



City of Hamilton, Ohio

Schedule of Expenditures of Federal Awards and
Other Single Audit Reports

Year Ended December 31, 2015



Dave Yost • Auditor of State

Members of Council
City of Hamilton
345 High Street
Hamilton, Ohio 45011

We have reviewed the *Independent Auditor's Report* of the City of Hamilton, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

August 8, 2016

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CITY OF HAMILTON, OHIO
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2015

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Passed through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Community Development Block Grants/Entitlement Grants	n/a	14.218	\$ 430,873	1,953,897
HOME Investment Partnerships Program	n/a	14.239	<u>62,292</u>	<u>196,490</u>
Total U.S. Department of Housing and Urban Development			<u>493,165</u>	<u>2,150,387</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<i>(Passed through from Butler County):</i>				
Edward Byrne Memorial Justice Assistance Grant Program	2015-DJ-BX-0128	16.738		<u>32,966</u>
Total U.S. Department of Justice				<u>32,966</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>(Passed through Ohio Department of Public Safety):</i>				
Highway Safety Cluster:				
Alcohol Impaired Driving Countermeasures Incentive Grants	OVITF-2015-9-00445	20.601		21,414
Alcohol Impaired Driving Countermeasures Incentive Grants	OVITF-2016-9-00404	20.601		<u>3,406</u>
				24,820
State and Community Highway Safety (STEP Grant)	STEP-2015-9-00577	20.600		9,290
State and Community Highway Safety (STEP Grant)	STEP-2016-9-00472	20.600		<u>5,257</u>
				14,547
National Priority Safety Program	IDEP-2015-9-00398	20.616		13,585
National Priority Safety Program	IDEP-2016-9-00316	20.616		<u>6,167</u>
				19,752
Total Highway Safety Cluster				<u>59,119</u>
<i>(Passed through Ohio Department of Transportation):</i>				
Highway Planning & Construction Cluster:				
Highway Planning and Construction - US 127	PID93595	20.205		188,692
Highway Planning and Construction - US 129	PID93593	20.205		31,211
Highway Planning and Construction - South Hamilton Crossing Study	PID81174	20.205		1,281,498
Highway Planning and Construction - Safe Routes to Schools Phase 2	PID88301	20.205		<u>19,050</u>
Total Highway Planning & Construction Cluster				<u>1,520,451</u>
Total U.S. Department of Transportation				<u>1,579,570</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>(Passed through City of Cincinnati Health Department):</i>				
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements	03120012PH0615	93.074		5,000
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements	03120012PH0716	93.074		5,000
<i>(Passed through Butler County Health Department):</i>				
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements	00910012PH0514	93.074		<u>24,989</u>
				34,989
<i>(Passed through Ohio Department of Health)</i>				
Immunization Grants	00920022IM0613	93.268		<u>90,047</u>
Total U.S. Department of Health and Human Services				<u>125,036</u>
Total Passed Through to Subrecipients and Federal Expenditures			\$ <u>493,165</u>	<u>3,887,959</u>

CITY OF HAMILTON, OHIO
Schedule of Expenditures of Federal Awards - continued
Year Ended December 31, 2015

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of Hamilton, Ohio (the "City") under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the costs principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C - PASSTHROUGH AWARDS

The City of Hamilton, Ohio receives certain federal awards from the State of Ohio as pass-through awards. The amounts received are commingled by the State of Ohio with other funds and cannot be separately identified. The total amount of such pass-through awards is included on the schedule of expenditures of federal awards.

NOTE D - OUTSTANDING LOANS

The community development loans outstanding at December 31, 2015 totaled \$242,445 under CFDA 14.218 and \$66,693 under CFDA 14.239.

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

INDEPENDENT AUDITORS' REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hamilton, Ohio ("City") as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 22, 2016, wherein we noted the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion of the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance And Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 22, 2016

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

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

Report on Compliance for Each Major Federal Program

We have audited the City of Hamilton, Ohio's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2015. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal program is not modified with respect to this matter.

The City's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001, that we consider to be a significant deficiency.

The City's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 22, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 22, 2016

**CITY OF HAMILTON, OHIO
 Schedule of Findings and Questioned Costs
 Year Ended December 31, 2015**

Section I - Summary of Auditors' Results

Financial Statements

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

Federal Awards

Internal Control over major programs:	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major programs:	
• CFDA 14.218 – Community Development Block Grant/Entitlement Grants	
Dollar threshold to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

2015-001 CFDA 14.218—*Community Development Block Grant/Entitlement Grants*

Criteria and Condition: Program management failed to file the second (4/1/2015 – 6/30/2015) and third quarter (7/1/2015 – 9/30/2015) *Federal Financial Report SF-425* within 30 days after the end of each quarter in accordance with 24 CFR 85.41. Both reports were submitted on February 17, 2016. Additionally the reports submitted by the City did not contain cumulative data, but only data from the quarter being submitted.

Cause: Oversight by program management. Both the first and fourth quarter reports were filed timely.

Effect: Failing to comply with report submission deadlines and not fully reporting data as required could result in noncompliance with the requirements of Federal awards.

Recommendation: We recommend the City implement procedures to ensure the City is compliant with reporting requirements of federal awards.

Views of Responsible Officials and Planned Corrective Actions: *The City will implement policies and procedures, including quarterly financial meetings, to ensure timely filing of the Federal Financial Report SF-425. Additionally, the City will file cumulative rather than quarterly numbers in this report.*

COMPREHENSIVE ANNUAL FINANCIAL REPORT



HAMILTON, OHIO

**FOR YEAR ENDED
DECEMBER 31, 2015**



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2015

Prepared by:
Department of Finance

Tom Vanderhorst
Finance Director



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CITY OF HAMILTON

BUTLER COUNTY, OHIO

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INTRODUCTORY SECTION







CITY OF HAMILTON OHIO

Department of Finance

One Renaissance Center

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June 22, 2016

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, 2015, 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, 2015

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, 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 voters also elect a Municipal Court Judge, who serves a six-year term, to preside over the proceedings of the Hamilton Municipal Court.

City Council appoints the City Manager who is the chief executive officer of the City. The Manager is charged with the proper administration of all affairs of the City. The Manager has the authority to appoint and remove all heads of departments and all subordinate officers and employees of the City and they also exercise control over all departments created by the City Council.

The Government Finance Officers Association (GFOA) recommends local governments establish a rainy day fund equal to at least two months operating reserve or 16.7% of annual expenditures. In 2012, City Council enacted Budget and Financial Policies Resolution #R2012-6-25, which requires the maintenance of a minimum General Fund Balance (reserve) of 10-16% of annual expenditures.

Per this resolution, if the General Fund reserve rises above 16% of General Fund revenues at the fiscal year-end, the amount over 16% will be swept into an Economic Budget Stabilization Fund, which can be expended only through special action by City Council. As a result, \$1,777,955 was transferred into the Economic Budget Stabilization fund in early 2015 due to the City's improving fiscal condition that was created by controlling expenditures while stabilizing revenues through ongoing successful economic development. \$1.6 million of this balance was used as a forgivable loan for an economic development endeavor during 2015 which is expected to produce an estimated \$1 million in additional payroll tax revenue.

Income tax receipts during 2015 were up 8.3% over 2014 and the City was successful in limiting General Fund expenditures at 96.8% of the adopted budget. The City reduced its overall full-time equivalent employees (FTE) by 13.75 (all funds) from 2014 to 2015. The City ended 2015 with 600.25 FTE's, the lowest number of FTE's in recent history.

*Letter of Transmittal
For the Year Ended December 31, 2015*

RECENT ECONOMIC DEVELOPMENT

In 2015, a significant amount of economic development activity occurred throughout Hamilton. Local companies invested \$11.8 million in capital improvements and revitalization efforts were well underway in Hamilton's urban core. The City of Hamilton participated in projects that resulted in an anticipated 2,222 net new jobs with an additional \$67.5 million in additional new payroll.

The first major job announcement of 2015 was STARTEK, Inc., a call center company based in Colorado. In February 2015, STARTEK announced that it would be opening a call center in downtown Hamilton. STARTEK's \$2.8 million investment was catalytic in sparking economic activity downtown. Their chosen location was the former downtown department store Elder Beerman, which had been vacant since 2009.

The next major job announcement came in August 2015 when Barclaycard, a division of the United Kingdom-based Barclays Bank, announced that their new customer contact center will be located in Hamilton, Ohio. Once fully operational in the coming years, Barclaycard will be able to employ up to 1,500 employees, which amounts to an estimated \$50 million in gross payroll. The new Barclaycard location in the former Champion Paper headquarters is important to the Hamilton community. Champion Paper was Hamilton's largest employer for over a century. Mahendra Vora, the building's most recent owner, has worked hard to fill this important building. Barclaycard is investing \$9.3 million in the facility and its employees will bring this building back to life.

One of the twelve goals of the City of Hamilton's Strategic Plan is to assist in the establishment of 5 new desired retail or restaurant options annually. Due in large part to the growing vitality of downtown Hamilton's small business community, this goal was quickly exceeded. Eleven new retail and restaurant businesses opened in downtown Hamilton alone. All of these businesses enhance the quality of life in Hamilton, making it a better place for people to live and work. New small businesses that opened in 2015:

- Almond Sister's Bakery
- EXCEL Development
- Hearts of Hope
- High St. Café
- InsideOut Studio
- Alexander's Market & Deli (formerly Jackson's)
- Kelly's Bakery
- Lillian's Boutique
- Made to Love
- Pop Revolution
- Renaissance Fine Arts

In 2015, Community First Solutions, the parent company of Colonial, Community Behavioral Health, Community First Pharmacy, and Partners in Prime, opened their new headquarters in downtown Hamilton. The headquarters, named the Community First Solutions Resource Center, was a \$5.88 million investment in the historic Ringel's Furniture building. Community First Solutions serves over 46,000 individuals annually and is one of Hamilton's largest private employers with nearly 700 employees. Community First Solutions President & CEO, Jeffrey Thurman, received the International Economic Development Council's Citizen Leadership Award, one of the most significant economic development awards. He received it for his long-term commitment to the economic well-being of Hamilton.

Letter of Transmittal

For the Year Ended December 31, 2015

ODW Logistics & Transportation Services (LTS) announced plans early in 2015 to hire 40 employees by 2018, which will double the size of their operations. ODW LTS, established in 2009, is a leading provider of transportation management services and was named one of the fastest growing companies by *Inc. Magazine's* Fast 500 in 2013. Due to the company's continued fast-pace growth, they partnered with JobsOhio, REDI Cincinnati, and the City of Hamilton for assistance with their next phase of growth.

In 2015, The Hamilton Mill ("The Mill") welcomed new startups NewKnowledge United, Edge Prototype/PowerGlide Fitness LLC, Glance Software, and Coaterex Paper to the program. The Mill is comprised of 15 member companies and the Ohio Small Business Development Center (SBDC), and is the entrepreneurial engine of Butler County, specifically focused on advanced manufacturing, clean-tech, and associated applications. The ongoing success of The Mill can be attributed to their numerous public-private partnerships with community organizations including the City of Hamilton, the Hamilton Community Foundation, Butler Tech, Cintrifuse, CincyTech, Queen City Angels, Miami University and many more.

The Downtown 10 initiative is a catalytic program The Mill launched in 2015. The goal of the program is to provide services for select new-start businesses along the High/Main corridor of downtown Hamilton. Services provided to participants of the Downtown 10 initiative include marketing and branding, business optimization, and general business coaching.

October 2015 marked the completion of the East High Street Gateway project. The \$8.5 million project was not only important from a traffic perspective, East High is the gateway of Hamilton entering via State Route 129 from Interstate 75. This major infrastructure project has improved traffic flow and enhanced the streetscape by: adding landscaped medians and street trees; relocating all overhead electric, cable and telephone facilities underground; replacing/upgrading underground utility infrastructure; adding turn lanes; and adding new commercial access ways.

The Meldahl Hydroelectric Facility began commercial operation in April 2016. The plant will have a capacity of 105 MW, with an average gross annual output of approximately 550,000 MW of clean, renewable energy – enough to power approximately 55,000 homes. This \$504 million project was a partnership between the City of Hamilton and American Municipal Power.

FUTURE ECONOMIC DEVELOPMENT PROJECTS

The City is involved with many economic development projects that will continue to make Hamilton a purposeful destination to work, live, and play. The South Hamilton Crossing Project is another large project that the City of Hamilton will be working on in the coming years. The South Hamilton Crossing project, or SHX, will replace an existing at-grade railroad crossing with a railroad overpass created by extending Grand Boulevard westerly. 56 trains travel through the existing crossing daily, blocking the crossing 15.3% of the time. Currently, there is only one major existing grade separated crossing that permits east-west flow through the City of Hamilton (Jack Kirsch Underpass). The project is expected to greatly improve connectivity, reduce drive times, and increase safety. SHX is anticipated to have especially important benefits to Vora Technology Park, University Commerce Park, and Miami University Hamilton.

CITY OF HAMILTON, OHIO

Letter of Transmittal

For the Year Ended December 31, 2015

In 2015, the SHX project received support from many regional and state partners. In February, the Ohio Department of Transportation committed \$10 million in funding for SHX. In September, in addition to the \$2.45 million already awarded to the project, the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) awarded the SHX project \$3.75 million from the Federal Surface Transportation Program. In December, the City received a \$1.1 million Roadwork Development Grant from the Ohio Development Services Agency and JobsOhio for the project. SHX also received support from the State of Ohio, the Butler County TID and the Butler County Engineer's Office.

Another exciting project is the addition of Marcum Park. In February 2015, it was announced that Joe and Sarah Marcum committed to funding an expansion of the park, which provides an opportunity to build on the success of the amphitheater and add an assortment of amenities to further activate the park. Their \$3.5 million donation is the largest-ever private donation for a park in Hamilton. The creation of Marcum Park will expand the current RiversEdge Amphitheater to the east on the greenspace bound by N. Second, Dayton, and Buckeye Streets. The park will include a large flexible open space for programming, known as the Great Lawn. A curved path running from the corner of N. 2nd & Dayton Streets down to Buckeye St. & Riverfront Plaza will carry visitors past the primary water feature (near the corner of N. 2nd & Buckeye Streets) and the children's play area running along Buckeye St. on the western half of the block. The children's play area will include a number of passive play features for kids to climb and play on, including a second smaller splash feature known as the Little River.

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, 2015*

INDEPENDENT AUDIT

Included in this report is the unmodified audit opinion rendered on the City's financial statements for the year ended December 31, 2015, by Clark, Schaefer, Hackett & Co. 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

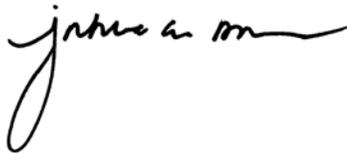
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hamilton for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2014. In order to be awarded a Certificate 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.

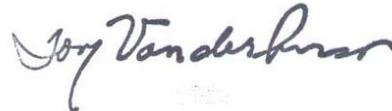
ACKNOWLEDGEMENTS

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. A special thanks goes to Comptroller Matthew McKinney and his staff for their outstanding work which created this document.

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



Joshua A. Smith
City Manager



Thomas Vanderhorst
Director of Finance



CITY OF HAMILTON, OHIO

**List of Principal Officials
For the Year Ended December 31, 2015**

***ELECTED
OFFICIALS***

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

OFFICE

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

***ADMINISTRATIVE
PERSONNEL***

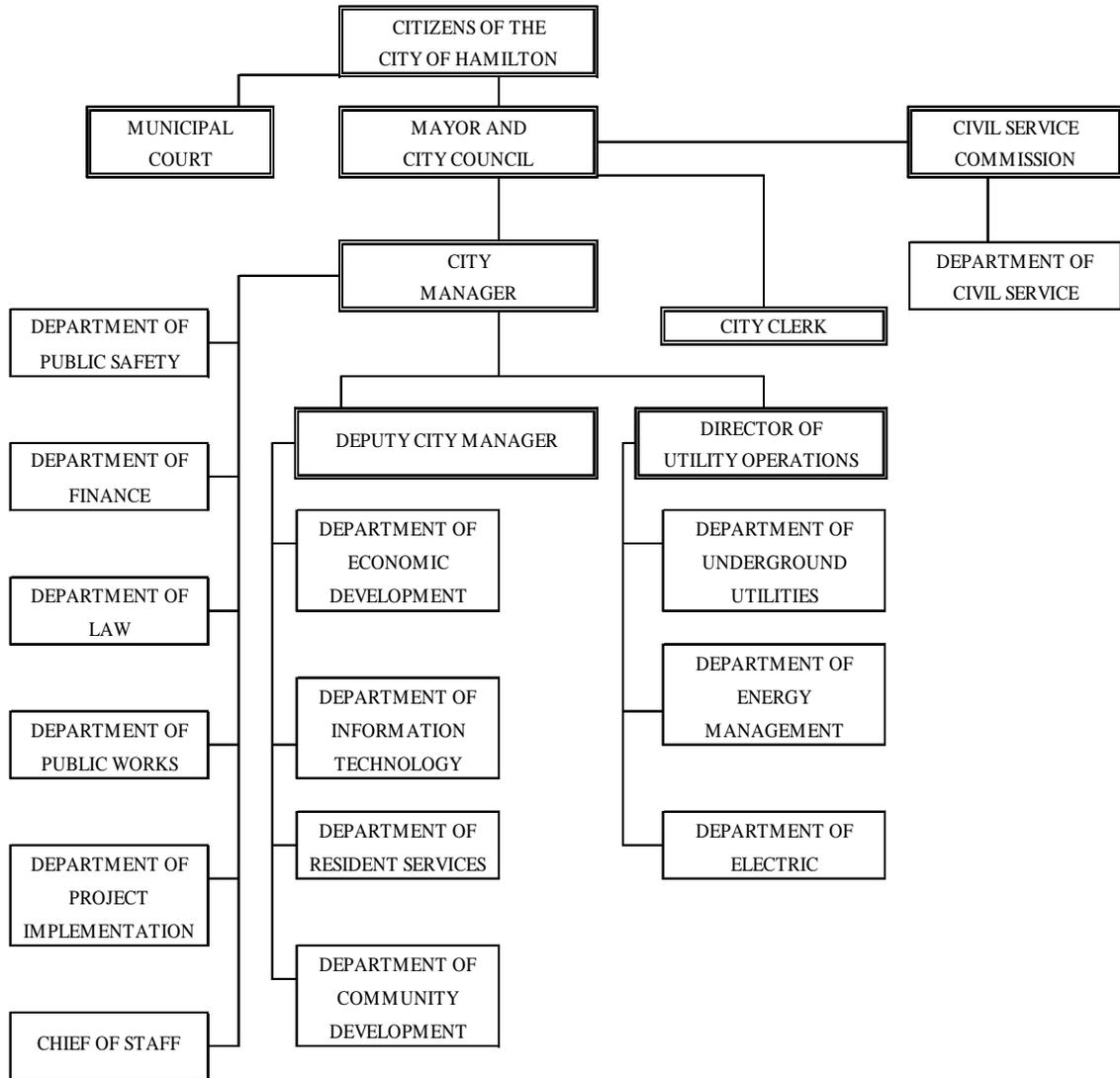
Joshua A. Smith
Timothy Werdmann
Thomas Vanderhorst
Nadine Hill
J. Scott Scrimizzi
Craig Bucheit
Steve Dawson
Kevin Maynard
Michael R. Perry
Richard Engle, P.E.
Adam Helms
Eugene "Bud" Scharf
Heather Lewis, Esq.
Jody Gunderson

TITLE

City Manager
Deputy City Manager
Director of Finance
Director of Civil Service and Personnel
Director of Public Safety
Police Chief
Fire Chief
Director of Utility Operations
Director of Project Implementation
Director of Public Works
Director of Resident Services
Director of Community Development
Director of Law – Millikin & Fitton
Director of Economic Development

CITY OF HAMILTON, OHIO

**City Organizational Chart
For the Year Ended December 31, 2015**



*Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting*



Government Finance Officers Association

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, 2014

Executive Director/CEO

FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hamilton, Ohio (the "City") as of and for the year ended December 31, 2015, 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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cincinnati, oh 45202

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f. 513.241.1212

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hamilton, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows and the budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Effect of Adopting New Accounting Standards

As discussed in Note 2 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such 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, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2016 on our consideration of the City of Hamilton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Hamilton's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 22, 2016



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, 2015. 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 2015 are as follows:

- ❑ In total, net position decreased \$3,683,218. Net position of governmental activities decreased \$680,110, which represents a 1% decrease from 2014. Net position of business-type activities decreased \$3,003,108, or 2% from 2014.
- ❑ General revenues accounted for \$38,570,125 in revenue or 22% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$134,063,568, or 78%, of total revenues of \$172,633,693.
- ❑ The City had \$61,978,371 in expenses related to governmental activities; \$23,092,348 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$38,252,640 were not adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$32,732,242 in revenues and \$27,838,020 in expenditures. The general fund's fund balance increased from \$11,757,651 to \$13,902,495.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplemental information*, 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. Required supplemental information is also presented, which provides additional data regarding the net pension liability.

