\$30,240,129
Intergovernmental Revenues	19,480,722	10,997,434
Charges for Services	11,893,521	12,659,606
Licenses and Permits	857,177	981,700
Investment Earnings	98,396	76,967
Special Assessments	563,674	811,933
Fines and Forfeitures	1,066,910	1,130,278
All Other Revenue	964,173	913,202
Total Revenue	<u>65,772,574</u>	<u>57,811,249</u>
Expenditures:		
Current:		
General Government	5,089,992	6,121,906
Security of Persons and Property	30,807,813	30,141,708
Leisure Time Activities	1,662,185	1,973,297
Community Environment	2,754,638	3,315,185
Basic Utility Services	5,821,649	5,696,091
Transportation	3,924,752	3,762,769
Public Health and Welfare Services	1,115,975	1,035,886
Capital Outlay	6,762,309	5,461,124
Debt Service:		
Principal Retirement	2,485,000	2,695,000
Interest and Fiscal Charges	1,750,626	1,274,719
Total Expenditures	<u>62,174,939</u>	<u>61,477,685</u>
Excess (Deficiency) of Revenues Over Expenditures	3,597,635	(3,666,436)

(continued)

CITY OF HAMILTON, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2003	2004	2005	2006
Other Financing Sources (Uses):				
Long-Term Capital Related Debt Issued	3,806,770	0	0	218,000
Sale of Capital Assets	130,496	357,043	898,387	756,038
Other Financing Uses	(34,800)	0	0	0
General Obligation Bonds and Notes Issued	0	0	245,000	0
Premium on General Obligation Bonds	0	0	0	0
Discount on General Obligation Bonds	0	0	0	0
Refunding General Obligation Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	9,899,079	4,397,327	4,847,172	13,537,743
Transfers Out	(9,899,079)	(4,397,327)	(4,810,595)	(11,764,702)
Total Other Financing Sources (Uses)	<u>3,902,466</u>	<u>357,043</u>	<u>1,179,964</u>	<u>2,747,079</u>
Net Change in Fund Balance	<u>\$6,335,428</u>	<u>(\$1,322,629)</u>	<u>(\$2,490,279)</u>	<u>\$1,924,541</u>
 Debt Service as a Percentage of Noncapital Expenditures	 6.46%	 6.11%	 6.19%	 6.53%

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2007	2008	2009	2010
Other Financing Sources (Uses):				
Long-Term Capital Related Debt Issued	365,000	0	0	0
Sale of Capital Assets	1,087,495	86,580	61,196	0
Other Financing Uses	0	0	0	0
General Obligation Bonds and Notes Issued	0	0	4,920,000	0
Premium on General Obligation Bonds	0	0	142,501	0
Discount on General Obligation Bonds	0	0	(42,930)	0
Refunding General Obligation Bonds	0	0	2,235,000	0
Payment to Refunded Bond Escrow Agent	0	0	(2,257,022)	0
Transfers In	6,447,505	7,003,332	11,407,779	5,119,036
Transfers Out	(6,447,505)	(6,833,332)	(10,915,279)	(5,119,036)
Total Other Financing Sources (Uses)	<u>1,452,495</u>	<u>256,580</u>	<u>5,551,245</u>	<u>0</u>
Net Change in Fund Balance	<u>(\$4,007,784)</u>	<u>(\$2,329,476)</u>	<u>\$9,934,033</u>	<u>\$1,715,527</u>
Debt Service as a Percentage of Noncapital Expenditures	5.83%	6.04%	6.65%	6.81%

(continued)

CITY OF HAMILTON, OHIO

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	<u>2011</u>	<u>2012</u>
Other Financing Sources (Uses):		
Long-Term Capital Related Debt Issued	0	0
Sale of Capital Assets	49,451	418
Other Financing Uses	0	0
General Obligation Bonds and Notes Issued	2,535,000	0
Premium on General Obligation Bonds	1,709,955	0
Discount on General Obligation Bonds	0	0
Refunding General Obligation Bonds	18,360,000	0
Payment to Refunded Bond Escrow Agent	(19,621,590)	0
Transfers In	4,214,964	8,844,112
Transfers Out	(4,214,964)	(9,122,807)
Total Other Financing Sources (Uses)	<u>3,032,816</u>	<u>(278,277)</u>
Net Change in Fund Balance	<u>\$6,630,451</u>	<u>(\$3,944,713)</u>
Debt Service as a Percentage of Noncapital Expenditures	7.22%	6.91%

CITY OF HAMILTON, OHIO

*Assessed Valuations and Estimated
True Values of Taxable Property
(per \$1,000 of assessed value)
Last Ten Years*

Collection Year	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Real Property				
Assessed	\$812,598,300	\$807,683,940	\$807,728,570	\$880,671,170
Actual	2,321,709,429	2,307,668,400	2,307,795,914	2,516,203,343
Public Utility				
Assessed	13,814,790	13,358,440	12,942,330	11,724,950
Actual	13,814,790	13,358,440	12,942,330	11,724,950
Tangible Personal Property				
Assessed	80,444,805	77,433,709	73,731,244	72,654,723
Actual	321,779,220	309,734,836	294,924,976	387,491,856
Total				
Assessed	906,857,895	898,476,089	894,402,144	965,050,843
Actual	2,657,303,439	2,630,761,676	2,615,663,220	2,915,420,149
Assessed Value as a Percentage of Actual Value				
	34.13%	34.15%	34.19%	33.10%
Total Direct Tax Rate				
	\$6.80	\$7.16	\$7.16	\$7.16

Source: Butler County Auditor

(continued)

CITY OF HAMILTON, OHIO

*Assessed Valuations and Estimated
True Values of Taxable Property
(per \$1,000 of assessed value)
Last Ten Years*

Collection Year	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Real Property				
Assessed	\$894,319,760	\$903,465,830	\$950,210,110	\$900,434,690
Actual	2,555,199,314	2,581,330,943	2,714,886,029	2,572,670,543
Public Utility				
Assessed	7,410,550	3,167,600	2,719,800	2,461,240
Actual	7,410,550	3,167,600	2,719,800	2,461,240
Tangible Personal Property				
Assessed	50,884,160	38,617,646	0	0
Actual	407,073,280	617,882,336	0	0
Total				
Assessed	952,614,470	945,251,076	952,929,910	902,895,930
Actual	2,969,683,144	3,202,380,879	2,717,605,829	2,575,131,783
Assessed Value as a Percentage of Actual Value	32.08%	29.52%	35.07%	35.06%
Total Direct Tax Rate	\$7.16	\$7.16	\$7.16	\$7.16

(continued)