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, 2015**

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 and costs of certain goods or services 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

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 \$200,408,148 (\$49,383,141 in governmental activities and \$151,025,007 in business type activities) as of December 31, 2015. By far, the largest portion of the City's net position (86.0%) 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 2015 compared to 2014.

	Governmental Activities		Business-type Activities		Total	
	Restated		Restated		2015	2014
	2015	2014	2015	2014		
Current and Other Assets	\$41,784,127	\$47,681,613	\$83,059,401	\$96,671,864	\$124,843,528	\$144,353,477
Capital assets, Net	97,110,511	94,170,400	315,008,825	313,099,900	412,119,336	407,270,300
Total Assets	<u>138,894,638</u>	<u>141,852,013</u>	<u>398,068,226</u>	<u>409,771,764</u>	<u>536,962,864</u>	<u>551,623,777</u>
Deferred Outflows of Resources	6,540,859	4,509,185	3,187,948	5,413,519	9,728,807	9,922,704
Net Pension Liability	47,736,833	45,228,937	14,145,798	13,829,194	61,882,631	59,058,131
Other Long-term Liabilities	38,337,998	39,118,801	121,273,788	223,174,196	159,611,786	262,292,997
Other Liabilities	3,885,123	5,598,935	114,563,014	24,153,778	118,448,137	29,752,713
Total Liabilities	<u>89,959,954</u>	<u>89,946,673</u>	<u>249,982,600</u>	<u>261,157,168</u>	<u>339,942,554</u>	<u>351,103,841</u>
Deferred Inflows of Resources	6,092,402	6,351,274	248,567	0	6,340,969	6,351,274
Net Position						
Net Investment in Capital Assets	69,286,773	68,592,556	103,130,278	107,423,550	172,417,051	176,016,106
Restricted	8,178,159	6,720,442	18,235,929	21,622,744	26,414,088	28,343,186
Unrestricted (Deficit)	<u>(28,081,791)</u>	<u>(25,249,747)</u>	<u>29,658,800</u>	<u>24,981,821</u>	<u>1,577,009</u>	<u>(267,926)</u>
Total Net Position	<u>\$49,383,141</u>	<u>\$50,063,251</u>	<u>\$151,025,007</u>	<u>\$154,028,115</u>	<u>\$200,408,148</u>	<u>\$204,091,366</u>

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 year, this represented \$26,414,088, or 13.2%, of net position. The remaining unrestricted \$1,577,009, or 0.8%, of net position may be used to meet the City's ongoing obligations to its citizens and creditors and for business-type activities.

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

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

CITY OF HAMILTON, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2015***

Unaudited

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014. The net pension liability reduced beginning of year net position by \$40,980,383 in governmental activities and \$12,097,425 in business-type activities.

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CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2015**

Unaudited

Change in Net Position – The following table shows the change in net position for 2015 compared with 2014:

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services and Sales	\$14,626,675	\$14,870,475	\$110,971,220	\$117,849,733	\$125,597,895	\$132,720,208
Operating Grants and Contributions	5,584,899	5,925,099	0	0	5,584,899	5,925,099
Capital Grants and Contributions	2,880,774	1,973,789	0	713,516	2,880,774	2,687,305
Total Program Revenues	23,092,348	22,769,363	110,971,220	118,563,249	134,063,568	141,332,612
General Revenues:						
Property Taxes	5,875,301	5,628,788	0	0	5,875,301	5,628,788
Income Taxes	24,852,412	23,354,264	0	0	24,852,412	23,354,264
Other Local Taxes	3,083,986	3,080,808	0	0	3,083,986	3,080,808
Intergovernmental, Unrestricted	2,691,164	2,674,829	0	0	2,691,164	2,674,829
Investment Earnings	114,686	253,825	317,485	1,053,605	432,171	1,307,430
Miscellaneous	1,635,091	1,021,094	0	0	1,635,091	1,021,094
Total General Revenues	38,252,640	36,013,608	317,485	1,053,605	38,570,125	37,067,213
Total Revenues	61,344,988	58,782,971	111,288,705	119,616,854	172,633,693	178,399,825
Program Expenses						
General Government	11,972,665	5,495,659	0	0	11,972,665	5,495,659
Security of Persons and Property	29,109,984	27,645,337	0	0	29,109,984	27,645,337
Leisure Time Activities	2,788,945	2,828,054	0	0	2,788,945	2,828,054
Community Environment	3,213,932	4,341,261	0	0	3,213,932	4,341,261
Basic Utility Services	6,779,008	6,088,052	0	0	6,779,008	6,088,052
Transportation	5,496,120	5,878,181	0	0	5,496,120	5,878,181
Public Health and Welfare Services	1,542,573	1,206,052	0	0	1,542,573	1,206,052
Interest and Fiscal Charges	1,075,144	992,213	0	0	1,075,144	992,213
Gas Utility	0	0	22,071,290	31,175,555	22,071,290	31,175,555
Electric Utility	0	0	65,637,974	64,245,951	65,637,974	64,245,951
Water Utility	0	0	14,563,899	13,741,329	14,563,899	13,741,329
Wastewater Utility	0	0	12,065,377	11,602,824	12,065,377	11,602,824
Total Expenses	61,978,371	54,474,809	114,338,540	120,765,659	176,316,911	175,240,468
Change in Net Position Before Transfers	(633,383)	4,308,162	(3,049,835)	(1,148,805)	(3,683,218)	3,159,357
Transfers	(46,727)	0	46,727	0	0	0
Total Change in Net Position	(680,110)	4,308,162	(3,003,108)	(1,148,805)	(3,683,218)	3,159,357
Beginning Net Position - Restated	50,063,251	NA	154,028,115	NA	204,091,366	NA
Ending Net Position - Restated	\$49,383,141	\$50,063,251	\$151,025,007	\$154,028,115	\$200,408,148	\$204,091,366

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$4,248,554 for Governmental Activities and \$1,731,769 for Business-type Activities computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$4,768,287 for Governmental Activities and \$1,542,005 for Business-type Activities.

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2015**

Unaudited

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-type Activities
Total 2015 program expenses under GASB 68	\$61,978,371	\$114,338,540
Pension expense under GASB 68	(4,768,287)	(1,542,005)
2015 contractually required contribution	4,162,579	1,641,389
Adjusted 2015 program expenses	61,372,663	114,437,924
Total 2014 program expenses under GASB 27	54,474,809	120,765,659
Change in program expenses not related to pension	\$6,897,854	(\$6,327,735)

Governmental Activities

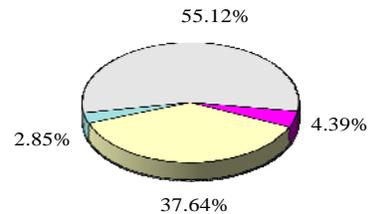
Net position of the City's governmental activities decreased \$680,110. This represents a 1% change from 2014. Capital grants and contributions included Ohio Department of Natural Resources grants for completion of Phase II of the Great Miami River Recreational Trail. An increase in income tax receipts can be attributed to overall improvements in economic conditions as well as new business development in the City.

An increase in general government can be attributed to contributions to the Consortium for Ongoing Reinvestment Efforts (CORE) Fund and the disposal of capital assets below the new capitalization level. A decrease in Land Reutilization and HOME Program rehabilitation costs resulted in the decrease in community environment expense. This decrease in rehabilitation costs was the result of a decrease in grant funding. In 2015 the City increased property demolitions in an effort to decrease the number of blighted properties. In addition, the City hired 3 new sanitarians to support efforts to clean up the City. These both contributed to an increase in public health and welfare expense.

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 41% and 10%, respectively, of revenues for governmental activities in 2015. The City's reliance upon tax revenues is demonstrated by the following graph indicating 55% of total revenues from general tax revenues:

Revenue Sources	2015	Percent of Total
General Tax Revenues	\$33,811,699	55.12%
Intergovernmental, Unrestricted	2,691,164	4.39%
Program Revenues	23,092,348	37.64%
General Other	1,749,777	2.85%
Total Revenue	\$61,344,988	100.00%



CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2015**

Unaudited

Business-Type Activities

Net position of the business-type activities decreased \$3,003,108. This represents a 2% change from the previous year. Certificates of deposit with a five year term matured in 2014, resulting in an increase in investment earnings in the prior year and a subsequent decrease in 2015.

A decrease in charges for services can be attributed to a decrease in Gas Utility charges to customers. Mild temperatures contributed to lower demand, resulting in decreases in Gas Utility revenues as well as expenses for the purchase of gas.

The Electric Utility reported a decrease in the purchase of gas, which can be attributed to the closure of a gas powered plant. This plant closure also resulted in a decrease in salary and benefit expense. These decreases were offset by increases in expenses due to the disposal of capital assets below the new capitalization level as well as interest expense related to bond and note refunding.

Water and Wastewater Utility revenues and expenses were consistent with the prior year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$24,560,256, which is a decrease from last year's balance of \$29,465,156. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2015 and 2014:

	Fund Balance December 31, 2015	Fund Balance December 31, 2014	Increase (Decrease)
General	\$13,902,495	\$11,757,651	\$2,144,844
Infrastructure Program	843,659	3,080,601	(2,236,942)
Other Governmental	9,814,102	14,626,904	(4,812,802)
Total	\$24,560,256	\$29,465,156	(\$4,904,900)

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:

	2015 Revenues	2014 Revenues	Increase (Decrease)
Income Taxes	\$19,033,055	\$17,660,591	\$1,372,464
Property and Other Local Taxes	5,201,527	5,317,466	(115,939)
Intergovernmental Revenues	2,213,885	2,242,701	(28,816)
Charges for Services	4,764,929	4,840,873	(75,944)
Licenses and Permits	640,657	668,382	(27,725)
Investment Earnings	96,541	166,528	(69,987)
Fines and Forfeitures	666,392	689,562	(23,170)
All Other Revenue	115,256	427,190	(311,934)
Total	\$32,732,242	\$32,013,293	\$718,949

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2015**

Unaudited

General Fund revenues in 2015 increased \$718,949, or approximately 2%, when compared with the previous year. An increase in income tax receipts can be attributed to overall improvements in economic conditions as well as new business development in the City.

	2015 Expenditures	2014 Expenditures	Increase (Decrease)
General Government	\$5,166,612	\$4,552,351	\$614,261
Security of Persons and Property	19,215,719	20,307,218	(1,091,499)
Leisure Time Activities	1,341,379	1,338,373	3,006
Community Environment	516,981	543,304	(26,323)
Basic Utility Services	230,396	251,830	(21,434)
Public Health and Welfare Services	1,366,933	1,056,668	310,265
Total	\$27,838,020	\$28,049,744	(\$211,724)

Overall, General Fund expenditures decreased \$211,724, or less than 1% from the prior year. An increase in general government can be attributed to contributions to the Consortium for Ongoing Reinvestment Efforts (CORE) Fund. An increase in reimbursements to the General Fund from several public safety funds resulted in a decrease in security of persons and property. In 2015 the City increased property demolitions in an effort to decrease the number of blighted properties. In addition, the City hired 3 new sanitarians to support efforts to clean up the City. These both contributed to an increase in public health and welfare services.

Infrastructure Program Fund – The City's Infrastructure Program Fund reported a substantial decrease in fund balance in 2015, which was due to outlays for various infrastructure projects.

Other Governmental Funds – The City's Other Governmental Funds reported a decrease in fund balance of \$4,812,802, or 33%. Revenues were consistent with the prior year. A decrease in Land Reutilization and HOME Program rehabilitation costs resulted in a decrease in community environment expenditures. An increase in reimbursements to the General Fund from several public safety Other Governmental Funds resulted in an increase in security of persons and property.

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 2015 the City amended its General Fund budget several times.

For the General Fund, original budgeted revenues, final budgeted revenues, and actual budget basis receipts were not materially different. Final budgeted expenditures were 12% more than original estimates due to budget amendments for contributions to the Consortium for Ongoing Reinvestment Efforts (CORE) Fund and transfers out to other funds. Final budgeted expenditures exceeded actual budget basis expenditures by \$1,346,811.

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2015**

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2015, the City had \$412,119,336 invested in land, construction in progress, buildings, improvements, infrastructure, and machinery and equipment, net of accumulated depreciation. Of this total, \$97,110,511 was related to governmental activities and \$315,008,825 to the business-type activities. The following tables show 2015 and 2014 balances:

	Governmental Activities		Increase (Decrease)
	2015	2014	
Land	\$20,309,897	\$23,230,166	(\$2,920,269)
Construction In Progress	24,301,580	18,400,232	5,901,348
Buildings and Improvements	41,538,494	41,556,000	(17,506)
Machinery and Equipment	26,104,987	29,425,257	(3,320,270)
Infrastructure	150,526,771	148,395,663	2,131,108
Less: Accumulated Depreciation	<u>(165,671,218)</u>	<u>(166,836,918)</u>	<u>1,165,700</u>
Totals	<u>\$97,110,511</u>	<u>\$94,170,400</u>	<u>\$2,940,111</u>

The City increased the capitalization threshold from \$2,500 to \$10,000 in 2015. The decrease in land was directly impacted by this change. The increase in construction in progress consisted of street resurfacing, the East High street gateway project, and the South Hamilton crossing project.

A decrease in buildings and improvements was due to the capitalization threshold change and was also offset by the completion of three splash parks. Machinery and equipment was also decreased by the capitalization threshold change. The increase in infrastructure was a direct result of the completion of Phase II of the Great Miami River Recreational Trail which included a paved trail, pedestrian bridge, and retaining walls.

	Business-Type Activities		Increase (Decrease)
	2015	2014	
Land	\$7,789,074	\$8,005,883	(\$216,809)
Construction in Progress	49,319,109	44,702,495	4,616,614
Intangible Capital Assets	1,070,786	1,070,786	0
Buildings and Improvements	104,494,588	104,990,740	(496,152)
Machinery and Equipment	624,607,947	614,539,392	10,068,555
Less: Accumulated Depreciation	<u>(472,272,679)</u>	<u>(460,209,396)</u>	<u>(12,063,283)</u>
Totals	<u>\$315,008,825</u>	<u>\$313,099,900</u>	<u>\$1,908,925</u>

A decrease in land and buildings and improvements was due to the capitalization threshold change. The increase in construction in progress was a direct result of the East High street gateway project and Phase II of the water reclamation improvements project.

CITY OF HAMILTON, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2015**

Unaudited

The increase in machinery and equipment consisted of the completion of the CNG station, GIS upgrades and the implementation of a new utility billing system.

Additional information on the City's capital assets can be found in Note 10.

Debt

At December 31, 2015, the City had \$20.8 million in General Obligation bonds outstanding, \$2.4 million due within one year. The following table summarizes the City's debt outstanding as of December 31, 2015 and 2014:

	2015	Restated 2014
Governmental Activities:		
General Obligation Bonds	\$20,762,700	\$23,258,690
Special Assessment Bonds	770,000	920,000
Loans Payable	10,115,037	9,500,000
Net Pension Liability	47,736,833	45,228,937
Worker's Compensation Retrospective Liability	1,611,800	0
Compensated Absences	5,078,461	5,440,111
Total Governmental Activities	<u>86,074,831</u>	<u>84,347,738</u>
Business-Type Activities:		
Mortgage Revenue Bonds	116,034,701	220,196,223
OWDA Loan	339,322	366,201
Net Pension Liability	14,145,798	13,829,194
Claims Payable	2,400,000	0
Compensated Absences	2,499,765	2,611,772
Total Business-Type Activities	<u>135,419,586</u>	<u>237,003,390</u>
Totals	<u>\$221,494,417</u>	<u>\$321,351,128</u>

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, 2015, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 15.

ECONOMIC FACTORS

The City's Budget and Financial Policies Resolution R2012-6-25 requires the maintenance of a minimum General Fund Balance (reserve) of 10-16% of budgeted expenditures. Per this resolution, if the General Fund reserve rises above 16% of General Fund revenues at the fiscal year-end, the amount over 16% will be swept into an Economic Budget Stabilization Fund, which can be expended only through special action by City Council. The 2015 unencumbered General Fund cash was \$6,505,857 (non-GAAP) after \$1,777,955 was transferred into the Economic Budget Stabilization Fund in March 2015. \$1.6 million of this balance was used as a forgivable loan for an economic development endeavor during 2015 which is expected to produce an estimated \$1 million in additional payroll tax revenue.

CITY OF HAMILTON, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2015

Unaudited

Income tax receipts were up 8.3% over 2014 stabilizing the ending General Fund balance. In 2015, the City was successful in curbing the General Fund expenditures at 96.8% of the adopted budget. The City reduced its overall full-time equivalent employees (FTE) by 13.75 (all funds) from 2014 to 2015. The City ended 2015 with 600.25 FTE's, the lowest number of FTE's in recent history.

General Fund revenue is estimated to be \$42.9 million and General Fund expenditures are expected to be \$42.9 million for 2016, resulting in a structurally balanced budget for the first time in recent history. The adopted budget included a \$316,023 transfer to the Economic Budget Stabilization Fund. The \$42.9 million of budgeted revenue is an approximate 5.7% increase from 2015. The majority of this increase can be attributed to an 8.4% budgeted increase for income taxes. In 2015, the City experienced a 27th pay date on December 31st. This phenomenon occurs once every 11 years and cost the General Fund approximately \$1.1 million in personnel costs. Factoring out the 2015 27th pay, 2016 budgeted General Fund personnel and benefit cost remain about the same. In 2015, the City budgeted \$31.9 million for personnel and benefit costs; and in 2016, the City has budgeted \$30.8 million.

Many positive economic development efforts have come to fruition, including Colorado-based StarTek, Inc's call center which opened in downtown Hamilton in July 2015. Barclaycard, a division of the United Kingdom-based Barclays Bank, announced in August 2015 that their new customer contact center will be located in Hamilton, Ohio. Once fully operational in the coming years, Barclaycard will be able to employ up to 1,500 employees, which amounts to an estimated \$50 million in gross payroll.

The City must continue to control or reduce expenditures while maintaining attractive service levels which will 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, 2015**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$ 21,213,704	\$ 48,985,890	\$ 70,199,594
Receivables:			
Taxes	13,258,557	0	13,258,557
Accounts	1,232,123	12,223,672	13,455,795
Due From Other Governments	2,641,343	0	2,641,343
Interest	4,721	23,010	27,731
Loans	2,609,138	0	2,609,138
Internal Balance	(275,300)	275,300	0
Inventory of Supplies at Cost	108,080	2,297,659	2,405,739
Prepaid Items	278,095	1,017,941	1,296,036
Restricted Assets:			
Cash and Investments	0	18,235,929	18,235,929
Cash with Fiscal Agent	713,666	0	713,666
Non-Depreciable Capital Assets	44,611,477	57,108,183	101,719,660
Depreciable Capital Assets, Net	52,499,034	257,900,642	310,399,676
Total Assets	138,894,638	398,068,226	536,962,864
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	223,999	791,624	1,015,623
Pension:			
OPERS	1,606,742	2,396,324	4,003,066
OP&F	4,710,118	0	4,710,118
Total Deferred Outflows of Resources	6,540,859	3,187,948	9,728,807
Liabilities:			
Accounts Payable	1,931,183	6,308,793	8,239,976
Accrued Wages and Benefits	411,979	446,315	858,294
Intergovernmental Payable	314,213	175,123	489,336
Claims Payable	457,991	0	457,991
Accrued Liabilities	598,093	767	598,860
Customer Deposits	6,155	2,404,673	2,410,828
Accrued Interest Payable	165,509	1,532,343	1,697,852
General Obligation Notes Payable	0	103,695,000	103,695,000
Long-Term Liabilities:			
Due Within One Year	5,296,466	5,252,111	10,548,577
Due in More Than One Year:			
Net Pension Liability	47,736,833	14,145,798	61,882,631
Other Amounts Due in More Than One Year	33,041,532	116,021,677	149,063,209
Total Liabilities	89,959,954	249,982,600	339,942,554
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	5,926,284	0	5,926,284
Pension:			
OPERS	166,118	248,567	414,685
Total Deferred Inflows of Resources	6,092,402	248,567	6,340,969

(Continued)

CITY OF HAMILTON, OHIO

Statement of Net Position
December 31, 2015

	Governmental Activities	Business-Type Activities	Total
Net Position:			
Net Investment in Capital Assets	69,286,773	103,130,278	172,417,051
Restricted For:			
Debt Service	0	8,735,929	8,735,929
Capital Projects	2,894,897	0	2,894,897
Community Environment	623,944	0	623,944
General Government	936,615	0	936,615
Public Health and Welfare Services	204,534	0	204,534
Security of Persons and Property	2,257,921	0	2,257,921
Streets	1,185,248	0	1,185,248
Nonexpendable Endowments	75,000	0	75,000
Rate Stabilization	0	9,500,000	9,500,000
Unrestricted (Deficit)	(28,081,791)	29,658,800	1,577,009
Total Net Position	\$ 49,383,141	\$ 151,025,007	\$ 200,408,148

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Activities
For the Year Ended December 31, 2015**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 11,972,665	\$ 3,183,357	\$ 0	\$ 860,739
Security of Persons and Property	29,109,984	3,055,722	50,384	29,554
Leisure Time Activities	2,788,945	1,209,724	0	0
Community Environment	3,213,932	456,883	2,632,367	0
Basic Utility Services	6,779,008	5,839,079	0	0
Transportation	5,496,120	659,797	2,170,441	1,990,481
Public Health and Welfare Services	1,542,573	222,113	679,898	0
Interest and Fiscal Charges	1,075,144	0	51,809	0
Total Governmental Activities	61,978,371	14,626,675	5,584,899	2,880,774
Business-Type Activities:				
Gas Utility	22,071,290	21,979,425	0	0
Electric Utility	65,637,974	64,619,906	0	0
Water Utility	14,563,899	12,550,024	0	0
Wastewater Utility	12,065,377	11,821,865	0	0
Total Business-Type Activities	114,338,540	110,971,220	0	0
Totals	\$ 176,316,911	\$ 125,597,895	\$ 5,584,899	\$ 2,880,774

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

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (7,928,569)	\$ 0	\$ (7,928,569)
(25,974,324)	0	(25,974,324)
(1,579,221)	0	(1,579,221)
(124,682)	0	(124,682)
(939,929)	0	(939,929)
(675,401)	0	(675,401)
(640,562)	0	(640,562)
(1,023,335)	0	(1,023,335)
<u>(38,886,023)</u>	<u>0</u>	<u>(38,886,023)</u>
0	(91,865)	(91,865)
0	(1,018,068)	(1,018,068)
0	(2,013,875)	(2,013,875)
0	(243,512)	(243,512)
<u>0</u>	<u>(3,367,320)</u>	<u>(3,367,320)</u>
<u>\$ (38,886,023)</u>	<u>\$ (3,367,320)</u>	<u>\$ (42,253,343)</u>
2,082,378	0	2,082,378
2,307,166	0	2,307,166
1,485,757	0	1,485,757
24,852,412	0	24,852,412
3,083,986	0	3,083,986
2,691,164	0	2,691,164
114,686	317,485	432,171
1,635,091	0	1,635,091
(46,727)	46,727	0
<u>38,205,913</u>	<u>364,212</u>	<u>38,570,125</u>
(680,110)	(3,003,108)	(3,683,218)
<u>50,063,251</u>	<u>154,028,115</u>	<u>204,091,366</u>
<u>\$ 49,383,141</u>	<u>\$ 151,025,007</u>	<u>\$ 200,408,148</u>

CITY OF HAMILTON, OHIO

**Balance Sheet
Governmental Funds
December 31, 2015**

	General	Infrastructure Program	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 10,526,928	\$ 951,885	\$ 9,360,337	\$ 20,839,150
Receivables:				
Taxes	7,173,205	0	6,085,352	13,258,557
Accounts	280,653	0	951,470	1,232,123
Intergovernmental	744,056	0	1,897,287	2,641,343
Interest	3,507	0	1,214	4,721
Loans	2,300,000	0	309,138	2,609,138
Due from Other Funds	82	0	0	82
Inventory of Supplies, at Cost	50,055	0	39,154	89,209
Prepaid Items	223,065	0	55,030	278,095
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	713,666	0	0	713,666
Total Assets	\$ 22,015,217	\$ 951,885	\$ 18,698,982	\$ 41,666,084
Liabilities:				
Accounts Payable	\$ 668,766	\$ 108,226	\$ 1,076,640	\$ 1,853,632
Accrued Wages and Benefits Payable	364,730	0	39,004	403,734
Intergovernmental Payable	274,767	0	32,756	307,523
Claims Payable	519,151	0	0	519,151
Accrued Liabilities	463,522	0	134,571	598,093
Customer Deposits	0	0	6,155	6,155
Due to Other Funds	0	0	82	82
Interfund Payable	0	0	275,300	275,300
Total Liabilities	2,290,936	108,226	1,564,508	3,963,670
Deferred Inflows of Resources:				
Unavailable Amounts	3,704,245	0	3,511,629	7,215,874
Property Tax Levy for Next Fiscal Year	2,117,541	0	3,808,743	5,926,284
Total Deferred Inflows of Resources	5,821,786	0	7,320,372	13,142,158
Fund Balance:				
Nonspendable	273,120	0	169,184	442,304
Restricted	0	0	5,294,588	5,294,588
Committed	0	0	4,386,446	4,386,446
Assigned	2,027,119	843,659	0	2,870,778
Unassigned	11,602,256	0	(36,116)	11,566,140
Total Fund Balance	13,902,495	843,659	9,814,102	24,560,256
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 22,015,217	\$ 951,885	\$ 18,698,982	\$ 41,666,084

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, 2015***

Total Governmental Fund Balances \$ 24,560,256

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

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 97,044,711

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 7,215,874

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	6,223,398	
Deferred Inflows - Pension	(156,217)	
Net Pension Liability	<u>(47,175,247)</u>	(41,108,066)

Internal service funds are used by management to charge back costs of services to individual funds. The assets, liabilities, and deferred outflows/inflows of the Fleet Maintenance Fund are included in governmental activities in the statement of net position. (217,185)

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	(19,720,000)	
Special Assessment Bonds Payable	(770,000)	
Bond Premium	(1,042,700)	
Loans	(10,115,037)	
Deferred Loss on Refunding	223,999	
Worker's Compensation Liability	(1,550,640)	
Compensated Absences Payable	(4,972,562)	
Accrued Interest Payable	<u>(165,509)</u>	<u>(38,112,449)</u>

Net Position of Governmental Activities \$ 49,383,141

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, 2015**

	General	Infrastructure Program	Other Governmental Funds	Total Governmental Funds
Revenues:				
Income Taxes	\$ 19,033,055	\$ 0	\$ 5,637,894	\$ 24,670,949
Property and Other Local Taxes	5,201,527	0	3,765,208	8,966,735
Intergovernmental Revenues	2,213,885	2,584,787	5,555,685	10,354,357
Charges for Services	4,764,929	0	7,445,227	12,210,156
Licenses and Permits	640,657	0	378,174	1,018,831
Investment Earnings	96,541	2,088	16,057	114,686
Special Assessments	0	0	457,761	457,761
Fines and Forfeitures	666,392	0	277,783	944,175
All Other Revenue	115,256	960,559	559,276	1,635,091
Total Revenues	<u>32,732,242</u>	<u>3,547,434</u>	<u>24,093,065</u>	<u>60,372,741</u>
Expenditures:				
Current:				
General Government	5,166,612	0	36,995	5,203,607
Security of Persons and Property	19,215,719	0	7,332,992	26,548,711
Leisure Time Activities	1,341,379	0	1,085,688	2,427,067
Community Environment	516,981	0	2,487,144	3,004,125
Basic Utility Services	230,396	0	6,123,721	6,354,117
Transportation	0	0	3,161,989	3,161,989
Public Health and Welfare Services	1,366,933	0	88,705	1,455,638
Capital Outlay	0	9,869,876	4,434,553	14,304,429
Debt Service:				
Principal Retirement	0	0	2,559,963	2,559,963
Interest and Fiscal Charges	0	0	1,217,255	1,217,255
Total Expenditures	<u>27,838,020</u>	<u>9,869,876</u>	<u>28,529,005</u>	<u>66,236,901</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,894,222	(6,322,442)	(4,435,940)	(5,864,160)
Other Financing Sources (Uses):				
Sale of Capital Assets	10,000	39,139	16,582	65,721
Loan Issuance	0	0	700,000	700,000
Transfers In	714,452	4,261,833	5,749,595	10,725,880
Transfers Out	(3,470,881)	(215,472)	(6,836,622)	(10,522,975)
Total Other Financing Sources (Uses)	<u>(2,746,429)</u>	<u>4,085,500</u>	<u>(370,445)</u>	<u>968,626</u>
Net Change in Fund Balance	2,147,793	(2,236,942)	(4,806,385)	(4,895,534)
Fund Balance at Beginning of Year	11,757,651	3,080,601	14,626,904	29,465,156
Decrease in Inventory	(2,949)	0	(6,417)	(9,366)
Fund Balance End of Year	<u>\$ 13,902,495</u>	<u>\$ 843,659</u>	<u>\$ 9,814,102</u>	<u>\$ 24,560,256</u>

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, 2015***

Net Change in Fund Balances - Total Governmental Funds \$ (4,895,534)

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	10,515,381	
Depreciation Expense	<u>(3,269,481)</u>	7,245,900

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. (4,337,218)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 972,247

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 4,099,188

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (4,708,734)

The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net position.

Loan Issuance (700,000)

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

General Obligation Bond Principal Payment	2,325,000	
Special Assessment Bond Principal Payment	150,000	
Loan Principal Payment	84,963	
Amortization of Deferred Loss on Refunding	(36,632)	
Amortization of Bond Premium	<u>170,990</u>	2,694,321

(Continued)

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, 2015***

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 7,753

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	310,088	
Worker's Compensation Liability	(1,550,640)	
Change in Inventory	<u>(9,366)</u>	(1,249,918)

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 is allocated among the governmental activities. 191,885

Change in Net Position of Governmental Activities \$ (680,110)

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, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 17,179,000	\$ 18,134,000	\$ 18,961,502	\$ 827,502
Property and Other Local Taxes	5,293,000	5,343,000	5,197,975	(145,025)
Intergovernmental Revenues	2,013,500	2,129,591	2,128,642	(949)
Charges for Services	14,013,443	14,611,893	14,624,409	12,516
Licenses and Permits	553,445	662,320	640,657	(21,663)
Investment Earnings	100,000	100,000	101,189	1,189
Fines and Forfeitures	621,800	621,800	648,980	27,180
All Other Revenue	83,005	159,412	136,334	(23,078)
Total Revenues	<u>39,857,193</u>	<u>41,762,016</u>	<u>42,439,688</u>	<u>677,672</u>
Expenditures:				
Current:				
Security of Persons and Property	27,797,854	27,583,336	26,815,853	767,483
Public Health and Welfare Services	1,605,729	1,562,019	1,511,935	50,084
Leisure Time Activities	1,225,900	1,372,565	1,385,275	(12,710)
Community Environment	1,107,519	1,193,369	1,156,487	36,882
Basic Utility Services	1,372,675	1,404,307	1,360,942	43,365
General Government	8,419,355	10,561,292	10,099,585	461,707
Total Expenditures	<u>41,529,032</u>	<u>43,676,888</u>	<u>42,330,077</u>	<u>1,346,811</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,671,839)	(1,914,872)	109,611	2,024,483
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	10,000	10,000
Transfers In	225,000	1,389,450	1,314,452	(74,998)
Transfers Out	(890,000)	(3,812,955)	(3,979,321)	(166,366)
Advances In	0	200,000	0	(200,000)
Advances Out	0	(225,000)	0	225,000
Total Other Financing Sources (Uses):	<u>(665,000)</u>	<u>(2,448,505)</u>	<u>(2,654,869)</u>	<u>(206,364)</u>
Net Change in Fund Balance	(2,336,839)	(4,363,377)	(2,545,258)	1,818,119
Fund Balance at Beginning of Year	8,340,183	8,340,183	8,340,183	0
Prior Year Encumbrances	710,930	710,930	710,930	0
Fund Balance at End of Year	<u>\$ 6,714,274</u>	<u>\$ 4,687,736</u>	<u>\$ 6,505,855</u>	<u>\$ 1,818,119</u>

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
Assets:			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 3,495,490	\$ 14,947,922	\$ 10,538,463
Restricted Cash and Investments	3,088,403	7,451,473	1,522,197
Receivables:			
Accounts	2,578,965	6,471,998	1,750,373
Interest	1,620	7,229	4,889
Interfund Receivable	0	275,300	0
Inventory of Supplies at Cost	145,439	1,895,630	255,959
Prepaid Items	135,306	632,928	139,847
Total Current Assets	9,445,223	31,682,480	14,211,728
Noncurrent Assets:			
Non Depreciable Capital Assets	1,861,477	19,890,428	6,943,275
Depreciable Capital Assets, Net	33,940,664	101,709,238	89,607,020
Total Noncurrent Assets	35,802,141	121,599,666	96,550,295
Total Assets	45,247,364	153,282,146	110,762,023
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	0	0	512,998
Pension:			
OPERS	205,257	1,159,937	325,926
Total Deferred Outflows of Resources	205,257	1,159,937	838,924
Liabilities:			
Current Liabilities:			
Accounts Payable	1,558,956	3,308,410	334,157
Accrued Wages and Benefits	74,084	158,685	84,448
Intergovernmental Payable	14,771	84,471	23,197
Accrued Liabilities - Current	0	767	0
Customer Deposits Payable	750,746	1,215,494	194,839
Compensated Absences Payable - Current	151,230	461,803	199,716
Accrued Interest Payable	39,126	536,598	300,454
General Obligation Notes Payable	0	103,695,000	0
Revenue Bonds Payable - Current	250,000	830,000	660,000
OWDA Loans Payable - Current	0	0	0
Total Current Liabilities	2,838,913	110,291,228	1,796,811

(Continued)

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2015**

	<u>Wastewater</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets:			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 19,996,132	\$ 48,978,007	\$ 382,437
Restricted Cash and Investments	6,173,856	18,235,929	0
Receivables:			
Accounts	1,422,336	12,223,672	0
Interest	9,272	23,010	0
Interfund Receivable	0	275,300	0
Inventory of Supplies at Cost	631	2,297,659	18,871
Prepaid Items	109,860	1,017,941	0
Total Current Assets	<u>27,712,087</u>	<u>83,051,518</u>	<u>401,308</u>
Noncurrent Assets:			
Non Depreciable Capital Assets	28,413,003	57,108,183	0
Depreciable Capital Assets, Net	32,643,720	257,900,642	65,800
Total Noncurrent Assets	<u>61,056,723</u>	<u>315,008,825</u>	<u>65,800</u>
Total Assets	<u>88,768,810</u>	<u>398,060,343</u>	<u>467,108</u>
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	278,626	791,624	0
Pension:			
OPERS	261,816	1,952,936	536,850
Total Deferred Outflows of Resources	<u>540,442</u>	<u>2,744,560</u>	<u>536,850</u>
Liabilities:			
Current Liabilities:			
Accounts Payable	843,620	6,045,143	341,201
Accrued Wages and Benefits	79,846	397,063	57,497
Intergovernmental Payable	18,808	141,247	40,566
Accrued Liabilities - Current	0	767	0
Customer Deposits Payable	243,594	2,404,673	0
Compensated Absences Payable - Current	186,864	999,613	243,879
Accrued Interest Payable	656,165	1,532,343	0
General Obligation Notes Payable	0	103,695,000	0
Revenue Bonds Payable - Current	2,300,000	4,040,000	0
OWDA Loans Payable - Current	18,655	18,655	0
Total Current Liabilities	<u>4,347,552</u>	<u>119,274,504</u>	<u>683,143</u>

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
Noncurrent Liabilities:			
Revenue Bonds Payable	4,217,672	30,094,820	28,157,338
OWDA Loans Payable	0	0	0
Compensated Absences Payable	184,930	429,286	255,487
Claims Payable	0	0	0
Net Pension Liability	1,224,067	6,858,924	2,016,384
Total Noncurrent Liabilities	<u>5,626,669</u>	<u>37,383,030</u>	<u>30,429,209</u>
Total Liabilities	<u>8,465,582</u>	<u>147,674,258</u>	<u>32,226,020</u>
Deferred Inflows of Resources:			
Pension:			
OPERS	21,550	120,562	35,739
Total Deferred Inflows of Resources	<u>21,550</u>	<u>120,562</u>	<u>35,739</u>
Net Position:			
Net Investment in Capital Assets	31,334,469	(12,334,919)	68,245,955
Restricted for Debt Service	588,403	3,451,473	522,197
Restricted for Rate Stabilization	2,500,000	4,000,000	1,000,000
Unrestricted	2,542,617	11,530,709	9,571,036
Total Net Position	<u>\$ 36,965,489</u>	<u>\$ 6,647,263</u>	<u>\$ 79,339,188</u>

CITY OF HAMILTON, OHIO

**Statement of Net Position
Proprietary Funds
December 31, 2015**

	Wastewater	Total	Governmental Activities - Internal Service Funds
Noncurrent Liabilities:			
Revenue Bonds Payable	49,524,871	111,994,701	0
OWDA Loans Payable	320,667	320,667	0
Compensated Absences Payable	221,671	1,091,374	270,798
Claims Payable	2,400,000	2,400,000	0
Net Pension Liability	1,594,487	11,693,862	3,013,522
Total Noncurrent Liabilities	54,061,696	127,500,604	3,284,320
Total Liabilities	58,409,248	246,775,108	3,967,463
Deferred Inflows of Resources:			
Pension:			
OPERS	28,181	206,032	52,436
Total Deferred Inflows of Resources	28,181	206,032	52,436
Net Position:			
Net Investment in Capital Assets	15,884,773	103,130,278	65,800
Restricted for Debt Service	4,173,856	8,735,929	0
Restricted for Rate Stabilization	2,000,000	9,500,000	0
Unrestricted	8,813,194	32,457,556	(3,081,741)
Total Net Position	\$ 30,871,823	\$ 153,823,763	\$ (3,015,941)
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.		(2,798,756)	
Net Position of Business-type Activities		\$ 151,025,007	

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, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
Operating Revenues:			
Charges for Services	\$ 21,973,468	\$ 64,506,266	\$ 12,397,188
Other Operating Revenues	5,957	113,640	152,836
Total Operating Revenues	<u>21,979,425</u>	<u>64,619,906</u>	<u>12,550,024</u>
Operating Expenses:			
Personal Services	1,725,152	7,840,312	2,717,627
Contractual Services	1,159,406	7,254,677	3,480,717
Materials and Supplies	287,086	756,952	1,165,165
Purchase of Gas and Electric	13,658,085	27,473,903	0
Depreciation	2,241,237	8,622,343	3,160,788
Other Operating Expenses	2,617,181	3,260,409	2,000,708
Total Operating Expenses	<u>21,688,147</u>	<u>55,208,596</u>	<u>12,525,005</u>
Operating Income	291,278	9,411,310	25,019
Non-Operating Revenue (Expenses):			
Interest Income	34,002	102,851	52,405
Interest and Fiscal Charges	(249,167)	(9,879,374)	(1,341,950)
Loss on Disposal of Capital Assets	(133,976)	(584,858)	(696,944)
Total Non-Operating Revenues (Expenses)	<u>(349,141)</u>	<u>(10,361,381)</u>	<u>(1,986,489)</u>
Income (Loss) Before Transfers	(57,863)	(950,071)	(1,961,470)
Transfers:			
Transfers In	6,906	16,082	14,074
Transfers Out	0	0	0
Total Transfers	<u>6,906</u>	<u>16,082</u>	<u>14,074</u>
Change in Net Position	(50,957)	(933,989)	(1,947,396)
Net Position Beginning of Year - Restated	37,016,446	7,581,252	81,286,584
Net Position End of Year	<u>\$ 36,965,489</u>	<u>\$ 6,647,263</u>	<u>\$ 79,339,188</u>

Change in Net Position - Total Enterprise Funds

CITY OF HAMILTON, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2015**

	Wastewater	Total	Governmental Activities - Internal Service Funds
Operating Revenues:			
Charges for Services	\$ 11,739,226	\$ 110,616,148	\$ 8,612,244
Other Operating Revenues	82,639	355,072	20,301
Total Operating Revenues	11,821,865	110,971,220	8,632,545
Operating Expenses:			
Personal Services	2,211,957	14,495,048	4,533,348
Contractual Services	2,404,776	14,299,576	2,464,801
Materials and Supplies	344,873	2,554,076	1,047,696
Purchase of Gas and Electric	0	41,131,988	0
Depreciation	2,652,857	16,677,225	8,338
Other Operating Expenses	1,855,182	9,733,480	100,207
Total Operating Expenses	9,469,645	98,891,393	8,154,390
Operating Income	2,352,220	12,079,827	478,155
Non-Operating Revenue (Expenses):			
Interest Income	128,227	317,485	164
Interest and Fiscal Charges	(2,421,995)	(13,892,486)	0
Loss on Disposal of Capital Assets	(173,737)	(1,589,515)	(1,948)
Total Non-Operating Revenues (Expenses)	(2,467,505)	(15,164,516)	(1,784)
Income (Loss) Before Transfers	(115,285)	(3,084,689)	476,371
Transfers:			
Transfers In	9,665	46,727	0
Transfers Out	0	0	(249,632)
Total Transfers	9,665	46,727	(249,632)
Change in Net Position	(105,620)	(3,037,962)	226,739
Net Position Beginning of Year - Restated	30,977,443	156,861,725	(3,242,680)
Net Position End of Year	\$ 30,871,823	\$ 153,823,763	\$ (3,015,941)
Change in Net Position - Total Enterprise Funds		\$ (3,037,962)	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.		34,854	
Change in Net Position - Business-type Activities		\$ (3,003,108)	