CITY OF HAMILTON, OHIO

*Assessed Valuations and Estimated
True Values of Taxable Property
(per \$1,000 of assessed value)
Last Ten Years*

Collection Year	<u>2011</u>	<u>2012</u>
Real Property		
Assessed	\$889,863,130	\$822,899,950
Actual	2,542,466,086	2,351,142,714
Public Utility		
Assessed	5,891,190	5,798,610
Actual	5,891,190	5,798,610
Tangible Personal Property		
Assessed	0	0
Actual	0	0
Total		
Assessed	895,754,320	828,698,560
Actual	2,548,357,276	2,356,941,324
Assessed Value as a Percentage of Actual Value	35.15%	35.16%
Total Direct Tax Rate	\$6.81	\$6.81

CITY OF HAMILTON, OHIO

*Property Tax Levies and Collections
Last Ten Calendar Years*

Calendar Year	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Taxes Levied for the Calendar Year	\$6,248,495	\$6,198,400	\$6,200,701	\$6,590,009
Collected within the Calendar Year of the Levy				
Amount	5,958,212	5,657,850	5,737,754	5,877,718
Percent of Levy	95.35%	91.28%	92.53%	89.19%
Collections in Subsequent Years (1)	288,505	336,686	313,885	344,982
Total Collections to Date				
Amount	6,246,717	5,994,536	6,051,639	6,222,700
Percent of Levy	99.97%	96.71%	97.60%	94.43%

Source: County Auditor

(1) The County does not identify delinquent tax collections by tax year.

(continued)

CITY OF HAMILTON, OHIO

*Property Tax Levies and Collections
Last Ten Calendar Years*

Calendar Year	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Taxes Levied for the Calendar Year	\$6,498,408	\$6,446,810	\$6,582,443	\$6,159,369
Collected within the Calendar Year of the Levy				
Amount	5,885,931	5,964,533	6,341,037	5,755,139
Percent of Levy	90.57%	92.52%	96.33%	93.44%
Collections in Subsequent Years (1)	232,809	260,500	371,397	211,476
Total Collections to Date				
Amount	6,118,740	6,225,033	6,712,434	5,966,615
Percent of Levy	94.16%	96.56%	101.97%	96.87%

(continued)

CITY OF HAMILTON, OHIO

*Property Tax Levies and Collections
Last Ten Calendar Years*

Calendar Year	<u>2011</u>	<u>2012</u>
Taxes Levied for the Calendar Year	\$5,808,362	\$5,459,714
Collected within the Calendar Year of the Levy		
Amount	5,449,604	5,152,127
Percent of Levy	93.82%	94.37%
Collections in Subsequent Years (1)	236,932	262,971
Total Collections to Date		
Amount	5,686,536	5,415,098
Percent of Levy	97.90%	99.18%

CITY OF HAMILTON, OHIO

*Direct and Overlapping
Property Tax Rates
Last Ten Calendar Years*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Direct Rates					
General Fund	4.21	4.21	4.21	4.21	4.21
Police Pension Fund	0.30	0.30	0.30	0.30	0.30
Fire Pension Fund	0.30	0.30	0.30	0.30	0.30
Miami Conservancy Fund (1)	0.31	0.35	0.35	0.35	0.35
Police / Fire-EMS Levies	<u>1.68</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total Direct Rate	6.80	7.16	7.16	7.16	7.16
Overlapping Rates					
Hamilton City School District	48.21	48.21	48.21	48.01	53.42
Butler County	8.75	8.74	8.74	9.44	10.95

Source: County Auditor

(1) - Levied by the City for the benefit of the Miami Conservancy District.
Beginning in 2011 this is no longer levied.

Note: Rates may only be raised by obtaining the approval of a majority
of the voters at a public election.

(continued)

CITY OF HAMILTON, OHIO

*Direct and Overlapping
Property Tax Rates
Last Ten Calendar Years*

	2008	2009	2010	2011	2012
Direct Rates					
General Fund	4.21	4.21	4.21	4.21	4.21
Police Pension Fund	0.30	0.30	0.30	0.30	0.30
Fire Pension Fund	0.30	0.30	0.30	0.30	0.30
Miami Conservancy Fund (1)	0.35	0.35	0.35	0.00	0.00
Police / Fire-EMS Levies	2.00	2.00	2.00	2.00	2.00
Total Direct Rate	7.16	7.16	7.16	6.81	6.81
Overlapping Rates					
Hamilton City School District	53.42	53.42	53.42	53.42	53.42
Butler County	10.45	10.45	9.75	9.75	9.72

CITY OF HAMILTON, OHIO

*Principal Property Tax Payers
Current Year and Nine Years Ago*

Tax Payer	Nature of Business	2012	
		Assessed Value	Percentage of Total Assessed Value
Smart Papers, LLC	Manufacturing	\$5,269,990	0.64%
Shadow Creek Apartments	Real Estate	5,126,050	0.62%
Tippman Realty	Real Estate	5,075,840	0.61%
AHP - Knollwood Crossing	Real Estate	4,403,310	0.53%
Pedcor Investments	Investments	4,006,940	0.48%
Colonial Senior Services Inc.	Healthcare	3,961,000	0.48%
Hatteras Properties	Real Estate	3,304,660	0.40%
Meijer Stores LTD	Retail	3,272,510	0.39%
Butler County Surgical Centre	Healthcare	2,931,890	0.35%
Champion Crossings	Real Estate	2,496,800	0.30%
	Sub-Total	39,848,990	4.81%
	All Others	788,849,570	95.19%
	Total	<u>\$828,698,560</u>	<u>100.00%</u>

Tax Payer	Nature of Business	2003	
		Assessed Value	Percentage of Total Assessed Value
International Paper	Manufacturing	\$9,971,020	1.10%
The Sisters of Mercy	Healthcare	9,304,990	1.03%
Cincinnati Bell	Utility	8,861,880	0.98%
Fort Hamilton Hospital	Healthcare	8,126,310	0.90%
Champion International	Manufacturing	7,893,070	0.87%
Miami University	Education	7,731,970	0.85%
Smart Papers, LLC	Manufacturing	7,341,320	0.81%
Meijer Stores LTD PTR	Retail	6,309,760	0.70%
GE Engine Services	Manufacturing	6,120,090	0.67%
Colonial Senior Services Inc.	Healthcare	5,619,720	0.62%
	Sub-Total	77,280,130	8.52%
	All Others	829,577,765	91.48%
	Total	<u>\$906,857,895</u>	<u>100.00%</u>