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$23,554,847	\$65,075,852	\$13,200,374
Cash Payments for Goods and Services	(18,241,660)	(36,802,879)	(6,690,926)
Cash Payments to Employees	(1,762,348)	(9,903,033)	(2,718,857)
Net Cash Provided by Operating Activities	<u>3,550,839</u>	<u>18,369,940</u>	<u>3,790,591</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	6,906	16,082	14,074
Advances In from Other Funds	0	180,150	200,000
Transfers Out to Other Funds	0	0	0
Net Cash Provided (Used) by Noncapital Financing Activities	<u>6,906</u>	<u>196,232</u>	<u>214,074</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from the Sale of Notes	0	103,695,000	0
Note Retirement	0	(4,000,000)	(6,690,000)
Revenue Bond Proceeds	0	0	11,700,000
Revenue Bond Premium	0	0	873,961
Revenue Bond Principal Retirement	(1,420,000)	(108,114,054)	(6,355,000)
OWDA Loan Principal Retirement	0	0	0
Interest and Fiscal Charges	(250,375)	(6,587,206)	(1,302,632)
Acquisition and Construction of Assets	(1,472,440)	(7,144,706)	(886,112)
Net Cash Used by Capital and Related Financing Activities	<u>(3,142,815)</u>	<u>(22,150,966)</u>	<u>(2,659,783)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	36,342	110,529	60,542
Net Cash Provided by Investing Activities	<u>36,342</u>	<u>110,529</u>	<u>60,542</u>
Net Increase (Decrease) in Cash and Cash Equivalents	451,272	(3,474,265)	1,405,424
Cash and Cash Equivalents at Beginning of Year	<u>6,132,621</u>	<u>25,873,660</u>	<u>10,655,236</u>
Cash and Cash Equivalents at End of Year	<u>\$6,583,893</u>	<u>\$22,399,395</u>	<u>\$12,060,660</u>
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Statement of Net Position:</u>			
Cash and Cash Equivalents	\$3,495,490	\$14,947,922	\$10,538,463
Restricted Cash and Cash Equivalents	<u>3,088,403</u>	<u>7,451,473</u>	<u>1,522,197</u>
Cash and Cash Equivalents at End of Year	<u>\$6,583,893</u>	<u>\$22,399,395</u>	<u>\$12,060,660</u>

CITY OF HAMILTON, OHIO

***Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015***

	<u>Wastewater</u>	<u>Totals</u>	<u>Governmental- Activities Internal Service Funds</u>
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$12,024,467	\$113,855,540	\$8,632,545
Cash Payments for Goods and Services	(4,523,908)	(66,259,373)	(3,466,324)
Cash Payments to Employees	(2,246,740)	(16,630,978)	(4,788,278)
Net Cash Provided by Operating Activities	<u>5,253,819</u>	<u>30,965,189</u>	<u>377,943</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	9,665	46,727	0
Advances In from Other Funds	0	380,150	0
Transfers Out to Other Funds	0	0	(249,632)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>9,665</u>	<u>426,877</u>	<u>(249,632)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from the Sale of Notes	0	103,695,000	0
Note Retirement	0	(10,690,000)	0
Revenue Bond Proceeds	0	11,700,000	0
Revenue Bond Premium	0	873,961	0
Revenue Bond Principal Retirement	(2,200,000)	(118,089,054)	0
OWDA Loan Principal Retirement	(26,879)	(26,879)	0
Interest and Fiscal Charges	(2,423,064)	(10,563,277)	0
Acquisition and Construction of Assets	(9,501,009)	(19,004,267)	(41,715)
Net Cash Used by Capital and Related Financing Activities	<u>(14,150,952)</u>	<u>(42,104,516)</u>	<u>(41,715)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	134,403	341,816	164
Net Cash Provided by Investing Activities	<u>134,403</u>	<u>341,816</u>	<u>164</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(8,753,065)	(10,370,634)	86,760
Cash and Cash Equivalents at Beginning of Year	<u>34,923,053</u>	<u>77,584,570</u>	<u>295,677</u>
Cash and Cash Equivalents at End of Year	<u>\$26,169,988</u>	<u>\$67,213,936</u>	<u>\$382,437</u>
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Statement of Net Position:</u>			
Cash and Cash Equivalents	\$19,996,132	\$48,978,007	\$382,437
Restricted Cash and Cash Equivalents	6,173,856	18,235,929	0
Cash and Cash Equivalents at End of Year	<u>\$26,169,988</u>	<u>\$67,213,936</u>	<u>\$382,437</u>

(Continued)

CITY OF HAMILTON, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business Type Activities		
	Enterprise Funds		
	Gas	Electric	Water
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income	\$291,278	\$9,411,310	\$25,019
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	2,241,237	8,622,343	3,160,788
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Decrease in Accounts Receivable	1,575,422	455,788	650,350
(Increase) Decrease in Inventory	20,400	(15,818)	(34,105)
Increase in Prepays	(4,457)	(8,710)	(3,321)
Increase in Deferred Outflows of Resources	(55,116)	(319,978)	(76,933)
Increase (Decrease) in Accounts Payable	(566,804)	269,533	(14,022)
Decrease in Accrued Wages and Benefits	(25,081)	(228,999)	(48,723)
Increase in Customer Deposits Payable	35,225	87,912	7,720
Increase in Accrued Liabilities	0	158	0
Decrease in Intergovernmental Payable	(4,990)	(28,848)	(5,803)
Increase (Decrease) in Compensated Absences	(2,926)	(146,667)	65,851
Increase in Net Pension Liability	25,101	151,354	28,031
Increase in Deferred Inflows of Resources	21,550	120,562	35,739
Total Adjustments	<u>3,259,561</u>	<u>8,958,630</u>	<u>3,765,572</u>
Net Cash Provided by Operating Activities	<u>\$3,550,839</u>	<u>\$18,369,940</u>	<u>\$3,790,591</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2015 the Gas, Electric, Water and Wastewater Funds had outstanding liabilities of \$31,450, \$638,500, \$126,345, and \$3,093,052, respectively for the purchase of certain capital assets.

See accompanying notes to the basic financial statements

CITY OF HAMILTON, OHIO

***Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015***

	Wastewater	Totals	Governmental- Activities Internal Service Funds
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income	\$2,352,220	\$12,079,827	\$478,155
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	2,652,857	16,677,225	8,338
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Decrease in Accounts Receivable	202,602	2,884,162	0
(Increase) Decrease in Inventory	1,280	(28,243)	2,535
Increase in Prepays	(2,424)	(18,912)	0
Increase in Deferred Outflows of Resources	(65,480)	(517,507)	(171,530)
Increase (Decrease) in Accounts Payable	56,590	(254,703)	144,429
Decrease in Accrued Wages and Benefits	(36,529)	(339,332)	(120,717)
Increase in Customer Deposits Payable	26,101	156,958	0
Increase in Accrued Liabilities	0	158	0
Decrease in Intergovernmental Payable	(2,709)	(42,350)	(17,607)
Increase (Decrease) in Compensated Absences	14,501	(69,241)	(94,328)
Increase in Net Pension Liability	26,629	231,115	96,232
Increase in Deferred Inflows of Resources	28,181	206,032	52,436
Total Adjustments	2,901,599	18,885,362	(100,212)
Net Cash Provided by Operating Activities	\$5,253,819	\$30,965,189	\$377,943

CITY OF HAMILTON, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2015***

	<u>Agency Funds</u>
Assets:	
Equity in Pooled Cash and Investments	\$ 1,952,437
Receivables:	
Taxes	<u>29,388</u>
Total Assets	<u>1,981,825</u>
Liabilities:	
Intergovernmental Payable	1,211,789
Due to Others	<u>770,036</u>
Total Liabilities	<u>\$ 1,981,825</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are presented as of December 31, 2015 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, 2015***

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 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 19 and Note 20 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, 2015***

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 19 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 are the City's major governmental funds:

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.

Infrastructure Program Fund - To account for the improvement of the City's infrastructure with proceeds from the issuance of gasoline tax revenue general obligation bonds, transfers from other funds, and grants.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

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 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 and costs of certain goods or services 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, 2015***

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. 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. These balances appear as internal balances on the statement of net position. Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide Statement of Net Position. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column. Interfund services provided and used are not eliminated in the process of consolidation.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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.

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 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, 2015***

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 services 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, 2015, are recorded as deferred inflows of resources. Property taxes, which are measurable at December 31, 2015 but are not intended to finance 2015 operations, and delinquent property taxes whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 6.

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, 2015***

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 2015.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

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 were 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 formal budgetary controls, 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, 2015***

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 statement to the budgetary cash basis statement for the General Fund:

	Net Change in Fund Balance
	General Fund
GAAP Basis (as reported)	\$2,147,793
Increase (Decrease):	
Accrued Revenues at December 31, 2015 received during 2016	(5,394,973)
Accrued Revenues at December 31, 2014 received during 2015	2,610,928
Accrued Expenditures at December 31, 2015 paid during 2016	2,290,936
Accrued Expenditures at December 31, 2014 paid during 2015	(3,262,761)
2014 Prepays for 2015	204,906
2015 Prepays for 2016	(223,065)
Outstanding Encumbrances	(1,055,439)
Perspective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	136,417
Budget Basis	<u><u>(\$2,545,258)</u></u>

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio) and short-term securities with original maturities of three months or less. STAR Ohio is considered a cash equivalent because it is a highly liquid investment. See Note 5, "Cash, Cash Equivalents and Investments."

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

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 5, "Cash, Cash Equivalents and Investments".

The City invested funds in the STAR Ohio during 2015. 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, 2015.

H. Inventory

Inventories are stated at moving average cost. The costs of governmental fund inventories are recorded as expenditures when purchased rather than when consumed. The costs of proprietary fund 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, 2015, 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000.

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, 2015***

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
General Obligation Loans	Debt Service Fund, Hamilton Capital Improvement 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. 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, 2015***

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, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The City had no such fund liability at year end. The long-term portion of the liability is reported in the Government-wide Statements under Long-term Liabilities.

M. Net Position

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on 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 cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

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, 2015***

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. During 2015, \$1,777,955 was swept into the Economic Budget Stabilization Fund, and is reported in unassigned fund balance.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

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 to debt service payments and rate stabilization. Restricted cash in the General Fund represents resources set aside for the payment of health insurance claims.

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 reports deferred outflows for the deferred charge on debt refunding and for deferred pension amounts. The deferred charge on debt refunding is reported in the government-wide statement of net position and proprietary funds 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. Deferred outflows of resources are reported for pension amounts on the government-wide and proprietary funds statement of net position. See Note 11.

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.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Deferred Outflows/Inflows of Resources (Continued)

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. Deferred inflows of resources related to pension are reported on the government-wide and proprietary funds statement of net position. See Note 11.

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

In 2015 the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68.” GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure.

The implementation of GASB 68 had the following effect on net position as reported December 31, 2014:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Gas Fund</u>	<u>Electric Fund</u>
Net Position December 31, 2014	\$91,043,634	\$166,125,540	\$38,065,271	\$13,448,863
Adjustments:				
Net Pension Liability	(45,228,937)	(13,829,194)	(1,198,966)	(6,707,570)
Deferred Outflows -				
Payments Subsequent to Measurement Date	<u>4,248,554</u>	<u>1,731,769</u>	<u>150,141</u>	<u>839,959</u>
Restated Net Position December 31, 2014	<u>\$50,063,251</u>	<u>\$154,028,115</u>	<u>\$37,016,446</u>	<u>\$7,581,252</u>
	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Central Services Fund</u>
Net Position December 31, 2014	\$83,025,944	\$32,348,965	\$72,793	(\$763,503)
Adjustments:				
Net Pension Liability	(1,988,353)	(1,567,858)	(550,843)	(2,366,447)
Deferred Outflows -				
Payments Subsequent to Measurement Date	<u>248,993</u>	<u>196,336</u>	<u>68,980</u>	<u>296,340</u>
Restated Net Position December 31, 2014	<u>\$81,286,584</u>	<u>\$30,977,443</u>	<u>(\$409,070)</u>	<u>(\$2,833,610)</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 3 – 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	Infrastructure Program Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Supplies Inventory	\$50,055	\$0	\$39,154	\$89,209
Prepaid Items	223,065	0	55,030	278,095
Permanent Fund Corpus	0	0	75,000	75,000
Total Nonspendable	<u>273,120</u>	<u>0</u>	<u>169,184</u>	<u>442,304</u>
Restricted:				
Public Health and Safety	0	0	799,399	799,399
County Court Computer Improvements	0	0	179,700	179,700
Dispute Resolution	0	0	16,222	16,222
Law Enforcement	0	0	512,027	512,027
Street Maintenance	0	0	635,385	635,385
Community Development and Improvement	0	0	418,554	418,554
Capital Improvements	0	0	2,733,301	2,733,301
Total Restricted	<u>0</u>	<u>0</u>	<u>5,294,588</u>	<u>5,294,588</u>
Committed:				
Stormwater Operations	0	0	2,090,532	2,090,532
Refuse Operations	0	0	2,033,379	2,033,379
Parking Operations	0	0	163,018	163,018
Golf Course Operations	0	0	99,517	99,517
Total Committed	<u>0</u>	<u>0</u>	<u>4,386,446</u>	<u>4,386,446</u>
Assigned:				
Capital Improvements	0	843,659	0	843,659
Encumbrances:				
Services and Supplies	476,479	0	0	476,479
Worker's Compensation	1,550,640	0	0	1,550,640
Total Assigned	<u>2,027,119</u>	<u>843,659</u>	<u>0</u>	<u>2,870,778</u>
Unassigned (Deficits):	<u>11,602,256</u>	<u>0</u>	<u>(36,116)</u>	<u>11,566,140</u>
Total Fund Balances	<u>\$13,902,495</u>	<u>\$843,659</u>	<u>\$9,814,102</u>	<u>\$24,560,256</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 4 - COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Equities – The following funds had deficit fund balance/net position amounts at December 31, 2015:

<u>Fund</u>	<u>Fund Balance/ Net Position Deficit</u>
<i>Nonmajor Governmental Funds</i>	
Capital Projects Fund:	
Clean Ohio Grants Program	\$36,116
 <i>Internal Service Funds</i>	
Fleet Maintenance	\$217,185
Central Services	2,798,756

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 in the Fleet Maintenance Fund and Central Services Fund have occurred 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 expense is made.

NOTE 5 - 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, 2015***

NOTE 5 - 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, 2015**

NOTE 5 - 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, 2015, \$51,704,809 of the City's bank balance of \$52,464,809 was exposed to custodial credit risk since it was uninsured and collateralized with securities held by the pledging institutions trust department not in the City's name.

B. Investments

The City's investments at December 31, 2015 are summarized below:

	Fair Value	Credit Rating	Concentration of Credit Risk	Investment Maturities (in Years)		
				less than 1	1-3	3-5
Money Market Mutual Fund	\$2,939,514	AA+ ¹	7.57%	\$2,939,514	\$0	\$0
Commercial Paper	5,796,414	A-1+ ¹	14.93%	5,796,414	0	0
STAR Ohio	20,092,067	AAAm ¹	51.75%	20,092,067	0	0
FHLMC	9,997,320	AA+ ¹	25.75%	0	0	9,997,320
Total Investments	<u>\$38,825,315</u>		<u>100.00%</u>	<u>\$28,827,995</u>	<u>\$0</u>	<u>\$9,997,320</u>

¹ Standard & Poor's

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, 2015***

NOTE 5 - 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. Benninghofen Trust

The Benninghofen Trust Fund reports the endowment bequeathed to the City from the estate of Christian Benninghofen. 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 6 - 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 2015 were levied after October 1, 2014 on assessed values as of January 1, 2014, 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 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, 2015 was \$6.81 per \$1,000 of assessed value. The assessed value upon which the 2015 receipts were based was \$752,562,040. This amount constitutes \$747,624,230 in real property assessed value and \$4,937,810 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, 2015**

NOTE 6 - 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 7 – RECEIVABLES

Receivables at December 31, 2015 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, 2015, 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, 2015 as follows:

Accounts Receivable					Total
As of December 31, 2015	Gas	Electric	Water	Wastewater	Business-Type Activities
Earned and unbilled consumer accounts	\$1,548,461	\$3,910,280	\$1,235,376	\$548,733	\$7,242,850
Earned and billed consumer accounts	3,591,407	6,958,737	1,185,672	1,961,700	13,697,516
Other	0	21,451	42,169	53,206	116,826
Less allowance for uncollectible accounts	<u>(2,560,903)</u>	<u>(4,418,470)</u>	<u>(712,844)</u>	<u>(1,141,303)</u>	<u>(8,833,520)</u>
Accounts Receivable	<u>2,578,965</u>	<u>6,471,998</u>	<u>1,750,373</u>	<u>1,422,336</u>	<u>12,223,672</u>
Accrued Interest Receivable	1,620	7,229	4,889	9,272	23,010
Total Receivables :	<u>\$2,580,585</u>	<u>\$6,479,227</u>	<u>\$1,755,262</u>	<u>\$1,431,608</u>	<u>\$12,246,682</u>

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2015:

Fund	Transfer In	Transfer Out
Governmental Funds:		
General Fund	\$714,452	\$3,470,881
Infrastructure Program Fund	4,261,833	215,472
Other Governmental Funds	5,749,595	6,836,622
Total Governmental Funds	<u>10,725,880</u>	<u>10,522,975</u>
Proprietary Funds:		
Enterprise Funds:		
Gas Fund	6,906	0
Electric Fund	16,082	0
Water Fund	14,074	0
Wastewater Fund	9,665	0
Total Enterprise Funds	<u>46,727</u>	<u>0</u>
Internal Service Fund	0	249,632
Totals	<u>\$10,772,607</u>	<u>\$10,772,607</u>

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 2015 the General Fund, Capital Improvement Fund, and Municipal Improvement Tax Increment Equivalent Fund transferred \$776,366, \$2.85 million, and \$635,467, respectively, to the Infrastructure Improvement Fund for various infrastructure improvement projects. In addition, the Fleet Maintenance Internal Service Fund transferred a total of \$249,632 to the General Fund and Enterprise Funds, which was the return of overpayments for service.

NOTE 9 – INTERFUND TRANSACTIONS

The composition of inter-fund balances as of December 31, 2015, is as follows:

	Interfund Receivable	Interfund Payable	Due from Other Funds	Due to Other Funds
General Fund	\$0	\$0	\$82	\$0
Other Governmental Funds	0	275,300	0	82
Electric Fund	275,300	0	0	0
	<u>\$275,300</u>	<u>\$275,300</u>	<u>\$82</u>	<u>\$82</u>

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.

The Golf Course Fund issued notes that were purchased by the Electric Fund for \$475,750 for the purchase of golf equipment. At year end these notes had an outstanding balance of \$190,300. The Special Assessment Fund issued notes that were purchased by the Electric Fund for \$425,000 for street improvement projects. At year end these notes had an outstanding balance of \$85,000. An internal balance 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, 2015**

NOTE 10 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2015:

Historical Cost:

Class	December 31, 2014	Additions	Deletions	December 31, 2015
<i>Capital assets not being depreciated:</i>				
Land	\$23,230,166	\$548,792	(\$3,469,061)	\$20,309,897
Construction in Progress	18,400,232	8,063,535	(2,162,187)	24,301,580
Sub-Total	41,630,398	8,612,327	(5,631,248)	44,611,477
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	41,556,000	734,777	(752,283)	41,538,494
Machinery and Equipment	29,425,257	1,358,825	(4,679,095)	26,104,987
Infrastructure	148,395,663	2,131,108	0	150,526,771
Total Cost	<u>\$261,007,318</u>	<u>\$12,837,037</u>	<u>(\$11,062,626)</u>	<u>\$262,781,729</u>

Accumulated Depreciation:

Class	December 31, 2014	Additions	Deletions	December 31, 2015
Buildings and Improvements	(\$15,715,784)	(\$783,674)	\$525,658	(\$15,973,800)
Machinery and Equipment	(22,108,430)	(947,351)	3,917,861	(19,137,920)
Infrastructure	(129,012,704)	(1,546,794)	0	(130,559,498)
Total Depreciation	<u>(\$166,836,918)</u>	<u>(\$3,277,819) *</u>	<u>\$4,443,519</u>	<u>(\$165,671,218)</u>
<i>Net Value:</i>	<u>\$94,170,400</u>			<u>\$97,110,511</u>

*Depreciation expenses were charged to governmental functions as follows:

General Government	\$523,927
Security of Persons and Property	438,912
Leisure Time Activities	287,080
Transportation	2,027,900
Total Depreciation Expense	<u>\$3,277,819</u>

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 10 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by category at December 31, 2015:

Historical Cost:

Class	December 31, 2014	Additions	Deletions	December 31, 2015
<i>Capital assets not being depreciated:</i>				
Land	\$8,005,883	\$280,280	(\$497,089)	\$7,789,074
Construction in Progress	44,702,495	17,132,869	(12,516,255)	49,319,109
Sub-Total	52,708,378	17,413,149	(13,013,344)	57,108,183
<i>Capital assets being depreciated:</i>				
Intangible Capital Assets	1,070,786	0	0	1,070,786
Buildings and Improvements	104,990,740	25,338	(521,490)	104,494,588
Machinery and Equipment	614,539,392	15,253,433	(5,184,878)	624,607,947
Total Cost	\$773,309,296	\$32,691,920	(\$18,719,712)	\$787,281,504

Accumulated Depreciation:

Class	December 31, 2014	Additions	Deletions	December 31, 2015
Intangible Capital Assets	(\$149,912)	(\$21,416)	\$0	(\$171,328)
Buildings and Improvements	(62,433,538)	(1,801,969)	288,239	(63,947,268)
Machinery and Equipment	(397,625,946)	(14,853,840)	4,325,703	(408,154,083)
Total Depreciation	(\$460,209,396)	(\$16,677,225)	\$4,613,942	(\$472,272,679)
<i>Net Value:</i>	\$313,099,900			\$315,008,825

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

	<u>State and Local</u>
2015 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2015 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	<u>2.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$2,743,604 for 2015. Of this amount, \$52,303 is reported as an intergovernmental payable.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2015 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
2015 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$3,060,364 for 2015. Of this amount, \$53,986 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$23,604,447	\$38,278,184	\$61,882,631
Proportion of the Net Pension Liability	0.195707%	0.738902%	
Pension Expense	\$2,577,483	\$3,732,809	\$6,310,292

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$1,259,462	\$1,649,754	\$2,909,216
City contributions subsequent to the measurement date	<u>2,743,604</u>	<u>3,060,364</u>	<u>5,803,968</u>
Total Deferred Outflows of Resources	<u>\$4,003,066</u>	<u>\$4,710,118</u>	<u>\$8,713,184</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	<u>\$414,685</u>	<u>\$0</u>	<u>\$414,685</u>

\$5,803,968 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Year Ending December 31:			
2016	\$123,530	\$412,438	\$535,968
2017	123,530	412,438	535,968
2018	282,853	412,439	695,292
2019	<u>314,864</u>	<u>412,439</u>	<u>727,303</u>
Total	<u>\$844,777</u>	<u>\$1,649,754</u>	<u>\$2,494,531</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	<u>100.00 %</u>	<u>5.28 %</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

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

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City’s proportionate share of the net pension liability	\$43,425,426	\$23,604,447	\$6,910,414

Actuarial Assumptions – OPF

OPF’s total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2014 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

* levered 2x

OPF’s Board of Trustees has incorporated the “risk parity” concept into OPF’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$52,944,519	\$38,278,184	\$25,860,257

NOTE 12 - 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 coverage, deposits to a Health Reimbursement Arrangement, 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 20 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. Please see the Plan Statement in the OPERS 2014 CAFR for details.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

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

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/financial/reports.shtml#CAFR>, 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 2015, 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.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee’s Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2015. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5%.

The City's contributions for health care to the OPERS for the years ending December 31, 2015, 2014, and 2013 were \$492,314, \$521,247 and \$263,086, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

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. That report is also available on OP&F’s website at www.op-f.org.

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.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. 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, 2015, 2014, and 2013 were \$35,534, \$37,165 and \$268,742 for police and \$35,115, \$36,009 and \$267,396 for firefighters, respectively, which were equal to the required contributions for each year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

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 2015, annual OPEB cost was \$90,038. The City contributed 88.6%, or \$79,737, resulting in a total net OPEB obligation of \$33,164. The total unfunded actuarial accrued liability at year end was \$1,331,638.

For fiscal year 2014, annual OPEB cost was \$58,262. The City contributed 87.5%, or \$50,976, resulting in a total net OPEB obligation of \$22,863. The total unfunded actuarial accrued liability at year end was \$1,252,088.

For fiscal year 2013, annual OPEB cost was \$57,959. The City contributed 87.1%, or \$50,466, resulting in a total net OPEB obligation of \$15,577. The total unfunded actuarial accrued liability at year end was \$820,160.

The actuarial valuation date was December 31, 2015 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.

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*Notes to the Basic Financial Statements
For the Year Ended December 31, 2015*

NOTE 13 – 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 2015, annual pension cost was \$196,940. The City contributed 63.8%, or \$125,682, resulting in a total net pension obligation of \$192,169. The total unfunded actuarial accrued liability at year end was \$893,876.

For fiscal year 2014, annual pension cost was \$186,297. The City contributed 77.8%, or \$144,906, resulting in a total net pension obligation of \$120,911. The total unfunded actuarial accrued liability at year end was \$993,056.

For fiscal year 2013, annual pension cost was \$200,110. The City contributed 78.7%, or \$157,443, resulting in a total net pension obligation of \$79,520. The total unfunded actuarial accrued liability at year end was \$1,058,451.

The actuarial valuation date was December 31, 2015 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 5 years.

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CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 14 - 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.

	December 31, 2014	Issued	(Retired)	December 31, 2015
Business Type Activities :				
Enterprise Notes Payable:				
0.51% Water System Improvement	\$6,690,000	\$0	(\$6,690,000)	\$0
0.51% Electric System Improvement	4,000,000	0	(4,000,000)	0
0.43% Electric System Improvement	0	103,695,000	0	103,695,000
Total Notes Payable	\$10,690,000	\$103,695,000	(\$10,690,000)	\$103,695,000

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CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 15 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2015 were as follows:

Issue Date	Interest Rate	Description	Maturity Date	Restated Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015	Due Within One Year
Governmental activities:								
Bonds payable:								
General Obligation Bonds:								
2003	3.5% - 3.75%	Road Improvement	2016	\$ 625,000	\$0	\$ (305,000)	\$ 320,000	\$ 320,000
2009	2.5% - 4.50%	Various Purpose 2009 G O Bonds	2028	4,785,000	0	(520,000)	4,265,000	530,000
2011	2% - 5.00%	Various Purpose Refunding	2026	14,500,000	0	(1,355,000)	13,145,000	1,385,000
2011	2% - 5.00%	Various Purpose	2026	2,135,000	0	(145,000)	1,990,000	145,000
Total General Obligation Bonds				22,045,000	0	(2,325,000)	19,720,000	2,380,000
Special Assessment Bonds:								
2005	4.00%	Main Street Area Streetscape	2015	5,000	0	(5,000)	0	0
2003	5.25%	Shaffer's Creek Sanitary Sewer	2023	100,000	0	(10,000)	90,000	10,000
1998	5.00%	Various Purpose Series 1998	2018	275,000	0	(65,000)	210,000	65,000
2000	5.74-5.8%	Various Purpose Series 2000	2020	135,000	0	(20,000)	115,000	20,000
2001	6.00%	Various Purpose Series 2001	2021	405,000	0	(50,000)	355,000	50,000
Total Special Assessment Bonds (with Governmental Commitment)				920,000	0	(150,000)	770,000	145,000
Less Unamortized Amounts:								
For Issuance Discounts/Premiums				1,213,690	0	(170,990)	1,042,700	0
Total Bonds Payable				24,178,690	0	(2,645,990)	21,532,700	2,525,000
Loans Payable (General Obligation):								
2013	Variable	Various Purpose	2035	9,500,000	0	(84,963)	9,415,037	336,221
2015	2.00%	Hamilton Community Foundation	2017	0	700,000	0	700,000	346,535
Total Loans Payable				9,500,000	700,000	(84,963)	10,115,037	682,756
Net Pension Liability:								
Ohio Public Employees Retirement System				9,242,111	216,538	0	9,458,649	0
Ohio Police and Fire Pension Fund				35,986,826	2,291,358	0	38,278,184	0
Total Net Pension Liability				45,228,937	2,507,896	0	47,736,833	0
Worker's Compensation Retrospective Liability				0	1,611,800	0	1,611,800	61,160
Compensated absences				5,440,111	1,700,385	(2,062,035)	5,078,461	2,027,550
Governmental Activities Long-term liabilities				<u>\$84,347,738</u>	<u>\$6,520,081</u>	<u>(\$4,792,988)</u>	<u>\$86,074,831</u>	<u>\$5,296,466</u>

The principal amount of the City's special assessment bonds outstanding was \$770,000. 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.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 15 - 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 \$115,380,000 at December 31, 2015.

Issue Date	Interest Rate	Description	Maturity Date	Restated Balance December 31, 2014	Additions	Reductions	Balance December 31, 2015	Due Within One Year
Business-type activities:								
Mortgage Revenue Bonds:								
2003	4.75%	Gas Refunding	2015	\$1,420,000	\$0	(\$1,420,000)	\$0	\$0
2009	2.75% - 5.00%	Gas series A	2029	4,500,000	0	0	4,500,000	250,000
2005	4.1% - 4.7%	Electric series	2025	106,130,000	0	(106,130,000)	0	0
2009	2.5% - 5.00%	Electric series A	2030	17,410,000	0	(815,000)	16,595,000	830,000
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	5,950,000	0	(5,950,000)	0	0
2009	2.5% - 4.63%	Water series A	2029	7,840,000	0	(405,000)	7,435,000	415,000
2009	6.62%	Water series B	2039	8,915,000	0	0	8,915,000	0
2015	2.0% - 5.0%	Water Refunding	2044	0	11,700,000	0	11,700,000	245,000
2005	4.4% - 5.250%	Wastewater Refunding	2023	13,625,000	0	(1,355,000)	12,270,000	1,430,000
2009	2.5% - 3.38%	Wastewater series A	2017	850,000	0	(280,000)	570,000	280,000
2011	2.0% - 5.00%	Wastewater	2041	27,975,000	0	(565,000)	27,410,000	590,000
2009	6.11% - 6.62%	Wastewater series B	2039	11,465,000	0	0	11,465,000	0
Total Mortgage Revenue Bonds				220,600,000	11,700,000	(116,920,000)	115,380,000	4,040,000
Less Unamortized Amounts:								
For Issuance Discounts/Premiums				(403,777)	873,961	184,517	654,701	0
Total Bonds Payable				220,196,223	12,573,961	(116,735,483)	116,034,701	4,040,000
Ohio Water Development Authority Loan:								
3.25%	Sanitary Sewer Improvements		2030	366,201	0	(26,879)	339,322	18,655
Net Pension Liability:								
Ohio Public Employees Retirement System				13,829,194	316,604	0	14,145,798	0
Claims Payable				0	2,400,000	0	2,400,000	0
Compensated absences				2,611,772	1,104,451	(1,216,458)	2,499,765	1,193,456
Business-type activity Long-term liabilities				<u>\$237,003,390</u>	<u>\$16,395,016</u>	<u>(\$117,978,820)</u>	<u>\$135,419,586</u>	<u>\$5,252,111</u>

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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 15 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Loan Issuance

In September 2015 the City received a \$700,000 loan from the Hamilton Community Foundation for the purchase and improvement of property on Main Street and South C Street. The loan has an interest rate of 2% and matures in 2017.

B. Defeasance of 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 \$1,630,000 at December 31, 2015 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In September 2015 the City refunded \$98,140,000 of 2005 Electric Mortgage Revenue Bonds through the issuance of \$99,680,000 of Revenue Refunding Notes. The net proceeds of the 2015 Notes have been used to currently refund the 2005 Bonds. The City reduced its aggregate debt service payments over the life of the refunded bonds by \$24,732,929 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$20,193,914.

In September 2015 the City refunded \$5,220,000 of 2002 Water Mortgage Revenue Bonds through the issuance of \$4,995,000 of Water Refunding Bonds. The net proceeds of the 2015 Bonds have been used to currently refund the 2002 Bonds. The City increased its aggregate debt service payments over the life of the refunded bonds by \$572,220 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$62,828.

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CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 15 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

C. 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, 2015 follows:

GOVERNMENTAL ACTIVITIES									
Years	General Obligation Bonds			Special Assessment Bonds			Loans		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016	\$2,380,000	\$882,944	\$3,262,944	\$145,000	\$43,020	\$188,020	\$682,756	\$338,947	\$1,021,703
2017	2,180,000	793,844	2,973,844	155,000	35,153	190,153	702,558	319,143	1,021,701
2018	1,665,000	710,769	2,375,769	165,000	26,725	191,725	361,502	299,666	661,168
2019	1,600,000	635,994	2,235,994	95,000	17,750	112,750	374,352	286,816	661,168
2020	1,655,000	584,694	2,239,694	100,000	12,175	112,175	386,877	274,290	661,167
2021-2025	8,340,000	1,687,900	10,027,900	110,000	8,663	118,663	2,154,253	1,151,584	3,305,837
2026-2030	1,900,000	106,875	2,006,875	0	0	0	2,565,503	740,335	3,305,838
2031-2035	0	0	0	0	0	0	2,887,236	251,048	3,138,284
Totals	<u>\$19,720,000</u>	<u>\$5,403,020</u>	<u>\$25,123,020</u>	<u>\$770,000</u>	<u>\$143,486</u>	<u>\$913,486</u>	<u>\$10,115,037</u>	<u>\$3,661,829</u>	<u>\$13,776,866</u>

BUSINESS-TYPE ACTIVITIES						
Years	Revenue Bonds			OWDA Loan		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$4,040,000	\$5,774,550	\$9,814,550	\$18,655	\$10,878	\$29,533
2017	4,220,000	5,604,227	9,824,227	19,267	10,267	29,534
2018	4,455,000	5,443,465	9,898,465	19,898	9,635	29,533
2019	4,630,000	5,257,065	9,887,065	20,550	8,983	29,533
2020	4,800,000	5,064,792	9,864,792	21,223	8,309	29,532
2021-2025	21,390,000	22,221,523	43,611,523	117,013	30,652	147,665
2026-2030	20,580,000	17,866,320	38,446,320	122,716	10,184	132,900
2031-2035	22,600,000	12,273,444	34,873,444	0	0	0
2036-2040	24,550,000	4,797,006	29,347,006	0	0	0
2041-2044	4,115,000	322,675	4,437,675	0	0	0
Totals	<u>\$115,380,000</u>	<u>\$84,625,067</u>	<u>\$200,005,067</u>	<u>\$339,322</u>	<u>\$88,908</u>	<u>\$428,230</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 15 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

D. 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, 2015, there were four series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$16,943,684.

E. 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, 2015 the outstanding balance of the loan is \$339,322.

F. 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 2015 the Gas Fund reported \$2,566,517 of net pledged revenues for coverage of a principal and interest debt service requirement of \$1,670,375.

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 2015 the Electric Fund reported \$18,136,504 of net pledged revenues for coverage of a principal and interest debt service requirement of \$15,301,211.

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, 2039 and 2044. In 2015 the Water Fund reported \$3,238,212 of net pledged revenues for coverage of a principal and interest debt service requirement of \$2,316,840.

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 2015 the Wastewater Fund reported \$5,133,304 of net pledged revenues for coverage of a principal and interest debt service requirement of \$4,844,370.

CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 16 - 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	\$195,883,069	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	 \$400,000,000	 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)	\$2,500	Limit
Blanket Minimum for All Other employees	\$2,500	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, 2015**

NOTE 16 - 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	\$80,000,000	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 and Omissions	\$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	\$5,000,000	Limit
10 Year Term		
Umbrella	\$15,000,000	Limit
Does not apply separately over the underlying/primary coverages		

Third-party liability coverage is subject to a \$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, and Public Entity Management Liability. This will act as an aggregate stop loss maximum. Third party claims adjustment services are provided by Travelers Insurance as per the terms of the City of Hamilton’s contract with Travelers Insurance for SIR claims and Cunningham Lindsey U.S. Inc. for utility claims.

The City had no reduction in coverage in 2015. Settled claims did not exceed this commercial coverage in any of the past three years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 16 - INSURANCE AND RISK MANAGEMENT (Continued)

A. Self-Insurance

Medical coverage is offered to employees through a self-funded insurance plan. The plan is offered to local governments state-wide through the Jefferson Health Plan (JHP) in Steubenville, Ohio and administered by United Healthcare of Ohio.

The City participates in the plan and makes payment to the Risk Management Agency based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services). The claims liability of \$457,991 reported in the General Fund at December 31, 2015 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. This amount is non-discounted and is based upon historical claims experience. Changes in the claims liability in 2015 was as follows:

Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	End of Year Liability
2014	\$0	\$2,853,070	(\$2,599,310)	\$253,760
2015	253,760	2,843,001	(2,638,770)	457,991

B. BWC Retrospective Rating Program

The City is enrolled in the Ohio BWC's Individual Retrospective Rating program. 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 2015 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).

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 16 - INSURANCE AND RISK MANAGEMENT (Continued)

B. BWC Retrospective Rating Program (Continued)

The claims liability of \$1,611,800 reported in Governmental Activities at December 31, 2015 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. A portion (\$61,160) of the claims liability is reported in the General Fund as a current liability. Changes in the claims liability amount are as follows:

<u>Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2014	\$1,176,997	\$110,803	(\$879,149)	\$408,651
2015	408,651	1,594,664	(391,515)	1,611,800

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CITY OF HAMILTON, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2015**

NOTE 17 – SIGNIFICANT COMMITMENTS

A. Contractual Commitments

As of December 31, 2015, 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, 2015:

<u>Vendor</u>	<u>Contractual Commitment</u>
SJ Louis Construction Inc	\$4,632,248
Sunesis Construction Co	2,473,000
Miller Pipeline Corp	1,739,018
Dugan & Meyers Construction Co	924,225
R A Miller Construction	911,313
Prus Construction	903,027
Ford Development Co	779,059
Hamilton Community Foundation	500,000
Utter Construction, Inc	434,276
RLA Investments, Inc	360,114
Arcadis U S Inc	350,201
Minnotte Contracting Corp	262,590
Municipal Brew Works	250,000
Adleta	226,701
American Suncraft Co, Inc	217,943
Butler County Sheriff's Office	157,868
Boykin Construction	152,478
Asplundh Tree Expert Co	152,143
Premier Power Lines	151,605
MWH Americas	150,000
Municipal Energy Services	138,658
	<u>\$15,866,467</u>

B. Encumbrance Commitments

At December 31, 2015 the City had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$1,055,439
Infrastructure Program Fund	897,352
Other Governmental Funds	1,811,998
Total Governmental Funds	<u>\$3,764,789</u>

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2015*

NOTE 18 – CONTINGENCIES

A. Litigation

Various claims and lawsuits are pending against the City. Although the outcome for many of these lawsuits is not presently determinable, the City has accrued a claims payable of \$2,400,000 for claims which are considered “probable.” For any lawsuits that are not considered “probable” the City believes the likely outcome will not be material to the City’s basic financial statements.

B. Federal and State Grants

For the period January 1, 2015 to December 31, 2015, 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.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 19 – JOINT VENTURES

The City of Hamilton is a member of a number of Governmental Joint Ventures as described in GASB Statement No. 61. 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 second JEDD (JEDD II) 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. The interchange was upgraded and the State Route 4 By-Pass was widened to provide improved access to JEDD I and JEDD II. 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.

During 2015, the City's distribution of tax collections for JEDD I and JEDD II were \$135,097 and \$433,747, respectively, with a total JEDD distribution of \$568,844.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 19 – 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 2015 by the Electric Fund and recorded within the Purchase of Electric expense account to the OMEGA JV2:

Payments – OMEGA JV2	<u>\$1,890,680</u>
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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.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 20 – JOINTLY GOVERNED ORGANIZATIONS

The City of Hamilton is a member of a number of Jointly Governed Organizations as described in GASB Statement No. 61. 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 43229.

B. 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.

C. 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.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 20 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

D. 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.

E. 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.

F. 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. The OKI region includes Butler, Clermont, Hamilton, and Warren Counties in Ohio, Boone, Campbell and Kenton Counties in Kentucky, and Dearborn and Ohio Counties in Indiana.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 20 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

F. Ohio-Kentucky-Indiana Regional Council of Governments (Continued)

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 21 – ENTERPRISE INTERFUND REVENUES AND ADMINISTRATIVE CHARGES

The City's Utility Enterprise activities (Gas, Electric, Water and 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 2015, the Electric Fund purchased \$118,834 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 \$803,442 and \$598,404 respectively, during 2015. These amounts are recorded in the Water and Wastewater Funds as contractual services and as charges for services in the Electric Fund.

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 5,125,000 kilowatt-hours of electrical energy in 2015, and the estimated operating cost of supplying these free services was \$350,000 for the year ending December 31, 2015. 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 \$225,567 for the year ending December 31, 2015.

CITY OF HAMILTON, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2015***

NOTE 21 – ENTERPRISE INTERFUND REVENUES AND ADMINISTRATIVE CHARGES
(Continued)

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 to each Utility Fund by type of charge or activity for 2015.