Source: County Auditor

CITY OF HAMILTON, OHIO

*Income Tax Collection Receipts by Fund
(Cash Basis of Accounting)
Last Ten Calendar Years*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund (1)	\$15,652,544	\$16,599,420	\$17,218,512	\$17,702,447
Public Safety / Health Income Tax Fund (2)	2,524,604	2,677,326	2,798,598	2,882,087
Hamilton Capital Improvement Fund (3)	<u>2,019,683</u>	<u>2,141,861</u>	<u>2,239,406</u>	<u>2,305,669</u>
Total	<u>\$20,196,831</u>	<u>\$21,418,607</u>	<u>\$22,256,516</u>	<u>\$22,890,203</u>
 Income Tax Rate (4)	 2.00	 2.00	 2.00	 2.00

Source: City Records

- (1) - Equates to 1.55% of 2.00% total rate, or 77.50% of total
- (2) - Equates to 0.25% of 2.00% total rate, or 12.50% of total
- (3) - Equates to 0.20% of 2.00% total rate, or 10.00% of total
- (4) - Effective Dates January 1, 1960 0.80%
- * - Voter Approved January 1, 1966 0.20%
- June 1, 1970* 0.50%
- June 1, 1984* 0.25%
- June 1, 1990* 0.25%
- Total Rate 2.00%

Note: Increases in the income tax rate requires voter approval.

(continued)

CITY OF HAMILTON, OHIO

*Income Tax Collection Receipts by Fund
(Cash Basis of Accounting)
Last Ten Calendar Years*

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund (1)	\$18,240,349	\$18,623,279	\$17,656,771	\$17,442,410
Public Safety / Health Income Tax Fund (2)	2,971,408	3,034,120	2,877,197	2,841,970
Hamilton Capital Improvement Fund (3)	<u>2,377,126</u>	<u>2,427,386</u>	<u>2,301,757</u>	<u>2,273,576</u>
Total	<u>\$23,588,883</u>	<u>\$24,084,785</u>	<u>\$22,835,725</u>	<u>\$22,557,956</u>
Income Tax Rate (4)	2.00	2.00	2.00	2.00

(continued)

CITY OF HAMILTON, OHIO

*Income Tax Collection Receipts by Fund
(Cash Basis of Accounting)
Last Ten Calendar Years*

	<u>2011</u>	<u>2012</u>
General Fund (1)	\$17,046,349	\$16,874,253
Public Safety / Health Income Tax Fund (2)	2,777,128	2,749,995
Hamilton Capital Improvement Fund (3)	<u>2,221,702</u>	<u>2,199,995</u>
Total	<u>\$22,045,179</u>	<u>\$21,824,243</u>
 Income Tax Rate (4)	 2.00	 2.00

CITY OF HAMILTON, OHIO

Principal Income Taxpayers

(Cash Basis of Accounting)

Current Year and Nine Years Ago

Employer	Nature of Business	2012 Rank
Butler County	Government	1
Hamilton City School District	Education	2
City of Hamilton	Government	3
Kettering Medical Center Network	Healthcare	4
ThyssenKrupp Bilstein of America	Manufacturing	5
GE Engine Services, Inc.	Manufacturing	6
Miami University	Education	7
Valeo Climate Control	Manufacturing	8
Alliance Physicians Inc.	Healthcare	9
Kroger Ltd. Partnership	Retail	10

Employer	Nature of Business	2003 Rank
Butler County	Government	1
Hamilton City School District	Education	2
City of Hamilton	Government	3
Fort Hamilton Hospital	Healthcare	4
Smart Paper, LLC	Manufacturing	5
International Paper - Beckett	Manufacturing	6
Valeo Climate Control	Manufacturing	7
Ohio Casualty Company	Insurance	8
General Electric Engine	Manufacturing	9
First Financial Bank	Banking	10

Source: City Records

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

CITY OF HAMILTON, OHIO

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2003	2004	2005	2006
Governmental Activities (1)				
General Obligation Bonds Payable	\$36,490,000	\$35,070,000	\$33,605,000	\$32,090,000
Special Revenue Notes Payable	3,300,000	3,600,000	4,650,000	3,075,000
Capital Projects Notes Payable	2,700,000	2,990,000	3,525,000	3,255,000
Special Assessments Notes Payable	0	0	500,000	525,000
Special Assessment Bonds Payable	3,101,770	2,723,000	2,576,000	2,447,000
Business-type Activities (1)				
Water Revenue Bonds Payable	\$12,440,000	\$11,930,000	\$11,410,000	\$10,880,000
General Obligation Bonds Payable	0	0	0	0
OWDA Loans	0	0	0	0
Line of Credit Payable	0	0	0	0
Gas Bonds Payable	13,680,000	12,725,000	11,755,000	10,755,000
Enterprise Notes Payable	2,750,000	5,550,000	19,650,000	17,910,000
Electric Revenue Bonds Payable	178,935,000	173,330,000	167,545,000	161,570,000
Wastewater Bonds Payable	27,350,000	26,485,000	23,630,000	22,660,000
Total Primary Government	\$280,746,770	\$274,403,000	\$278,846,000	\$265,167,000
Population (2)				
City of Hamilton	60,690	60,690	60,690	60,690
Outstanding Debt Per Capita	\$4,626	\$4,521	\$4,595	\$4,369
Income (3)				
Personal (in thousands) (a)	9,999,852	10,309,695	10,695,751	11,025,896
Percentage of Personal Income	2.81%	2.66%	2.61%	2.40%

Sources:

- (1) City Records
- (2) U.S. Bureau of Census, Population Division
- (3) U.S. Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available for the County,
Total Personal Income is presented for the County.

(continued)

CITY OF HAMILTON, OHIO

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2007	2008	2009	2010
Governmental Activities (1)				
General Obligation Bonds Payable	\$30,525,000	\$28,815,000	\$31,960,000	\$29,820,000
Special Revenue Notes Payable	2,540,000	1,930,000	0	0
Capital Projects Notes Payable	3,495,000	5,565,000	0	0
Special Assessments Notes Payable	400,000	103,000	0	0
Special Assessment Bonds Payable	2,492,000	2,205,000	1,935,000	1,650,000
Business-type Activities (1)				
Water Revenue Bonds Payable	\$10,335,000	\$9,775,000	\$27,785,000	\$26,895,000
General Obligation Bonds Payable	0	0	0	0
OWDA Loans	0	0	0	431,837
Line of Credit Payable	0	8,000,000	0	0
Gas Bonds Payable	9,730,000	8,675,000	12,090,000	10,970,000
Enterprise Notes Payable	21,720,000	33,075,000	0	0
Electric Revenue Bonds Payable	155,395,000	149,020,000	175,575,000	168,775,000
Wastewater Bonds Payable	21,660,000	20,630,000	33,160,000	31,845,000
Total Primary Government	\$258,292,000	\$267,793,000	\$282,505,000	\$270,386,837
Population (2)				
City of Hamilton	60,690	60,690	60,690	62,477
Outstanding Debt Per Capita	\$4,256	\$4,412	\$4,655	\$4,328
Income (3)				
Personal (in thousands) (a)	11,264,851	11,954,760	11,533,094	12,975,478
Percentage of Personal Income	2.29%	2.24%	2.45%	2.08%