	<u>Gas</u>	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>
Administrative cost (General Fund)	\$1,045,824	\$1,213,232	\$1,025,759	\$903,972
Central Services Fund	1,849,701	1,901,509	1,070,612	1,018,137
Fleet Maintenance Fund	201,927	201,927	201,926	0
Total	<u>\$3,097,452</u>	<u>\$3,316,668</u>	<u>\$2,298,297</u>	<u>\$1,922,109</u>

NOTE 22 – SUBSEQUENT EVENT

On April 12, 2016 the Meldahl hydroelectric plant commenced commercial operations. On May 11, 2016, the City received \$139,000,000 from American Municipal Power for the sale of approximately 34.1 MW of the 70.2 MW at the Greenup Hydroelectric Plant. \$103,995,822 of the sale proceeds were used to purchase State and Local Government Series securities which mature on June 13, 2016 and will be used to retire the Ohio Market Access Program Series 2015 Notes.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF HAMILTON, OHIO

***Schedule of City's Proportionate Share of the Net Pension Liability
Last Two Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>
City's proportion of the net pension liability	0.195707%	0.195707%
City's proportionate share of the net pension liability	\$23,071,305	\$23,604,447
City's covered-employee payroll	\$24,119,685	\$24,075,983
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	95.65%	98.04%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>
City's proportion of the net pension liability	0.738902%	0.738902%
City's proportionate share of the net pension liability	\$35,986,826	\$38,278,184
City's covered-employee payroll	\$14,795,978	\$14,571,091
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	243.22%	262.70%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2013 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability.

CITY OF HAMILTON, OHIO

***Schedule of City Contributions
Last Three Years***

Ohio Public Employees Retirement System

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$3,135,559	\$2,889,118	\$2,743,604
Contributions in relation to the contractually required contribution	<u>3,135,559</u>	<u>2,889,118</u>	<u>2,743,604</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$24,119,685	\$24,075,983	\$22,863,367
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$2,673,790	\$3,091,205	\$3,060,364
Contributions in relation to the contractually required contribution	<u>2,673,790</u>	<u>3,091,205</u>	<u>3,060,364</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered-employee payroll	\$14,795,978	\$14,571,091	\$14,408,748
Contributions as a percentage of covered-employee payroll	18.07%	21.21%	21.24%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2013 is not available.

*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 or committed 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.)

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 restricted 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 restricted to expenditures for health and public safety.

Dispute Resolution Proceeds Fund

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

Safety Services Fund

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

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 restricted for the purchase of paramedic supplies. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

(Continued)

Special Revenue Funds

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.

Public Health Care Services Fund

To account for funds restricted 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 committed to defray the cost of refuse collection.

Street Maintenance Fund

To account for state levied and controlled gasoline tax and motor vehicle license fees restricted 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 restricted for improvement of the community's housing stock.

(Continued)

Special Revenue Funds

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.

Community Development Block Grant Fund

To account for federal grants restricted 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. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

(Continued)

Capital Projects 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.

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.

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.)

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.

(Continued)

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.

Benninghofen 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 Benninghofen 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, 2015**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 6,057,720	\$ 3,227,617	\$ 75,000	\$ 9,360,337
Receivables:				
Taxes	3,641,715	2,443,637	0	6,085,352
Accounts	951,470	0	0	951,470
Intergovernmental	1,897,287	0	0	1,897,287
Interest	1,214	0	0	1,214
Loans	309,138	0	0	309,138
Inventory of Supplies, at Cost	39,154	0	0	39,154
Prepaid Items	55,030	0	0	55,030
Total Assets	\$ 12,952,728	\$ 5,671,254	\$ 75,000	\$ 18,698,982
Liabilities:				
Accounts Payable	\$ 447,135	\$ 629,505	\$ 0	\$ 1,076,640
Accrued Wages and Benefits Payable	39,004	0	0	39,004
Intergovernmental Payable	32,756	0	0	32,756
Accrued Liabilities	74,762	59,809	0	134,571
Customer Deposits	6,155	0	0	6,155
Due to Other Funds	82	0	0	82
Interfund Payable	190,300	85,000	0	275,300
Total Liabilities	790,194	774,314	0	1,564,508
Deferred Inflows of Resources:				
Unavailable Amounts	2,796,417	715,212	0	3,511,629
Property Tax Levy for Next Fiscal Year	2,324,200	1,484,543	0	3,808,743
Total Deferred Inflows of Resources	5,120,617	2,199,755	0	7,320,372
Fund Balance:				
Nonspendable	94,184	0	75,000	169,184
Restricted	2,561,287	2,733,301	0	5,294,588
Committed	4,386,446	0	0	4,386,446
Unassigned	0	(36,116)	0	(36,116)
Total Fund Balance	7,041,917	2,697,185	75,000	9,814,102
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 12,952,728	\$ 5,671,254	\$ 75,000	\$ 18,698,982

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2015***

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Income Taxes	\$ 3,132,163	\$ 0	\$ 2,505,731	\$ 0	\$ 5,637,894
Property and Other Local Taxes	2,324,200	0	1,441,008	0	3,765,208
Intergovernmental Revenues	4,676,100	0	879,585	0	5,555,685
Charges for Services	7,438,227	0	7,000	0	7,445,227
Licenses and Permits	378,174	0	0	0	378,174
Investment Earnings	13,644	545	1,719	149	16,057
Special Assessments	0	0	457,761	0	457,761
Fines and Forfeitures	277,783	0	0	0	277,783
All Other Revenue	496,161	0	63,115	0	559,276
Total Revenues	18,736,452	545	5,355,919	149	24,093,065
Expenditures:					
Current:					
General Government	36,747	0	0	248	36,995
Security of Persons and Property	7,332,992	0	0	0	7,332,992
Leisure Time Activities	1,085,688	0	0	0	1,085,688
Community Environment	2,487,144	0	0	0	2,487,144
Basic Utility Services	6,123,721	0	0	0	6,123,721
Transportation	3,161,989	0	0	0	3,161,989
Public Health and Welfare Services	88,705	0	0	0	88,705
Capital Outlay	0	0	4,434,553	0	4,434,553
Debt Service:					
Principal Retirement	30,000	2,529,963	0	0	2,559,963
Interest and Fiscal Charges	26,375	1,156,491	34,389	0	1,217,255
Total Expenditures	20,373,361	3,686,454	4,468,942	248	28,529,005
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,636,909)	(3,685,909)	886,977	(99)	(4,435,940)
Other Financing Sources (Uses):					
Sale of Capital Assets	12,574	0	4,008	0	16,582
Loan Issuance	0	0	700,000	0	700,000
Transfers In	1,127,979	3,665,165	956,451	0	5,749,595
Transfers Out	0	(285,000)	(6,551,622)	0	(6,836,622)
Total Other Financing Sources (Uses)	1,140,553	3,380,165	(4,891,163)	0	(370,445)
Net Change in Fund Balance	(496,356)	(305,744)	(4,004,186)	(99)	(4,806,385)
Fund Balance at Beginning of Year	7,544,690	305,744	6,701,371	75,099	14,626,904
Decrease in Inventory	(6,417)	0	0	0	(6,417)
Fund Balance End of Year	\$ 7,041,917	\$ 0	\$ 2,697,185	\$ 75,000	\$ 9,814,102

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015**

	Municipal Court Improvement	Public Safety/Health Income Tax	Dispute Resolution Proceeds	Safety Services
Assets:				
Equity in Pooled Cash and Investments	\$ 186,029	\$ 358,238	\$ 16,469	\$ 543,244
Receivables:				
Taxes	0	728,939	0	827,458
Accounts	0	0	0	0
Intergovernmental	0	0	0	49,227
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	\$ 186,029	\$ 1,087,177	\$ 16,469	\$ 1,419,929
Liabilities:				
Accounts Payable	\$ 5,000	\$ 0	\$ 0	\$ 37,120
Accrued Wages and Benefits Payable	756	0	0	2,474
Intergovernmental Payable	573	0	247	1,875
Accrued Liabilities	0	74,762	0	0
Customer Deposits	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Total Liabilities	6,329	74,762	247	41,469
Deferred Inflows of Resources:				
Unavailable Amounts	0	424,087	0	216,429
Property Tax Levy for Next Fiscal Year	0	0	0	660,256
Total Deferred Inflows of Resources	0	424,087	0	876,685
Fund Balance:				
Nonspendable	0	0	0	0
Restricted	179,700	588,328	16,222	501,775
Committed	0	0	0	0
Total Fund Balance	179,700	588,328	16,222	501,775
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 186,029	\$ 1,087,177	\$ 16,469	\$ 1,419,929

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015**

	Police Pension	Police Levy	Firemen's Pension	Fire EMS Levy
Assets:				
Equity in Pooled Cash and Investments	\$ 13	\$ 10,239	\$ 101	\$ 6,436
Receivables:				
Taxes	251,480	791,179	251,480	791,179
Accounts	0	0	0	0
Intergovernmental	17,807	46,136	14,768	46,136
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	\$ 269,300	\$ 847,554	\$ 266,349	\$ 843,751
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	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	0	0	0	0
Total Liabilities	0	0	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	68,623	206,007	65,584	206,007
Property Tax Levy for Next Fiscal Year	200,664	631,308	200,664	631,308
Total Deferred Inflows of Resources	269,287	837,315	266,248	837,315
Fund Balance:				
Nonspendable	0	0	0	0
Restricted	13	10,239	101	6,436
Committed	0	0	0	0
Total Fund Balance	13	10,239	101	6,436
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 269,300	\$ 847,554	\$ 266,349	\$ 843,751

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015**

	Public Health Care Services	Stormwater Management	Refuse	Street Maintenance
Assets:				
Equity in Pooled Cash and Investments	\$ 205,686	\$ 1,898,722	\$ 1,788,352	\$ 236,150
Receivables:				
Taxes	0	0	0	0
Accounts	0	257,590	546,302	91,040
Intergovernmental	0	0	0	931,197
Interest	0	880	0	110
Loans	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	36,281
Prepaid Items	0	0	3,466	18,241
Total Assets	\$ 205,686	\$ 2,157,192	\$ 2,338,120	\$ 1,313,019
Liabilities:				
Accounts Payable	\$ 304	\$ 50,794	\$ 289,671	\$ 18,155
Accrued Wages and Benefits Payable	745	8,568	6,679	12,415
Intergovernmental Payable	103	7,298	4,925	10,742
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	1,152	66,660	301,275	41,312
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	581,800
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	581,800
Fund Balance:				
Nonspendable	0	0	3,466	54,522
Restricted	204,534	0	0	635,385
Committed	0	2,090,532	2,033,379	0
Total Fund Balance	204,534	2,090,532	2,036,845	689,907
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 205,686	\$ 2,157,192	\$ 2,338,120	\$ 1,313,019

(Continued)

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015**

	Land Reutilization	Home Program	Parking	Golf Course
Assets:				
Equity in Pooled Cash and Investments	\$ 62,822	\$ 50,732	\$ 158,750	\$ 324,856
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	56,538	0
Intergovernmental	690,872	26,943	0	0
Interest	0	0	74	150
Loans	0	66,693	0	0
Inventory of Supplies, at Cost	0	0	0	2,873
Prepaid Items	0	0	9,978	14,064
Total Assets	<u>\$ 753,694</u>	<u>\$ 144,368</u>	<u>\$ 225,340</u>	<u>\$ 341,943</u>
Liabilities:				
Accounts Payable	\$ 1,824	\$ 0	\$ 15,860	\$ 28,407
Accrued Wages and Benefits Payable	0	239	1,444	2,871
Intergovernmental Payable	0	164	1,015	3,911
Accrued Liabilities	0	0	0	0
Customer Deposits	0	0	6,155	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	190,300
Total Liabilities	<u>1,824</u>	<u>403</u>	<u>24,474</u>	<u>225,489</u>
Deferred Inflows of Resources:				
Unavailable Amounts	690,872	66,693	27,870	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	<u>690,872</u>	<u>66,693</u>	<u>27,870</u>	<u>0</u>
Fund Balance:				
Nonspendable	0	0	9,978	16,937
Restricted	60,998	77,272	0	0
Committed	0	0	163,018	99,517
Total Fund Balance	<u>60,998</u>	<u>77,272</u>	<u>172,996</u>	<u>116,454</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 753,694</u>	<u>\$ 144,368</u>	<u>\$ 225,340</u>	<u>\$ 341,943</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015***

	Community Development Block Grant	Total Nonmajor Special Revenue Funds
Assets:		
Equity in Pooled Cash and Investments	\$ 210,881	\$ 6,057,720
Receivables:		
Taxes	0	3,641,715
Accounts	0	951,470
Intergovernmental	74,201	1,897,287
Interest	0	1,214
Loans	242,445	309,138
Inventory of Supplies, at Cost	0	39,154
Prepaid Items	9,281	55,030
Total Assets	<u>\$ 536,808</u>	<u>\$ 12,952,728</u>
Liabilities:		
Accounts Payable	\$ 0	\$ 447,135
Accrued Wages and Benefits Payable	2,813	39,004
Intergovernmental Payable	1,903	32,756
Accrued Liabilities	0	74,762
Customer Deposits	0	6,155
Due to Other Funds	82	82
Interfund Payable	0	190,300
Total Liabilities	<u>4,798</u>	<u>790,194</u>
Deferred Inflows of Resources:		
Unavailable Amounts	242,445	2,796,417
Property Tax Levy for Next Fiscal Year	0	2,324,200
Total Deferred Inflows of Resources	<u>242,445</u>	<u>5,120,617</u>
Fund Balance:		
Nonspendable	9,281	94,184
Restricted	280,284	2,561,287
Committed	0	4,386,446
Total Fund Balance	<u>289,565</u>	<u>7,041,917</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 536,808</u>	<u>\$ 12,952,728</u>

CITY OF HAMILTON, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2015***

	Municipal Court Improvement	Public Safety/Health Income Tax	Dispute Resolution Proceeds	Safety Services
Revenues:				
Income Taxes	\$ 0	\$ 3,132,163	\$ 0	\$ 0
Property and Other Local Taxes	0	0	0	660,256
Intergovernmental Revenues	0	0	0	131,733
Charges for Services	110,296	0	7,968	64,561
Licenses and Permits	0	0	0	0
Investment Earnings	107	149	26	428
Fines and Forfeitures	84,353	0	0	193,430
All Other Revenue	0	0	0	29,658
Total Revenues	<u>194,756</u>	<u>3,132,312</u>	<u>7,994</u>	<u>1,080,066</u>
Expenditures:				
Current:				
General Government	0	0	36,747	0
Security of Persons and Property	201,367	3,032,309	0	1,444,550
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>201,367</u>	<u>3,032,309</u>	<u>36,747</u>	<u>1,444,550</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,611)	100,003	(28,753)	(364,484)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	9,264
Transfers In	0	0	0	90,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>99,264</u>
Net Change in Fund Balance	(6,611)	100,003	(28,753)	(265,220)
Fund Balance at Beginning of Year	186,311	488,325	44,975	766,995
Decrease in Inventory	0	0	0	0
Fund Balance End of Year	<u>\$ 179,700</u>	<u>\$ 588,328</u>	<u>\$ 16,222</u>	<u>\$ 501,775</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, 2015***

	Police Pension	Police Levy	Firemen's Pension	Emergency Medical Services Grant
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	200,664	631,308	200,664	0
Intergovernmental Revenues	35,681	92,565	29,630	0
Charges for Services	0	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	76	130	71	1
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenues	<u>236,421</u>	<u>724,003</u>	<u>230,365</u>	<u>1</u>
Expenditures:				
Current:				
General Government	0	0	0	0
Security of Persons and Property	374,800	948,833	359,300	2,500
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>374,800</u>	<u>948,833</u>	<u>359,300</u>	<u>2,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(138,379)	(224,830)	(128,935)	(2,499)
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	(138,379)	(224,830)	(128,935)	(2,499)
Fund Balance at Beginning of Year	138,392	235,069	129,036	2,499
Decrease in Inventory	0	0	0	0
Fund Balance End of Year	<u>\$ 13</u>	<u>\$ 10,239</u>	<u>\$ 101</u>	<u>\$ 0</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, 2015***

	Fire EMS Levy	Public Health Care Services	Stormwater Management	Refuse
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	631,308	0	0	0
Intergovernmental Revenues	92,565	93,778	0	0
Charges for Services	0	0	2,085,807	3,753,272
Licenses and Permits	0	0	0	0
Investment Earnings	139	21	8,177	1,170
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	478	28,375	107,556
Total Revenues	<u>724,012</u>	<u>94,277</u>	<u>2,122,359</u>	<u>3,861,998</u>
Expenditures:				
Current:				
General Government	0	0	0	0
Security of Persons and Property	969,333	0	0	0
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	1,889,868	4,233,853
Transportation	0	0	0	0
Public Health and Welfare Services	0	88,705	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>969,333</u>	<u>88,705</u>	<u>1,889,868</u>	<u>4,233,853</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(245,321)	5,572	232,491	(371,855)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	3,230	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>3,230</u>	<u>0</u>
Net Change in Fund Balance	(245,321)	5,572	235,721	(371,855)
Fund Balance at Beginning of Year	251,757	198,962	1,854,811	2,408,700
Decrease in Inventory	0	0	0	0
Fund Balance End of Year	<u>\$ 6,436</u>	<u>\$ 204,534</u>	<u>\$ 2,090,532</u>	<u>\$ 2,036,845</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, 2015***

	Street Maintenance	Land Reutilization	Home Program	Parking
Revenues:				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Property and Other Local Taxes	0	0	0	0
Intergovernmental Revenues	2,197,987	0	252,325	0
Charges for Services	0	0	0	284,993
Licenses and Permits	378,174	0	0	0
Investment Earnings	729	77	0	762
Fines and Forfeitures	0	0	0	0
All Other Revenue	245,328	0	7,425	4,586
Total Revenues	<u>2,822,218</u>	<u>77</u>	<u>259,750</u>	<u>290,341</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	462,348	217,559	0
Basic Utility Services	0	0	0	0
Transportation	2,702,006	0	0	459,983
Public Health and Welfare Services	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	30,000
Interest and Fiscal Charges	0	0	0	23,069
Total Expenditures	<u>2,702,006</u>	<u>462,348</u>	<u>217,559</u>	<u>513,052</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	120,212	(462,271)	42,191	(222,711)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	3,310	0	0
Transfers In	211,848	550,000	0	153,568
Total Other Financing Sources (Uses)	<u>211,848</u>	<u>553,310</u>	<u>0</u>	<u>153,568</u>
Net Change in Fund Balance	332,060	91,039	42,191	(69,143)
Fund Balance at Beginning of Year	363,916	(30,041)	35,081	242,139
Decrease in Inventory	(6,069)	0	0	0
Fund Balance End of Year	<u>\$ 689,907</u>	<u>\$ 60,998</u>	<u>\$ 77,272</u>	<u>\$ 172,996</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, 2015***

	Golf Course	Community Development Block Grant	Total Nonmajor Special Revenue Funds
Revenues:			
Income Taxes	\$ 0	\$ 0	\$ 3,132,163
Property and Other Local Taxes	0	0	2,324,200
Intergovernmental Revenues	0	1,749,836	4,676,100
Charges for Services	1,131,330	0	7,438,227
Licenses and Permits	0	0	378,174
Investment Earnings	1,234	347	13,644
Fines and Forfeitures	0	0	277,783
All Other Revenue	5,291	67,464	496,161
Total Revenues	1,137,855	1,817,647	18,736,452
Expenditures:			
Current:			
General Government	0	0	36,747
Security of Persons and Property	0	0	7,332,992
Leisure Time Activities	1,085,688	0	1,085,688
Community Environment	0	1,807,237	2,487,144
Basic Utility Services	0	0	6,123,721
Transportation	0	0	3,161,989
Public Health and Welfare Services	0	0	88,705
Debt Service:			
Principal Retirement	0	0	30,000
Interest and Fiscal Charges	3,306	0	26,375
Total Expenditures	1,088,994	1,807,237	20,373,361
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,861	10,410	(1,636,909)
Other Financing Sources (Uses):			
Sale of Capital Assets	0	0	12,574
Transfers In	119,333	0	1,127,979
Total Other Financing Sources (Uses)	119,333	0	1,140,553
Net Change in Fund Balance	168,194	10,410	(496,356)
Fund Balance at Beginning of Year	(51,392)	279,155	7,544,690
Decrease in Inventory	(348)	0	(6,417)
Fund Balance End of Year	\$ 116,454	\$ 289,565	\$ 7,041,917