(continued)

CITY OF HAMILTON, OHIO

*Ratio of Outstanding Debt By Type
Last Ten Years*

	<u>2011</u>	<u>2012</u>
Governmental Activities (1)		
General Obligation Bonds Payable	\$29,030,000	\$26,540,000
Special Revenue Notes Payable	0	0
Capital Projects Notes Payable	0	0
Special Assessments Notes Payable	0	0
Special Assessment Bonds Payable	1,400,000	1,195,000
Business-type Activities (1)		
Water Revenue Bonds Payable	\$25,900,000	\$24,865,000
General Obligation Bonds Payable	0	0
OWDA Loans	416,213	400,077
Line of Credit Payable	0	0
Gas Bonds Payable	9,795,000	8,565,000
Enterprise Notes Payable	5,900,000	10,690,000
Electric Revenue Bonds Payable	161,750,000	154,300,000
Wastewater Bonds Payable	60,080,000	58,085,000
	<u>\$294,271,213</u>	<u>\$284,640,077</u>
Total Primary Government		
Population (2)		
City of Hamilton	62,225	62,224
Outstanding Debt Per Capita	\$4,729	\$4,574
Income (3)		
Personal (in thousands) (a)	13,652,278	13,538,158
Percentage of Personal Income	2.16%	2.10%

CITY OF HAMILTON, OHIO

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2003	2004	2005	2006
Population (1)	60,690	60,690	60,690	60,690
Actual Value (in thousands) (2)	\$2,657,303	\$2,630,762	\$2,615,663	\$2,915,420
General Bonded Debt (3)				
General Obligation Bonds	\$36,490,000	\$35,070,000	\$33,605,000	\$32,090,000
Total General Bonded Debt	\$36,490,000	\$35,070,000	\$33,605,000	\$32,090,000
Resources Available to Pay Principal	\$321,537	\$551,344	\$531,765	\$462,379
Net General Bonded Debt	\$36,168,463	\$34,518,656	\$33,073,235	\$31,627,621
Ratio of Net Bonded Debt to Estimated Actual Value	1.36%	1.31%	1.26%	1.08%
Net Bonded Debt per Capita	\$595.95	\$568.77	\$544.95	\$521.13

Source:

- (1) U.S. Bureau of Census of Population
- (2) Butler County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes.

(continued)

CITY OF HAMILTON, OHIO

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2007	2008	2009	2010
Population (1)	60,690	60,690	60,690	62,477
Actual Value (in thousands) (2)	\$2,969,683	\$3,202,381	\$2,717,606	\$2,575,132
General Bonded Debt (3)				
General Obligation Bonds	\$30,525,000	\$28,815,000	\$31,960,000	\$29,820,000
Total General Bonded Debt	\$30,525,000	\$28,815,000	\$31,960,000	\$29,820,000
Resources Available to Pay Principal	\$413,719	\$545,256	\$519,843	\$639,917
Net General Bonded Debt	\$30,111,281	\$28,269,744	\$31,440,157	\$29,180,083
Ratio of Net Bonded Debt to Estimated Actual Value	1.01%	0.88%	1.16%	1.13%
Net Bonded Debt per Capita	\$496.15	\$465.81	\$518.05	\$467.05

(continued)

CITY OF HAMILTON, OHIO

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2011	2012
Population (1)	62,225	62,224
Actual Value (in thousands) (2)	\$2,548,357	\$2,356,941
General Bonded Debt (3)		
General Obligation Bonds	\$29,030,000	\$26,540,000
Total General Bonded Debt	\$29,030,000	\$26,540,000
Resources Available to Pay Principal	\$859,989	\$614,903
Net General Bonded Debt	\$28,170,011	\$25,925,097
Ratio of Net Bonded Debt to Estimated Actual Value	1.11%	1.10%
Net Bonded Debt per Capita	\$452.71	\$416.64

CITY OF HAMILTON, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2012*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Hamilton (1)</u>	<u>Amount Applicable to the City of Hamilton</u>
Direct:			
City of Hamilton	\$27,735,000	100.00%	\$27,735,000
Overlapping:			
Butler County	90,466,330	11.95%	10,810,726
Hamilton City School District	95,870,000	97.32%	93,300,684
Talawanda School District	51,999,486	5.58%	2,901,571
New Miami Local School District	1,927,616	0.40%	7,710
Ross Local School District	19,348,452	0.50%	<u>96,742</u>
		Subtotal	<u>107,117,433</u>
		Total	<u>\$134,852,433</u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

Source: Ohio Auditor of State

CITY OF HAMILTON, OHIO

*Debt Limitations
Last Ten Years*

Collection Year	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$906,857,895	\$898,476,089	\$894,402,144	\$965,050,843
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	95,220,079	94,339,989	93,912,225	101,330,339
City Debt Outstanding (2)	12,565,000	9,789,000	41,248,235	37,957,621
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation (2)	<u>12,565,000</u>	<u>9,789,000</u>	<u>41,248,235</u>	<u>37,957,621</u>
Overall Legal Debt Margin	<u><u>\$82,655,079</u></u>	<u><u>\$84,550,989</u></u>	<u><u>\$52,663,990</u></u>	<u><u>\$63,372,718</u></u>
 Debt Margin as a Percentage of Debt Limit	 86.80%	 89.62%	 56.08%	 62.54%
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$906,857,895	\$898,476,089	\$894,402,144	\$965,050,843
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	49,877,184	49,416,185	49,192,118	53,077,796
City Debt Outstanding (2)	12,565,000	9,789,000	41,248,235	37,957,621
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation (2)	<u>12,565,000</u>	<u>9,789,000</u>	<u>41,248,235</u>	<u>37,957,621</u>
Overall Legal Debt Margin	<u><u>\$37,312,184</u></u>	<u><u>\$39,627,185</u></u>	<u><u>\$7,943,883</u></u>	<u><u>\$15,120,175</u></u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only. Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Debt Limitations
Last Ten Years*

Collection Year	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$952,614,470	\$945,251,076	\$952,929,910	\$902,895,930
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	100,024,519	99,251,363	100,057,641	94,804,073
City Debt Outstanding (2)	36,146,281	35,764,744	31,440,157	29,180,083
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation (2)	<u>36,146,281</u>	<u>35,764,744</u>	<u>31,440,157</u>	<u>29,180,083</u>
Overall Legal Debt Margin	<u><u>\$63,878,238</u></u>	<u><u>\$63,486,619</u></u>	<u><u>\$68,617,484</u></u>	<u><u>\$65,623,990</u></u>
 Debt Margin as a Percentage of Debt Limit	 63.86%	 63.97%	 68.58%	 69.22%
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$952,614,470	\$945,251,076	\$952,929,910	\$902,895,930
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	52,393,796	51,988,809	52,411,145	49,659,276
City Debt Outstanding (2)	36,146,281	35,764,744	31,440,157	29,180,083
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation (2)	<u>36,146,281</u>	<u>35,764,744</u>	<u>31,440,157</u>	<u>29,180,083</u>
Overall Legal Debt Margin	<u><u>\$16,247,515</u></u>	<u><u>\$16,224,065</u></u>	<u><u>\$20,970,988</u></u>	<u><u>\$20,479,193</u></u>

(continued)

CITY OF HAMILTON, OHIO

*Debt Limitations
Last Ten Years*

Collection Year	2011	2012
Total Debt		
Net Assessed Valuation	\$895,754,320	\$828,698,560
Legal Debt Limitation (%) (1)	10.50%	10.50%
Legal Debt Limitation (\$) (1)	94,054,204	87,013,349
City Debt Outstanding (2)	28,170,011	25,925,097
Less: Applicable Debt Service Fund Amounts	0	0
Net Indebtedness Subject to Limitation (2)	28,170,011	25,925,097
Overall Legal Debt Margin	\$65,884,193	\$61,088,252
 Debt Margin as a Percentage of Debt Limit	70.05%	70.21%
Unvoted Debt		
Net Assessed Valuation	\$895,754,320	\$828,698,560
Legal Debt Limitation (%) (1)	5.50%	5.50%
Legal Debt Limitation (\$) (1)	49,266,488	45,578,421
City Debt Outstanding (2)	28,170,011	25,925,097
Less: Applicable Debt Service Fund Amounts	0	0
Net Indebtedness Subject to Limitation (2)	28,170,011	25,925,097
Overall Legal Debt Margin	\$21,096,477	\$19,653,324

CITY OF HAMILTON, OHIO

*Pledged Revenue Coverage
Last Ten Years*

	2003	2004	2005	2006
Water System Revenue Bonds				
Gross Revenues (1)	\$14,464,401	\$14,194,267	\$14,477,037	\$14,980,733
Direct Operating Expenses (2)	8,880,858	9,615,956	9,942,278	11,035,787
Net Revenue Available for Debt Service	5,583,543	4,578,311	4,534,759	3,944,946
Annual Debt Service Requirement	1,007,114	1,007,114	1,006,914	1,005,474
Coverage	5.54	4.55	4.50	3.92
Wastewater System Revenue Bonds				
Gross Revenues (1)	\$11,884,710	\$10,666,399	\$12,943,233	\$10,784,184
Direct Operating Expenses (2)	7,809,274	7,434,951	7,372,609	7,373,360
Net Revenue Available for Debt Service	4,075,436	3,231,448	5,570,624	3,410,824
Annual Debt Service Requirement	2,276,583	2,275,153	2,056,197	2,058,590
Coverage	1.79	1.42	2.71	1.66
Gas System Revenue Bonds				
Gross Revenues (1)	\$27,950,700	\$28,782,604	\$33,967,409	\$40,216,803
Direct Operating Expenses (2)	23,338,504	24,856,014	32,111,986	32,442,221
Net Revenue Available for Debt Service	4,612,196	3,926,590	1,855,423	7,774,582
Annual Debt Service Requirement	1,113,021	1,493,213	1,489,113	1,490,012
Coverage	4.14	2.63	1.25	5.22
Electric System Revenue Bonds				
Gross Revenues (1)	\$49,407,634	\$52,327,108	\$59,628,880	\$59,863,468
Direct Operating Expenses (2)	33,542,273	37,116,049	41,916,192	39,719,528
Net Revenue Available for Debt Service	15,865,361	15,211,059	17,712,688	20,143,940
Annual Debt Service Requirement	13,610,043	11,721,429	9,034,766	13,007,773
Coverage	1.17	1.30	1.96	1.55
Special Assessment Bonds				
Special Assessment Collections	\$519,929	\$519,068	\$529,781	\$378,938
Debt Service				
Principal	395,000	378,770	392,000	347,000
Interest	137,680	142,085	124,994	121,859
Coverage	0.98	1.00	1.02	0.81

(1) Gross revenues include operating revenues plus interest income.

(2) Direct operating expenses include operating expenses less depreciation.

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Pledged Revenue Coverage
Last Ten Years*

	2007	2008	2009	2010
Water System Revenue Bonds				
Gross Revenues (1)	\$15,618,225	\$14,753,151	\$14,365,405	\$14,930,142
Direct Operating Expenses (2)	11,278,031	11,625,041	11,794,753	12,158,069
Net Revenue Available for Debt Service	4,340,194	3,128,110	2,570,652	2,772,073
Annual Debt Service Requirement	1,007,224	1,006,964	1,009,324	2,337,494
Coverage	4.31	3.11	2.55	1.19
Wastewater System Revenue Bonds				
Gross Revenues (1)	\$11,086,222	\$11,151,093	\$10,835,332	\$11,272,546
Direct Operating Expenses (2)	7,838,546	8,252,037	8,150,313	7,792,762
Net Revenue Available for Debt Service	3,247,676	2,899,056	2,685,019	3,479,784
Annual Debt Service Requirement	2,059,490	2,059,490	2,056,015	3,114,006
Coverage	1.58	1.41	1.31	1.12
Gas System Revenue Bonds				
Gross Revenues (1)	\$38,699,384	\$39,980,359	\$31,795,459	\$26,867,128
Direct Operating Expenses (2)	32,703,906	35,686,059	27,095,082	23,092,861
Net Revenue Available for Debt Service	5,995,478	4,294,300	4,700,377	3,774,267
Annual Debt Service Requirement	1,492,513	1,491,762	1,490,112	1,693,780
Coverage	4.02	2.88	3.15	2.23
Electric System Revenue Bonds				
Gross Revenues (1)	\$63,779,353	\$66,029,226	\$61,400,264	\$66,365,469
Direct Operating Expenses (2)	46,588,939	48,905,823	39,290,578	47,654,945
Net Revenue Available for Debt Service	17,190,414	17,123,403	22,109,686	18,710,524
Annual Debt Service Requirement	13,037,485	13,046,060	13,052,060	14,836,139
Coverage	1.32	1.31	1.69	1.26
Special Assessment Bonds				
Special Assessment Collections	\$434,437	\$562,053	\$343,711	\$511,216
Debt Service				
Principal	320,000	287,000	270,000	285,000
Interest	121,101	127,757	111,863	99,996
Coverage	0.98	1.36	0.90	1.33