CITY OF HAMILTON, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015**

	Hamilton Capital Improvement	Special Assessment	MITIE	Clean Ohio Grants Program
Assets:				
Equity in Pooled Cash and Investments	\$ 2,829,986	\$ 360,140	\$ 37,491	\$ 0
Receivables:				
Taxes	583,151	523,498	1,336,988	0
Total Assets	\$ 3,413,137	\$ 883,638	\$ 1,374,479	\$ 0
Liabilities:				
Accounts Payable	\$ 592,508	\$ 0	\$ 881	\$ 36,116
Accrued Liabilities	59,809	0	0	0
Interfund Payable	0	85,000	0	0
Total Liabilities	652,317	85,000	881	36,116
Deferred Inflows of Resources:				
Unavailable Amounts	339,269	105,782	270,161	0
Property Tax Levy for Next Fiscal Year	0	417,716	1,066,827	0
Total Deferred Inflows of Resources	339,269	523,498	1,336,988	0
Fund Balance:				
Restricted	2,421,551	275,140	36,610	0
Unassigned	0	0	0	(36,116)
Total Fund Balance	2,421,551	275,140	36,610	(36,116)
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,413,137	\$ 883,638	\$ 1,374,479	\$ 0

(Continued)

CITY OF HAMILTON, OHIO

***Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015***

	Total Nonmajor Capital Projects Funds
Assets:	
Equity in Pooled Cash and Investments	\$ 3,227,617
Receivables:	
Taxes	2,443,637
Total Assets	<u>\$ 5,671,254</u>
Liabilities:	
Accounts Payable	\$ 629,505
Accrued Liabilities	59,809
Interfund Payable	85,000
Total Liabilities	<u>774,314</u>
Deferred Inflows of Resources:	
Unavailable Amounts	715,212
Property Tax Levy for Next Fiscal Year	1,484,543
Total Deferred Inflows of Resources	<u>2,199,755</u>
Fund Balance:	
Restricted	2,733,301
Unassigned	(36,116)
Total Fund Balance	<u>2,697,185</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 5,671,254</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, 2015***

	Hamilton Capital Improvement	Special Assessment	MITIE
Revenues:			
Income Taxes	\$ 2,505,731	\$ 0	\$ 0
Property and Other Local Taxes	0	0	1,441,008
Intergovernmental Revenues	26,485	0	0
Charges for Services	7,000	0	0
Investment Earnings	1,325	333	61
Special Assessments	0	457,761	0
All Other Revenue	63,115	0	0
Total Revenues	<u>2,603,656</u>	<u>458,094</u>	<u>1,441,069</u>
Expenditures:			
Capital Outlay	2,531,958	147,544	866,071
Debt Service:			
Interest and Fiscal Charges	34,389	0	0
Total Expenditures	<u>2,566,347</u>	<u>147,544</u>	<u>866,071</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,309	310,550	574,998
Other Financing Sources (Uses):			
Sale of Capital Assets	4,008	0	0
Loan Issuance	700,000	0	0
Transfers In	671,451	285,000	0
Transfers Out	(5,409,642)	(492,061)	(649,919)
Total Other Financing Sources (Uses)	<u>(4,034,183)</u>	<u>(207,061)</u>	<u>(649,919)</u>
Net Change in Fund Balance	(3,996,874)	103,489	(74,921)
Fund Balance at Beginning of Year	<u>6,418,425</u>	<u>171,651</u>	<u>111,531</u>
Fund Balance End of Year	<u>\$ 2,421,551</u>	<u>\$ 275,140</u>	<u>\$ 36,610</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, 2015***

	<u>Issue II Projects</u>	<u>Clean Ohio Grants Program</u>	<u>Total Nonmajor Capital Project Funds</u>
Revenues:			
Income Taxes	\$ 0	\$ 0	\$ 2,505,731
Property and Other Local Taxes	0	0	1,441,008
Intergovernmental Revenues	291,757	561,343	879,585
Charges for Services	0	0	7,000
Investment Earnings	0	0	1,719
Special Assessments	0	0	457,761
All Other Revenue	0	0	63,115
Total Revenues	<u>291,757</u>	<u>561,343</u>	<u>5,355,919</u>
Expenditures:			
Capital Outlay	291,757	597,223	4,434,553
Debt Service:			
Interest and Fiscal Charges	0	0	34,389
Total Expenditures	<u>291,757</u>	<u>597,223</u>	<u>4,468,942</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(35,880)	886,977
Other Financing Sources (Uses):			
Sale of Capital Assets	0	0	4,008
Loan Issuance	0	0	700,000
Transfers In	0	0	956,451
Transfers Out	0	0	(6,551,622)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(4,891,163)</u>
Net Change in Fund Balance	0	(35,880)	(4,004,186)
Fund Balance at Beginning of Year	<u>0</u>	<u>(236)</u>	<u>6,701,371</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ (36,116)</u>	<u>\$ 2,697,185</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund - General Fund
For the Year Ended December 31, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 17,179,000	\$ 18,134,000	\$ 18,961,502	\$ 827,502
Property and Other Local Taxes	5,293,000	5,343,000	5,197,975	(145,025)
Intergovernmental Revenues	2,013,500	2,129,591	2,128,642	(949)
Charges for Services	14,013,443	14,611,893	14,624,409	12,516
Licenses and Permits	553,445	662,320	640,657	(21,663)
Investment Earnings	100,000	100,000	101,189	1,189
Fines and Forfeitures	621,800	621,800	648,980	27,180
All Other Revenue	83,005	159,412	136,334	(23,078)
Total Revenues	<u>39,857,193</u>	<u>41,762,016</u>	<u>42,439,688</u>	<u>677,672</u>
Expenditures:				
Security of Persons and Property:				
Municipal Court:				
Personal Services	1,299,640	1,299,640	1,291,313	8,327
Other Expenditures	266,921	258,165	204,725	53,440
Total Municipal Court	<u>1,566,561</u>	<u>1,557,805</u>	<u>1,496,038</u>	<u>61,767</u>
Police:				
Personal Services	12,710,304	12,625,520	12,214,401	411,119
Other Expenditures	1,363,333	1,289,921	1,242,235	47,686
Total Police	<u>14,073,637</u>	<u>13,915,441</u>	<u>13,456,636</u>	<u>458,805</u>
Fire:				
Personal Services	11,086,217	11,084,784	10,837,898	246,886
Other Expenditures	1,071,439	1,025,306	1,025,281	25
Total Fire	<u>12,157,656</u>	<u>12,110,090</u>	<u>11,863,179</u>	<u>246,911</u>
Total Security of Persons and Property	<u>27,797,854</u>	<u>27,583,336</u>	<u>26,815,853</u>	<u>767,483</u>
Public Health and Welfare Services:				
Health:				
Personal Services	1,035,968	1,035,968	985,983	49,985
Other Expenditures	569,761	526,051	525,952	99
Total Public Health and Welfare Services	<u>1,605,729</u>	<u>1,562,019</u>	<u>1,511,935</u>	<u>50,084</u>

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund - General Fund
For the Year Ended December 31, 2015***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Leisure Time Activities:				
Parks and Recreation:				
Personal Services	0	14,500	14,450	50
Other Expenditures	<u>125,900</u>	<u>258,065</u>	<u>236,569</u>	<u>21,496</u>
Total Leisure Time Activities	<u>125,900</u>	<u>272,565</u>	<u>251,019</u>	<u>21,546</u>
Community Environment:				
Department of Planning:				
Personal Services	959,537	994,394	980,744	13,650
Other Expenditures	<u>97,982</u>	<u>109,475</u>	<u>99,451</u>	<u>10,024</u>
Total Department of Planning	<u>1,057,519</u>	<u>1,103,869</u>	<u>1,080,195</u>	<u>23,674</u>
CDBG:				
Other Expenditures	<u>50,000</u>	<u>89,500</u>	<u>76,292</u>	<u>13,208</u>
Total CDBG	<u>50,000</u>	<u>89,500</u>	<u>76,292</u>	<u>13,208</u>
Total Community Environment	<u>1,107,519</u>	<u>1,193,369</u>	<u>1,156,487</u>	<u>36,882</u>
Basic Utility Services:				
Public Works:				
Personal Services	1,128,430	1,128,430	1,119,324	9,106
Other Expenditures	<u>244,245</u>	<u>275,877</u>	<u>241,618</u>	<u>34,259</u>
Total Basic Utility Services	<u>1,372,675</u>	<u>1,404,307</u>	<u>1,360,942</u>	<u>43,365</u>
General Government:				
City Council:				
Personal Services	76,598	76,598	74,003	2,595
Other Expenditures	<u>8,490</u>	<u>8,490</u>	<u>7,948</u>	<u>542</u>
Total City Council	<u>85,088</u>	<u>85,088</u>	<u>81,951</u>	<u>3,137</u>
City Clerk:				
Personal Services	85,933	99,933	97,995	1,938
Other Expenditures	<u>14,618</u>	<u>38,265</u>	<u>30,006</u>	<u>8,259</u>
Total City Clerk	<u>100,551</u>	<u>138,198</u>	<u>128,001</u>	<u>10,197</u>

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund - General Fund
For the Year Ended December 31, 2015***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
City Manager:				
Personal Services	446,401	576,401	580,770	(4,369)
Other Expenditures	17,514	33,514	28,520	4,994
Total City Manager	<u>463,915</u>	<u>609,915</u>	<u>609,290</u>	625
Department of Law:				
Personal Services	273,074	273,074	170,918	102,156
Other Expenditures	33,294	118,113	110,548	7,565
Total Department of Law	<u>306,368</u>	<u>391,187</u>	<u>281,466</u>	109,721
Department of Civil Service:				
Personal Services	295,367	295,367	285,422	9,945
Other Expenditures	17,166	18,352	17,047	1,305
Total Department of Civil Service	<u>312,533</u>	<u>313,719</u>	<u>302,469</u>	11,250
Finance:				
Personal Services	2,479,798	2,409,813	2,267,096	142,717
Other Expenditures	634,748	583,308	551,107	32,201
Total Finance	<u>3,114,546</u>	<u>2,993,121</u>	<u>2,818,203</u>	174,918
Special Appropriations - General:				
Personal Services	10,000	57,643	13,022	44,621
Other Expenditures	4,211,984	5,929,848	5,859,896	69,952
Total Special Appropriations - General	<u>4,221,984</u>	<u>5,987,491</u>	<u>5,872,918</u>	114,573
Special Appropriations:				
Personal Services	47,000	80,775	80,773	2
Other Expenditures	867,370	1,061,798	1,058,770	3,028
Total Special Appropriations	<u>914,370</u>	<u>1,142,573</u>	<u>1,139,543</u>	3,030
Total General Government	<u>9,519,355</u>	<u>11,661,292</u>	<u>11,233,841</u>	427,451
Total Expenditures	<u>41,529,032</u>	<u>43,676,888</u>	<u>42,330,077</u>	1,346,811
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,671,839)	(1,914,872)	109,611	2,024,483

(Continued)

CITY OF HAMILTON, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund - General Fund
For the Year Ended December 31, 2015***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	10,000	10,000
Transfers In	225,000	1,389,450	1,314,452	(74,998)
Transfers Out	(890,000)	(3,812,955)	(3,979,321)	(166,366)
Advances In	0	200,000	0	(200,000)
Advances Out	0	(225,000)	0	225,000
Total Other Financing Sources (Uses)	<u>(665,000)</u>	<u>(2,448,505)</u>	<u>(2,654,869)</u>	<u>(206,364)</u>
Net Change in Fund Balance	(2,336,839)	(4,363,377)	(2,545,258)	1,818,119
Fund Balance at Beginning of Year	8,340,183	8,340,183	8,340,183	0
Prior Year Encumbrances	710,930	710,930	710,930	0
Fund Balance at End of Year	<u>\$ 6,714,274</u>	<u>\$ 4,687,736</u>	<u>\$ 6,505,855</u>	<u>\$ 1,818,119</u>

CITY OF HAMILTON, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Fund – Capital Projects Fund
For the Year Ended December 31, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
INFRASTRUCTURE PROGRAM FUND				
Revenues:				
Intergovernmental Revenues	\$ 2,238,092	\$ 2,238,092	\$ 1,064,336	\$ (1,173,756)
All Other Revenue	1,783,051	2,263,051	960,559	(1,302,492)
Total Revenues	<u>4,021,143</u>	<u>4,501,143</u>	<u>2,024,895</u>	<u>(2,476,248)</u>
Expenditures:				
Capital Outlay	8,455,169	10,674,212	9,838,983	835,229
Total Expenditures	<u>8,455,169</u>	<u>10,674,212</u>	<u>9,838,983</u>	<u>835,229</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,434,026)	(6,173,069)	(7,814,088)	(1,641,019)
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	39,139	39,139
Transfers In	3,787,782	4,096,421	4,261,833	165,412
Transfers Out	(241,150)	(241,150)	(215,472)	25,678
Total Other Financing Sources (Uses)	<u>3,546,632</u>	<u>3,855,271</u>	<u>4,085,500</u>	<u>230,229</u>
Net Change in Fund Balance	(887,394)	(2,317,798)	(3,728,588)	(1,410,790)
Fund Balance at Beginning of Year	575,665	575,665	575,665	0
Prior Year Encumbrances	3,207,456	3,207,456	3,207,456	0
Fund Balance at End of Year	<u>\$ 2,895,727</u>	<u>\$ 1,465,323</u>	<u>\$ 54,533</u>	<u>\$ (1,410,790)</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, 2015***

ONE RENAISSANCE CENTER FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Charges for Services	\$ 2,125,150	\$ 2,125,150	\$ 2,120,265	\$ (4,885)
Total Revenues	<u>2,125,150</u>	<u>2,125,150</u>	<u>2,120,265</u>	<u>(4,885)</u>
Expenditures:				
General Government:				
Other Expenditures	<u>1,181,317</u>	<u>1,150,435</u>	<u>659,568</u>	<u>490,867</u>
Total Expenditures	<u>1,181,317</u>	<u>1,150,435</u>	<u>659,568</u>	<u>490,867</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	943,833	974,715	1,460,697	485,982
Other Financing Sources (Uses):				
Transfers Out	<u>(1,439,200)</u>	<u>(1,439,200)</u>	<u>(1,269,515)</u>	<u>169,685</u>
Total Other Financing Sources (Uses)	<u>(1,439,200)</u>	<u>(1,439,200)</u>	<u>(1,269,515)</u>	<u>169,685</u>
Net Change in Fund Balance	(495,367)	(464,485)	191,182	655,667
Fund Balance at Beginning of Year	850,223	850,223	850,223	0
Prior Year Encumbrances	<u>43,076</u>	<u>43,076</u>	<u>43,076</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 397,932</u>	<u>\$ 428,814</u>	<u>\$ 1,084,481</u>	<u>\$ 655,667</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, 2015***

MUNICIPAL COURT IMPROVEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 105,588	\$ 105,588	\$ 110,296	\$ 4,708
Fines and Forfeitures	82,256	82,256	84,353	2,097
Total Revenues	187,844	187,844	194,649	6,805
Expenditures:				
Security of Persons and Property:				
Personal Services	75,302	76,802	69,689	7,113
Other Expenditures	152,125	154,500	139,677	14,823
Total Expenditures	227,427	231,302	209,366	21,936
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,583)	(43,458)	(14,717)	28,741
Fund Balance at Beginning of Year	192,996	192,996	192,996	0
Prior Year Encumbrances	1,625	1,625	1,625	0
Fund Balance at End of Year	\$ 155,038	\$ 151,163	\$ 179,904	\$ 28,741

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, 2015***

	PUBLIC SAFETY/HEALTH INCOME TAX FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Income Taxes	\$ 2,845,000	\$ 3,000,000	\$ 3,120,623	\$ 120,623
Total Revenues	<u>2,845,000</u>	<u>3,000,000</u>	<u>3,120,623</u>	<u>120,623</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	<u>2,900,000</u>	<u>3,050,000</u>	<u>3,032,309</u>	<u>17,691</u>
Total Expenditures	<u>2,900,000</u>	<u>3,050,000</u>	<u>3,032,309</u>	<u>17,691</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55,000)	(50,000)	88,314	138,314
Other Financing Sources (Uses):				
Transfers Out	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(205,000)	(50,000)	88,314	138,314
Fund Balance at Beginning of Year	<u>269,924</u>	<u>269,924</u>	<u>269,924</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 64,924</u>	<u>\$ 219,924</u>	<u>\$ 358,238</u>	<u>\$ 138,314</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, 2015***

DISPUTE RESOLUTION PROCEEDS FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Charges for Services	\$ 8,270	\$ 8,270	\$ 7,968	\$ (302)
Total Revenues	<u>8,270</u>	<u>8,270</u>	<u>7,968</u>	<u>(302)</u>
Expenditures:				
General Government:				
Personal Services	52,739	52,739	38,678	14,061
Other Expenditures	<u>2,000</u>	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Total Expenditures	<u>54,739</u>	<u>54,739</u>	<u>38,678</u>	<u>16,061</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,469)	(46,469)	(30,710)	15,759
Fund Balance at Beginning of Year	<u>47,179</u>	<u>47,179</u>	<u>47,179</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 710</u>	<u>\$ 710</u>	<u>\$ 16,469</u>	<u>\$ 15,759</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, 2015***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
SAFETY SERVICES FUND				
Revenues:				
Property and Other Local Taxes	\$ 710,000	\$ 710,000	\$ 660,256	\$ (49,744)
Intergovernmental Revenues	132,966	132,966	131,733	(1,233)
Charges for Services	72,168	72,168	64,561	(7,607)
Fines and Forfeitures	238,176	238,176	193,430	(44,746)
All Other Revenue	20,500	29,540	29,658	118
Total Revenues	<u>1,173,810</u>	<u>1,182,850</u>	<u>1,079,638</u>	<u>(103,212)</u>
Expenditures:				
Security of Persons and Property:				
Personal Services	281,586	295,628	258,940	36,688
Other Expenditures	1,325,557	1,309,287	1,179,918	129,369
Total Expenditures	<u>1,607,143</u>	<u>1,604,915</u>	<u>1,438,858</u>	<u>166,057</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(433,333)	(422,065)	(359,220)	62,845
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	9,264	9,264
Transfers In	90,000	90,000	90,000	0
Total Other Financing Sources (Uses)	<u>90,000</u>	<u>90,000</u>	<u>99,264</u>	<u>9,264</u>
Net Change in Fund Balance	(343,333)	(332,065)	(259,956)	72,109
Fund Balance at Beginning of Year	750,860	750,860	750,860	0
Prior Year Encumbrances	31,002	31,002	31,002	0
Fund Balance at End of Year	<u>\$ 438,529</u>	<u>\$ 449,797</u>	<u>\$ 521,906</u>	<u>\$ 72,109</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, 2015***

POLICE PENSION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Property and Other Local Taxes	\$ 210,000	\$ 210,000	\$ 200,664	\$ (9,336)
Intergovernmental Revenues	30,000	30,000	35,681	5,681
Total Revenues	<u>240,000</u>	<u>240,000</u>	<u>236,345</u>	<u>(3,655)</u>
Expenditures:				
Security of Persons and Property:				
Other Expenditures	375,000	375,000	374,800	200
Total Expenditures	<u>375,000</u>	<u>375,000</u>	<u>374,800</u>	<u>200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,000)	(135,000)	(138,455)	(3,455)
Fund Balance at Beginning of Year	<u>138,468</u>	<u>138,468</u>	<u>138,468</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,468</u>	<u>\$ 3,468</u>	<u>\$ 13</u>	<u>\$ (3,455)</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, 2015***

POLICE LEVY FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Property and Other Local Taxes	\$ 640,000	\$ 640,000	\$ 631,308	\$ (8,692)
Intergovernmental Revenues	80,000	80,000	92,565	12,565
Total Revenues	720,000	720,000	723,873	3,873
Expenditures:				
Security of Persons and Property:				
Other Expenditures	950,000	950,000	948,833	1,167
Total Expenditures	950,000	950,000	948,833	1,167
Excess (Deficiency) of Revenues Over (Under) Expenditures	(230,000)	(230,000)	(224,960)	5,040
Fund Balance at Beginning of Year	235,199	235,199	235,199	0
Fund Balance at End of Year	\$ 5,199	\$ 5,199	\$ 10,239	\$ 5,040

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, 2015***

FIREMEN'S PENSION FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Local Taxes	\$ 210,000	\$ 210,000	\$ 200,664	\$ (9,336)
Intergovernmental Revenues	30,000	30,000	29,630	(370)
Total Revenues	240,000	240,000	230,294	(9,706)
Expenditures:				
Security of Persons and Property:				
Other Expenditures	365,000	365,000	359,300	5,700
Total Expenditures	365,000	365,000	359,300	5,700
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,000)	(125,000)	(129,006)	(4,006)
Fund Balance at Beginning of Year	129,107	129,107	129,107	0
Fund Balance at End of Year	\$ 4,107	\$ 4,107	\$ 101	\$ (4,006)

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, 2015***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 2,500	\$ 2,500	\$ 0	\$ (2,500)
Total Revenues	2,500	2,500	0	(2,500)
Expenditures:				
Security of Persons and Property:				
Other Expenditures	5,000	5,000	2,500	2,500
Total Expenditures	5,000	5,000	2,500	2,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,500)	(2,500)	(2,500)	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	2,500	2,500	2,500	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