(continued)

CITY OF HAMILTON, OHIO

*Pledged Revenue Coverage
Last Ten Years*

	<u>2011</u>	<u>2012</u>
Water System Revenue Bonds		
Gross Revenues (1)	\$15,000,714	\$14,798,053
Direct Operating Expenses (2)	10,795,637	10,868,974
Net Revenue Available for Debt Service	4,205,077	3,929,079
Annual Debt Service Requirement	2,321,067	2,322,567
Coverage	1.81	1.69
Wastewater System Revenue Bonds		
Gross Revenues (1)	\$12,368,786	\$12,181,654
Direct Operating Expenses (2)	7,355,594	6,988,504
Net Revenue Available for Debt Service	5,013,192	5,193,150
Annual Debt Service Requirement	3,092,977	4,853,775
Coverage	1.62	1.07
Gas System Revenue Bonds		
Gross Revenues (1)	\$21,974,462	\$16,611,781
Direct Operating Expenses (2)	19,230,178	14,435,127
Net Revenue Available for Debt Service	2,744,284	2,176,654
Annual Debt Service Requirement	1,674,487	1,670,737
Coverage	1.64	1.30
Electric System Revenue Bonds		
Gross Revenues (1)	\$63,439,859	\$62,256,537
Direct Operating Expenses (2)	42,406,513	41,468,644
Net Revenue Available for Debt Service	21,033,346	20,787,893
Annual Debt Service Requirement	14,713,079	14,874,641
Coverage	1.43	1.40
Special Assessment Bonds		
Special Assessment Collections	\$512,509	\$465,240
Debt Service		
Principal	250,000	205,000
Interest	87,383	75,698
Coverage	1.52	1.66

CITY OF HAMILTON, OHIO

Demographic and Economic Statistics Last Ten Years

Calendar Year	2003	2004	2005	2006
Population (1)				
City of Hamilton	60,690	60,690	60,690	60,690
Butler County	332,807	332,807	332,807	332,807
Income (2) (a)				
Total Personal (in thousands)	9,999,852	10,309,695	10,695,751	11,025,896
Per Capita	30,047	30,978	32,138	33,130
Unemployment Rate (3)				
Federal	3.8%	4.8%	5.8%	6.0%
State	3.7%	4.3%	5.7%	6.1%
Butler County	4.0%	4.3%	5.4%	5.6%
Civilian Work Force Estimates (3)				
State	5,857,000	5,828,000	5,915,000	5,875,300
Butler County	203,700	183,300	185,300	189,700

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available for the County. Total Personal Income is presented for the County. US Department of Commerce, Bureau of Economic Analysis information is only available through 2011, for the presentation of 2011 and 2012 statistics, the City is using the latest information available.
- (3) State Department of Labor Statistics

(continued)

CITY OF HAMILTON, OHIO

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2007	2008	2009	2010
Population (1)				
City of Hamilton	60,690	60,690	60,690	62,477
Butler County	332,807	332,807	332,807	368,130
Income (2) (a)				
Total Personal (in thousands)	11,264,851	11,954,760	11,533,094	12,975,478
Per Capita	33,848	35,921	34,654	35,247
Unemployment Rate (3)				
Federal	5.5%	5.8%	10.0%	9.6%
State	6.0%	6.6%	10.8%	10.1%
Butler County	5.1%	5.9%	9.9%	9.6%
Civilian Work Force Estimates (3)				
State	5,900,400	5,986,400	5,970,200	5,897,600
Butler County	190,800	191,700	191,700	188,200

(continued)

CITY OF HAMILTON, OHIO

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2011	2012
Population (1)		
City of Hamilton	62,795	62,295
Butler County	373,115	369,999
Income (2) (a)		
Total Personal (in thousands)	13,652,278	13,538,158
Per Capita	36,590	36,590
Unemployment Rate (3)		
Federal	8.9%	8.1%
State	8.6%	7.2%
Butler County	8.6%	7.1%
Civilian Work Force Estimates (3)		
State	5,806,000	5,748,000
Butler County	191,300	189,600

CITY OF HAMILTON, OHIO

*Principal Employers
Current Year and Nine Years Ago*

		2012	
Employer	Nature of Business	Number of Employees	Rank
Butler County	Government	1,750	1
Hamilton City School District	Education	1,095	2
Fort Hamilton Hospital	Health Care	1,020	3
City of Hamilton	Government	680	4
Community First	Health Care	600	5
Miami University - Hamilton	Education	370	6
Meijer	Retail	325	7
ThyssenKrupp Bilstein of America	Manufacturing	250	8
The Kroger Company	Retail	250	9
First Financial Bank	Financial	230	10
Total		<u>6,570</u>	
Total Employment within the City (1)		<u>N/A</u>	

		2003	
Employer	Nature of Business	Number of Employees	Rank
Fort Hamilton Hospital	Healthcare	1,250	1
Hamilton City School District	Education	1,250	2
Butler County	Government	900	3
Smart Papers	Manufacturing	600	4
Valeo Climate Control	Manufacturing	410	5
Ohio Casualty	Insurance	400	6
The Kroger Company	Groceries	350	7
Meijer Inc.	Retail	300	8
International Paper	Manufacturing	250	9
General Electric	Manufacturing	240	10
Total		<u>5,950</u>	
Total Employment within the City (1)		<u>N/A</u>	

(1) - Total employment within the City is not available.

Source: City Records

CITY OF HAMILTON, OHIO

Full Time Equivalent Employees by Function Last Seven Years

	2006	2007	2008	2009
Governmental Activities				
General Government				
City Administration	25.00	34.00	28.00	21.00
Engineering	24.00	20.00	18.00	17.00
Municipal Court	30.00	28.00	27.00	28.00
Information Technology	17.00	18.00	15.00	10.00
Finance	39.00	43.00	37.00	35.00
Security of Persons and Property				
Police	159.00	174.00	167.00	147.00
Fire	113.00	116.00	108.00	107.00
Public Health and Welfare Services				
Health	20.00	21.00	16.00	15.00
Leisure Time Activities				
Parks and Recreation	27.00	27.00	27.00	22.00
Community Environment				
Planning and Zoning	22.00	23.00	23.00	25.00
Transportation				
Street	49.00	47.00	48.00	52.00
Business-Type Activities				
Utilities				
Gas	17.00	17.00	22.00	24.00
Electric	113.00	111.00	118.00	110.00
Water	35.00	32.00	32.00	34.00
Wastewater	26.00	28.00	24.00	23.00
Utility Customer Service	30.00	30.00	28.00	29.00
<i>Total Employees</i>	<u>746.00</u>	<u>769.00</u>	<u>738.00</u>	<u>699.00</u>

Method: 1.00 for each full-time, 0.50 for each part-time and
0.25 for each seasonal employee

Source: City Records

Information is not available in this format for years prior to 2006

(continued)

CITY OF HAMILTON, OHIO

*Full Time Equivalent Employees by Function
Last Seven Years*

	2010	2011	2012
Governmental Activities			
General Government			
City Administration	21.00	22.00	21.50
Engineering	17.00	12.50	9.00
Municipal Court	28.00	32.00	31.50
Information Technology	10.00	9.00	7.00
Finance	32.00	36.00	36.00
Security of Persons and Property			
Police	147.00	141.00	136.00
Fire	105.00	110.00	107.00
Public Health and Welfare Services			
Health	14.00	11.25	10.50
Leisure Time Activities			
Parks and Recreation	13.00	17.50	18.00
Community Environment			
Planning and Zoning	23.00	16.00	15.00
Transportation			
Street	50.00	55.00	57.00
Business-Type Activities			
Utilities			
Gas	24.00	31.00	29.00
Electric	109.00	114.00	105.00
Water	33.00	32.00	32.00
Wastewater	23.00	16.00	19.00
Utility Customer Service	28.00	23.00	26.00
<i>Total Employees</i>	<u>677.00</u>	<u>678.25</u>	<u>659.50</u>

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2003	2004	2005	2006
Governmental Activities				
General Government				
Licenses and Permits				
Building Permits Issued - Residential	492	438	306	387
Building Permits Issued - Commercial	399	479	341	355
Security of Persons and Property				
Police				
Misdemeanor Arrests	4,719	6,399	7,831	8,400
Felony Arrests	2,501	1,317	1,474	1,621
Traffic Citations Issued	14,188	14,208	15,232	14,335
Parking Tickets Written	1,949	1,989	1,766	1,231
Fire / Emergency Medical Services				
Number of Calls Answered	9,824	10,637	10,347	10,523
Number of Inspections	1,983	2,072	2,132	2,157
Number of Emergency Medical Calls	N/A	8,293	8,299	8,292
Transportation				
Street				
Street Resurfacing (Center Line miles)	6.70	5.20	1.20	4.60
Parking				
Parking Levels	6.50	6.50	6.50	6.50
Parking Spaces	752	752	752	752
Average Daily Cars Parked	604	589	604	575
Parking / Meters - On Street and Lots	977	977	972	892
Public Works				
Refuse Collection				
Refuse Collected (tons)	24,317	23,761	26,779	27,638
Recyclables Collected (tons)	1,521	1,529	1,815	1,683
Leisure Time Activities				
Parks and Recreation				
Athletic Field Permits Issued	N/A	N/A	N/A	55
Public Health and Welfare Services				
Health Care				
Number of Patient Beds	307	307	157	282

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2007	2008	2009	2010
Governmental Activities				
General Government				
Licenses and Permits				
Building Permits Issued - Residential	239	234	434	270
Building Permits Issued - Commercial	251	427	371	355
Security of Persons and Property				
Police				
Misdemeanor Arrests	7,534	6,778	8,774	7,740
Felony Arrests	2,302	942	2,041	1,516
Traffic Citations Issued	6,418	7,050	6,273	6,208
Parking Tickets Written	767	1,157	766	873
Fire / Emergency Medical Services				
Number of Calls Answered	10,687	11,870	11,326	11,386
Number of Inspections	2,203	596	2,156	1,145
Number of Emergency Medical Calls	8,536	8,836	8,691	9,008
Transportation				
Street				
Street Resurfacing (Center Line miles)	2.14	4.68	3.57	11.86
Parking				
Parking Levels	6.50	6.50	6.50	6.50
Parking Spaces	752	752	751	754
Average Daily Cars Parked	560	550	412	646
Parking / Meters - On Street and Lots	836	836	836	836
Public Works				
Refuse Collection				
Refuse Collected (tons)	25,387	25,807	26,493	25,988
Recyclables Collected (tons)	1,547	1,587	1,842	2,149
Leisure Time Activities				
Parks and Recreation				
Athletic Field Permits Issued	61	128	94	92
Public Health and Welfare Services				
Health Care				
Number of Patient Beds	318	288	320	274

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2011	2012
Governmental Activities		
General Government		
Licenses and Permits		
Building Permits Issued - Residential	189	292
Building Permits Issued - Commercial	300	331
Security of Persons and Property		
Police		
Misdemeanor Arrests	6,589	3,832
Felony Arrests	1,587	1,371
Traffic Citations Issued	6,418	4,903
Parking Tickets Written	3,721	2,923
Fire / Emergency Medical Services		
Number of Calls Answered	11,733	12,091
Number of Inspections	2,159	637
Number of Emergency Medical Calls	9,121	9,471
Transportation		
Street		
Street Resurfacing (Center Line miles)	17.97	3.20
Parking		
Parking Levels	6.50	6.50
Parking Spaces	754	754
Average Daily Cars Parked	457	423
Parking / Meters - On Street and Lots	836	818
Public Works		
Refuse Collection		
Refuse Collected (tons)	25,823	23,149
Recyclables Collected (tons)	2,023	2,534
Leisure Time Activities		
Parks and Recreation		
Athletic Field Permits Issued	60	65
Public Health and Welfare Services		
Health Care		
Number of Patient Beds	320	320

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2003	2004	2005	2006
Business-Type Activities				
Gas				
Average Daily Consumption (100 cubic feet)	10,807	9,950	9,854	9,237
Peak Daily Consumption (100 cubic feet)	30,654	29,582	26,114	24,325
Electric				
Peak Demand (MW)	143.0	144.1	166.0	157.0
Energy Requirement (MWh)	663,338	645,131	706,381	638,652
Total System Sales (MWh)	622,655	611,560	613,772	585,791
Total Residential Customers	25,341	25,578	25,253	25,974
Total Commercial Customers	3,068	3,033	3,025	3,060
Water				
New Service Connections	N/A	N/A	N/A	9
Water Main Breaks	N/A	N/A	N/A	57
Average Daily Consumption (thousands of gallons)	17,593	17,254	19,159	19,757
Peak Daily Consumption (thousands of gallons)	28,344	28,666	28,653	32,266
Wastewater				
Average Daily Sewage Treatment (millions of gallons)	20.5	17.2	15.3	16.4

Source: City Records

N/A = Information Not Available

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2007	2008	2009	2010
Business-Type Activities				
Gas				
Average Daily Consumption (100 cubic feet)	9,114	9,176	8,694	9,088
Peak Daily Consumption (100 cubic feet)	29,992	29,415	33,457	26,487
Electric				
Peak Demand (MW)	165.0	148.0	146.0	159.0
Energy Requirement (MWh)	664,687	658,776	626,161	663,099
Total System Sales (MWh)	630,596	623,351	592,956	636,557
Total Residential Customers	26,398	26,481	26,345	26,177
Total Commercial Customers	3,019	3,000	2,905	2,954
Water				
New Service Connections	122	52	8	10
Water Main Breaks	88	94	71	93
Average Daily Consumption (thousands of gallons)	21,256	18,053	16,957	17,853
Peak Daily Consumption (thousands of gallons)	35,197	22,723	22,755	22,537
Wastewater				
Average Daily Sewage Treatment (millions of gallons)	16.2	16.2	12.5	13.4

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	<u>2011</u>	<u>2012</u>
Business-Type Activities		
Gas		
Average Daily Consumption (100 cubic feet)	8,808	6,823
Peak Daily Consumption (100 cubic feet)	27,425	23,042
Electric		
Peak Demand (MW)	159.0	152.0
Energy Requirement (MWh)	651,892	613,645
Total System Sales (MWh)	618,083	583,773
Total Residential Customers	26,085	26,052
Total Commercial Customers	2,952	2,926
Water		
New Service Connections	4	18
Water Main Breaks	87	77
Average Daily Consumption (thousands of gallons)	17,644	16,322
Peak Daily Consumption (thousands of gallons)	25,545	21,495
Wastewater		
Average Daily Sewage Treatment (millions of gallons)	14.2	8.6

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2003	2004	2005	2006
Governmental Activities				
General Government				
Public Land and Buildings				
Land (Square Miles)	21.56	21.56	21.56	21.56
Security of Persons and Property				
Police				
Stations	1	1	1	1
Patrol Cruisers	40	40	40	40
Fire / Emergency Medical Services				
Stations	6	6	6	6
Transportation				
Street				
Streets (lane miles)	206.80	209.90	213.40	215.90
Street Lights	9,015	12,000	9,000	9,000
Traffic Signals	97	97	97	97
Parking				
Off street Parking Garages	2	2	2	2
Leisure Time Activities				
Parks and Recreation				
Parks	56	56	56	55
Park Area (acres)	1,320	1,320	1,320	1,300
Playgrounds	N/A	N/A	N/A	25
Ball Fields				
Lighted	9	9	9	9
Unlighted	34	34	34	34
Tennis Courts				
Lighted	2	2	2	2
Unlighted	6	6	6	6
Swimming Pools	5	5	5	5
Golf Courses	2	2	2	2
Skateboard Park	N/A	1	1	1
Community Environment				
Libraries	1	1	1	1
Public Health and Welfare				
Hospitals	1	1	1	2

(continued)

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2007	2008	2009	2010
Governmental Activities				
General Government				
Public Land and Buildings				
Land (Square Miles)	21.56	21.57	21.62	21.62
Security of Persons and Property				
Police				
Stations	1	1	1	1
Patrol Cruisers	39	44	44	44
Fire / Emergency Medical Services				
Stations	6	6	6	6
Transportation				
Street				
Streets (lane miles)	216.00	216.20	216.20	254.21
Street Lights	6,966	6,978	6,963	6,986
Traffic Signals	98	98	98	98
Parking				
Off street Parking Garages	2	2	2	2
Leisure Time Activities				
Parks and Recreation				
Parks	55	52	52	52
Park Area (acres)	1,300	1,300	1,300	1,300
Playgrounds	25	24	24	24
Ball Fields				
Lighted	9	9	9	9
Unlighted	34	34	34	34
Tennis Courts				
Lighted	2	2	2	2
Unlighted	6	6	6	6
Swimming Pools	3	1	1	1
Golf Courses	2	2	2	2
Skateboard Park	1	1	1	1
Community Environment				
Libraries	1	1	1	1
Public Health and Welfare				
Hospitals	2	2	2	2

(continued)

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2011	2012
Governmental Activities		
General Government		
Public Land and Buildings		
Land (Square Miles)	21.68	21.68
Security of Persons and Property		
Police		
Stations	1	1
Patrol Cruisers	44	40
Fire / Emergency Medical Services		
Stations	6	6
Transportation		
Street		
Streets (lane miles)	254.21	254.21
Street Lights	6,996	7,011
Traffic Signals	98	96
Parking		
Off street Parking Garages	2	2
Leisure Time Activities		
Parks and Recreation		
Parks	52	52
Park Area (acres)	1,300	1,300
Playgrounds	24	24
Ball Fields		
Lighted	9	9
Unlighted	34	34
Tennis Courts		
Lighted	2	2
Unlighted	6	6
Swimming Pools	1	1
Golf Courses	2	2
Skateboard Park	1	1
Community Environment		
Libraries	1	1
Public Health and Welfare		
Hospitals	2	2

(continued)

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2003	2004	2005	2006
Business-Type Activities				
Utilities				
Water				
Purification Plants	2	2	2	2
Maximum Capacity (millions of gallons)	46	46	46	46
Waterlines (Miles)	254.0	261.3	264.3	267.3
Wastewater				
Treatment Plants	1	1	1	1
Maximum Capacity (millions of gallons)	320	320	320	320
Sanitary Sewerlines (Miles)	223.5	227.5	233.0	236.3
Storm Drains (Miles)	147.5	151.8	155.2	157.1

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2007	2008	2009	2010
Business-Type Activities				
Utilities				
Water				
Purification Plants	2	2	2	2
Maximum Capacity (millions of gallons)	46	46	46	46
Waterlines (Miles)	267.4	267.4	267.4	340.0
Wastewater				
Treatment Plants	1	1	1	1
Maximum Capacity (millions of gallons)	320	320	320	320
Sanitary Sewerlines (Miles)	236.4	236.8	236.8	253.0
Storm Drains (Miles)	158.3	158.5	158.5	188.2

(continued)

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	<u>2011</u>	<u>2012</u>
Business-Type Activities		
Utilities		
Water		
Purification Plants	2	2
Maximum Capacity (millions of gallons)	46	46
Waterlines (Miles)	340.0	340.0
Wastewater		
Treatment Plants	1	1
Maximum Capacity (millions of gallons)	320	320
Sanitary Sewerlines (Miles)	253.0	253.0
Storm Drains (Miles)	188.2	188.2