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, 2015***

FIRE EMS LEVY FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Local Taxes	\$ 640,000	\$ 640,000	\$ 631,308	\$ (8,692)
Intergovernmental Revenues	80,000	80,000	92,565	12,565
Total Revenues	720,000	720,000	723,873	3,873
Expenditures:				
Security of Persons and Property:				
Other Expenditures	970,000	970,000	969,333	667
Total Expenditures	970,000	970,000	969,333	667
Excess (Deficiency) of Revenues Over (Under) Expenditures	(250,000)	(250,000)	(245,460)	4,540
Fund Balance at Beginning of Year	251,896	251,896	251,896	0
Fund Balance at End of Year	\$ 1,896	\$ 1,896	\$ 6,436	\$ 4,540

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, 2015***

PUBLIC HEALTH CARE SERVICES FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 91,355	\$ 91,355	\$ 93,778	\$ 2,423
Investment Earnings	10	10	19	9
All Other Revenue	370	370	478	108
Total Revenues	<u>91,735</u>	<u>91,735</u>	<u>94,275</u>	<u>2,540</u>
Expenditures:				
Public Health and Welfare Services:				
Personal Services	70,707	70,707	69,447	1,260
Other Expenditures	21,024	21,024	20,660	364
Total Expenditures	<u>91,731</u>	<u>91,731</u>	<u>90,107</u>	<u>1,624</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4	4	4,168	4,164
Fund Balance at Beginning of Year	<u>201,518</u>	<u>201,518</u>	<u>201,518</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 201,522</u>	<u>\$ 201,522</u>	<u>\$ 205,686</u>	<u>\$ 4,164</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, 2015***

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	\$ 100	\$ 20	\$ (80)
Total Revenues	<u>100</u>	<u>100</u>	<u>20</u>	<u>(80)</u>
Expenditures:				
Community Environment:				
Other Expenditures	4,000	4,591	4,591	0
Total Expenditures	<u>4,000</u>	<u>4,591</u>	<u>4,591</u>	<u>0</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(3,900)	(4,491)	(4,571)	(80)
Fund Balance at Beginning of Year	<u>4,571</u>	<u>4,571</u>	<u>4,571</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 671</u>	<u>\$ 80</u>	<u>\$ 0</u>	<u>\$ (80)</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, 2015***

STORMWATER MANAGEMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for Services	\$ 2,100,000	\$ 2,100,000	\$ 2,089,275	\$ (10,725)
Investment Earnings	11,000	11,000	8,978	(2,022)
All Other Revenue	17,000	17,000	28,375	11,375
Total Revenues	<u>2,128,000</u>	<u>2,128,000</u>	<u>2,126,628</u>	<u>(1,372)</u>
Expenditures:				
Basic Utility Services:				
Personal Services	997,628	997,321	893,352	103,969
Other Expenditures	1,778,774	1,774,756	1,492,328	282,428
Total Expenditures	<u>2,776,402</u>	<u>2,772,077</u>	<u>2,385,680</u>	<u>386,397</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(648,402)	(644,077)	(259,052)	385,025
Other Financing Sources (Uses):				
Transfers In	0	3,230	3,230	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>3,230</u>	<u>3,230</u>	<u>0</u>
Net Change in Fund Balance	(648,402)	(640,847)	(255,822)	385,025
Fund Balance at Beginning of Year	1,398,193	1,398,193	1,398,193	0
Prior Year Encumbrances	332,671	332,671	332,671	0
Fund Balance at End of Year	<u>\$ 1,082,462</u>	<u>\$ 1,090,017</u>	<u>\$ 1,475,042</u>	<u>\$ 385,025</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, 2015***

REFUSE FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for Services	\$ 3,656,517	\$ 3,656,517	\$ 3,754,773	\$ 98,256
All Other Revenue	18,000	50,350	107,556	57,206
Total Revenues	<u>3,674,517</u>	<u>3,706,867</u>	<u>3,862,329</u>	<u>155,462</u>
Expenditures:				
Basic Utility Services:				
Personal Services	307,388	602,388	581,065	21,323
Other Expenditures	3,936,170	3,885,155	3,658,385	226,770
Total Expenditures	<u>4,243,558</u>	<u>4,487,543</u>	<u>4,239,450</u>	<u>248,093</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(569,041)	(780,676)	(377,121)	403,555
Fund Balance at Beginning of Year	2,078,462	2,078,462	2,078,462	0
Prior Year Encumbrances	59,610	59,610	59,610	0
Fund Balance at End of Year	<u>\$ 1,569,031</u>	<u>\$ 1,357,396</u>	<u>\$ 1,760,951</u>	<u>\$ 403,555</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, 2015***

STREET MAINTENANCE FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 2,360,000	\$ 2,360,000	\$ 2,208,833	\$ (151,167)
Licenses and Permits	360,000	360,000	378,174	18,174
Investment Earnings	2,500	2,500	717	(1,783)
All Other Revenue	18,800	141,916	154,288	12,372
Total Revenues	<u>2,741,300</u>	<u>2,864,416</u>	<u>2,742,012</u>	<u>(122,404)</u>
Expenditures:				
Transportation:				
Personal Services	1,598,667	1,383,053	1,335,493	47,560
Other Expenditures	1,244,104	1,583,360	1,534,870	48,490
Total Expenditures	<u>2,842,771</u>	<u>2,966,413</u>	<u>2,870,363</u>	<u>96,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(101,471)	(101,997)	(128,351)	(26,354)
Other Financing Sources (Uses):				
Transfers In	12,000	211,848	211,848	0
Advances In	0	225,000	0	(225,000)
Total Other Financing Sources (Uses)	<u>12,000</u>	<u>436,848</u>	<u>211,848</u>	<u>(225,000)</u>
Net Change in Fund Balance	(89,471)	334,851	83,497	(251,354)
Fund Balance at Beginning of Year	34,023	34,023	34,023	0
Prior Year Encumbrances	70,594	70,594	70,594	0
Fund Balance at End of Year	<u>\$ 15,146</u>	<u>\$ 439,468</u>	<u>\$ 188,114</u>	<u>\$ (251,354)</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, 2015***

LAND REUTILIZATION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Revenues	\$ 1,000,000	\$ 1,000,000	\$ 0	\$ (1,000,000)
Total Revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>	<u>(1,000,000)</u>
Expenditures:				
Community Environment:				
Other Expenditures	1,123,350	1,120,000	674,853	445,147
Total Expenditures	<u>1,123,350</u>	<u>1,120,000</u>	<u>674,853</u>	<u>445,147</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(123,350)	(120,000)	(674,853)	(554,853)
Other Financing Sources (Uses):				
Sale of Capital Assets	50,000	50,000	3,310	(46,690)
Transfers In	0	550,000	550,000	0
Advances Out	0	(200,000)	0	200,000
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>400,000</u>	<u>553,310</u>	<u>153,310</u>
Net Change in Fund Balance	(73,350)	280,000	(121,543)	(401,543)
Fund Balance at Beginning of Year	16,213	16,213	16,213	0
Prior Year Encumbrances	<u>123,350</u>	<u>123,350</u>	<u>123,350</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 66,213</u>	<u>\$ 419,563</u>	<u>\$ 18,020</u>	<u>\$ (401,543)</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, 2015***

HOME PROGRAM FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Revenues	\$ 402,566	\$ 644,473	\$ 228,040	\$ (416,433)
All Other Revenue	72,938	145,686	7,425	(138,261)
Total Revenues	<u>475,504</u>	<u>790,159</u>	<u>235,465</u>	<u>(554,694)</u>
Expenditures:				
Community Environment:				
Personal Services	23,107	37,369	19,128	18,241
Other Expenditures	452,397	753,268	201,908	551,360
Total Expenditures	<u>475,504</u>	<u>790,637</u>	<u>221,036</u>	<u>569,601</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(478)	14,429	14,907
Fund Balance at Beginning of Year	<u>36,303</u>	<u>36,303</u>	<u>36,303</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36,303</u>	<u>\$ 35,825</u>	<u>\$ 50,732</u>	<u>\$ 14,907</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, 2015***

PARKING FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 219,500	\$ 233,800	\$ 256,425	\$ 22,625
Investment Earnings	1,000	1,000	888	(112)
All Other Revenue	7,000	19,000	4,586	(14,414)
Total Revenues	<u>227,500</u>	<u>253,800</u>	<u>261,899</u>	<u>8,099</u>
Expenditures:				
Transportation:				
Personal Services	119,591	140,591	132,440	8,151
Other Expenditures	216,118	373,619	359,671	13,948
Debt Service:				
Principal Retirement	30,000	30,000	30,000	0
Interest and Fiscal Charges	23,069	23,069	23,069	0
Total Expenditures	<u>388,778</u>	<u>567,279</u>	<u>545,180</u>	<u>22,099</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(161,278)	(313,479)	(283,281)	30,198
Other Financing Sources (Uses):				
Transfers In	53,069	183,397	183,018	(379)
Transfers Out	0	(29,451)	(29,450)	1
Total Other Financing Sources (Uses)	<u>53,069</u>	<u>153,946</u>	<u>153,568</u>	<u>(378)</u>
Net Change in Fund Balance	(108,209)	(159,533)	(129,713)	29,820
Fund Balance at Beginning of Year	216,726	216,726	216,726	0
Prior Year Encumbrances	35,959	35,959	35,959	0
Fund Balance at End of Year	<u>\$ 144,476</u>	<u>\$ 93,152</u>	<u>\$ 122,972</u>	<u>\$ 29,820</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, 2015**

GOLF COURSE FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for Services	\$ 1,242,313	\$ 1,242,313	\$ 1,131,557	\$ (110,756)
Investment Earnings	600	600	1,332	732
All Other Revenue	2,440	2,440	5,291	2,851
Total Revenues	<u>1,245,353</u>	<u>1,245,353</u>	<u>1,138,180</u>	<u>(107,173)</u>
Expenditures:				
Leisure Time Activities:				
Personal Services	614,170	554,170	479,043	75,127
Other Expenditures	669,329	689,458	652,621	36,837
Debt Service:				
Principal Retirement	115,150	115,150	115,150	0
Interest and Fiscal Charges	3,306	3,306	3,306	0
Total Expenditures	<u>1,401,955</u>	<u>1,362,084</u>	<u>1,250,120</u>	<u>111,964</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(156,602)	(116,731)	(111,940)	4,791
Other Financing Sources (Uses):				
Transfers In	118,456	118,456	119,333	877
Total Other Financing Sources (Uses)	<u>118,456</u>	<u>118,456</u>	<u>119,333</u>	<u>877</u>
Net Change in Fund Balance	(38,146)	1,725	7,393	5,668
Fund Balance at Beginning of Year	215,215	215,215	215,215	0
Prior Year Encumbrances	44,329	44,329	44,329	0
Fund Balance at End of Year	<u>\$ 221,398</u>	<u>\$ 261,269</u>	<u>\$ 266,937</u>	<u>\$ 5,668</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, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND				
Revenues:				
Intergovernmental Revenues	\$ 1,886,083	\$ 2,834,983	\$ 1,854,549	\$ (980,434)
Investment Earnings	500	500	347	(153)
All Other Revenue	262,508	491,656	67,464	(424,192)
Total Revenues	<u>2,149,091</u>	<u>3,327,139</u>	<u>1,922,360</u>	<u>(1,404,779)</u>
Expenditures:				
Community Environment:				
Personal Services	257,480	319,432	224,272	95,160
Other Expenditures	2,017,440	3,221,852	1,770,575	1,451,277
Total Expenditures	<u>2,274,920</u>	<u>3,541,284</u>	<u>1,994,847</u>	<u>1,546,437</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,829)	(214,145)	(72,487)	141,658
Other Financing Sources (Uses):				
Transfers In	237,155	218,073	56,270	(161,803)
Transfers Out	0	(56,271)	(56,270)	1
Total Other Financing Sources (Uses)	<u>237,155</u>	<u>161,802</u>	<u>0</u>	<u>(161,802)</u>
Net Change in Fund Balance	111,326	(52,343)	(72,487)	(20,144)
Fund Balance at Beginning of Year	274,694	274,694	274,694	0
Prior Year Encumbrances	8,674	8,674	8,674	0
Fund Balance at End of Year	<u>\$ 394,694</u>	<u>\$ 231,025</u>	<u>\$ 210,881</u>	<u>\$ (20,144)</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, 2015***

DEBT SERVICE FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Investment Earnings	\$ 3,000	\$ 3,000	\$ 836	\$ (2,164)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>836</u>	<u>(2,164)</u>
Expenditures:				
Debt Service:				
Principal Retirement	2,730,000	2,812,230	2,814,041	(1,811)
Interest and Fiscal Charges	<u>1,140,366</u>	<u>1,163,136</u>	<u>1,157,413</u>	<u>5,723</u>
Total Expenditures	<u>3,870,366</u>	<u>3,975,366</u>	<u>3,971,454</u>	<u>3,912</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,867,366)	(3,972,366)	(3,970,618)	1,748
Other Financing Sources (Uses):				
Transfers In	<u>3,870,367</u>	<u>3,975,367</u>	<u>3,665,165</u>	<u>(310,202)</u>
Total Other Financing Sources (Uses)	<u>3,870,367</u>	<u>3,975,367</u>	<u>3,665,165</u>	<u>(310,202)</u>
Net Change in Fund Balance	3,001	3,001	(305,453)	(308,454)
Fund Balance at Beginning of Year	<u>305,453</u>	<u>305,453</u>	<u>305,453</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 308,454</u>	<u>\$ 308,454</u>	<u>\$ 0</u>	<u>\$ (308,454)</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, 2015***

HAMILTON CAPITAL IMPROVEMENT FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Income Taxes	\$ 2,240,000	\$ 2,400,000	\$ 2,496,498	\$ 96,498
Intergovernmental Revenues	50,500	26,485	26,485	0
Charges for Services	0	0	7,000	7,000
All Other Revenue	25,000	40,000	63,115	23,115
Total Revenues	<u>2,315,500</u>	<u>2,466,485</u>	<u>2,593,098</u>	<u>126,613</u>
Expenditures:				
Capital Outlay	2,828,965	3,346,322	2,901,794	444,528
Debt Service:				
Interest and Fiscal Charges	0	34,500	34,389	111
Total Expenditures	<u>2,828,965</u>	<u>3,380,822</u>	<u>2,936,183</u>	<u>444,639</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(513,465)	(914,337)	(343,085)	571,252
Other Financing Sources (Uses):				
Sale of Capital Assets	5,000	5,000	4,008	(992)
Loan Issuance	3,925,000	3,925,000	4,625,000	700,000
Transfers In	400,000	697,451	671,451	(26,000)
Transfers Out	(4,419,480)	(5,524,480)	(5,409,642)	114,838
Total Other Financing Sources (Uses)	<u>(89,480)</u>	<u>(897,029)</u>	<u>(109,183)</u>	<u>787,846</u>
Net Change in Fund Balance	(602,945)	(1,811,366)	(452,268)	1,359,098
Fund Balance at Beginning of Year	2,097,675	2,097,675	2,097,675	0
Prior Year Encumbrances	303,965	303,965	303,965	0
Fund Balance at End of Year	<u>\$ 1,798,695</u>	<u>\$ 590,274</u>	<u>\$ 1,949,372</u>	<u>\$ 1,359,098</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, 2015**

SPECIAL ASSESSMENT FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 650,000	\$ 650,000	\$ 457,761	\$ (192,239)
Total Revenues	<u>650,000</u>	<u>650,000</u>	<u>457,761</u>	<u>(192,239)</u>
Expenditures:				
Capital Outlay	592,210	642,210	568,754	73,456
Total Expenditures	<u>592,210</u>	<u>642,210</u>	<u>568,754</u>	<u>73,456</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	57,790	7,790	(110,993)	(118,783)
Other Financing Sources (Uses):				
Transfers Out	(492,062)	(492,062)	(492,061)	1
Total Other Financing Sources (Uses)	<u>(492,062)</u>	<u>(492,062)</u>	<u>(492,061)</u>	<u>1</u>
Net Change in Fund Balance	(434,272)	(484,272)	(603,054)	(118,782)
Fund Balance at Beginning of Year	461,734	461,734	461,734	0
Prior Year Encumbrances	141,460	141,460	141,460	0
Fund Balance at End of Year	<u>\$ 168,922</u>	<u>\$ 118,922</u>	<u>\$ 140</u>	<u>\$ (118,782)</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, 2015***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property and Other Local Taxes	\$ 1,115,349	\$ 1,503,971	\$ 1,441,008	\$ (62,963)
Total Revenues	1,115,349	1,503,971	1,441,008	(62,963)
Expenditures:				
Capital Outlay	729,186	917,792	865,190	52,602
Total Expenditures	729,186	917,792	865,190	52,602
Excess (Deficiency) of Revenues Over (Under) Expenditures	386,163	586,179	575,818	(10,361)
Other Financing Sources (Uses):				
Transfers Out	(347,782)	(668,045)	(649,919)	18,126
Total Other Financing Sources (Uses)	(347,782)	(668,045)	(649,919)	18,126
Net Change in Fund Balance	38,381	(81,866)	(74,101)	7,765
Fund Balance at Beginning of Year	111,592	111,592	111,592	0
Fund Balance at End of Year	\$ 149,973	\$ 29,726	\$ 37,491	\$ 7,765

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, 2015**

ISSUE II PROJECTS FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 1,883,863	\$ 1,883,863	\$ 291,757	\$ (1,592,106)
Total Revenues	<u>1,883,863</u>	<u>1,883,863</u>	<u>291,757</u>	<u>(1,592,106)</u>
Expenditures:				
Capital Outlay	1,883,863	1,883,863	291,757	1,592,106
Total Expenditures	<u>1,883,863</u>	<u>1,883,863</u>	<u>291,757</u>	<u>1,592,106</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, 2015***

CLEAN OHIO GRANTS PROGRAM FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 2,558,919	\$ 2,558,919	\$ 561,343	\$ (1,997,576)
Total Revenues	<u>2,558,919</u>	<u>2,558,919</u>	<u>561,343</u>	<u>(1,997,576)</u>
Expenditures:				
Capital Outlay	<u>2,100,254</u>	<u>2,100,254</u>	<u>622,553</u>	<u>1,477,701</u>
Total Expenditures	<u>2,100,254</u>	<u>2,100,254</u>	<u>622,553</u>	<u>1,477,701</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	458,665	458,665	(61,210)	(519,875)
Fund Balance at Beginning of Year	<u>61,210</u>	<u>61,210</u>	<u>61,210</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 519,875</u>	<u>\$ 519,875</u>	<u>\$ 0</u>	<u>\$ (519,875)</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, 2015***

BENNINGHOFEN TRUST FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Investment Earnings	\$ 500	\$ 500	\$ 248	\$ (252)
Total Revenues	<u>500</u>	<u>500</u>	<u>248</u>	<u>(252)</u>
Expenditures:				
General Government:				
Other Expenditures	500	500	248	252
Total Expenditures	<u>500</u>	<u>500</u>	<u>248</u>	<u>252</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 0</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.

CITY OF HAMILTON, OHIO

**Combining Statement of Net Position
Internal Service Funds
December 31, 2015**

	Fleet Maintenance	Central Services	Total
ASSETS:			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 374,554	\$ 7,883	\$ 382,437
Inventory of Supplies at Cost	18,871	0	18,871
Total Current Assets	<u>393,425</u>	<u>7,883</u>	<u>401,308</u>
Noncurrent Assets:			
Capital Assets, Net	65,800	0	65,800
Total Noncurrent Assets	<u>65,800</u>	<u>0</u>	<u>65,800</u>
Total Assets	<u>459,225</u>	<u>7,883</u>	<u>467,108</u>
Deferred Outflows of Resources:			
Pension:			
OPERS	93,462	443,388	536,850
Total Deferred Outflows of Resources	<u>93,462</u>	<u>443,388</u>	<u>536,850</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	77,551	263,650	341,201
Accrued Wages and Benefits	8,245	49,252	57,497
Intergovernmental Payable	6,690	33,876	40,566
Compensated Absences Payable - Current	50,036	193,843	243,879
Total Current Liabilities	<u>142,522</u>	<u>540,621</u>	<u>683,143</u>
Noncurrent Liabilities:			
Compensated Absences Payable	55,863	214,935	270,798
Net Pension Liability	561,586	2,451,936	3,013,522
Total Noncurrent Liabilities	<u>617,449</u>	<u>2,666,871</u>	<u>3,284,320</u>
Total Liabilities	<u>759,971</u>	<u>3,207,492</u>	<u>3,967,463</u>
Deferred Inflows of Resources:			
Pension:			
OPERS	9,901	42,535	52,436
Total Deferred Inflows of Resources	<u>9,901</u>	<u>42,535</u>	<u>52,436</u>
NET POSITION			
Net Investment in Capital Assets	65,800	0	65,800
Unrestricted	(282,985)	(2,798,756)	(3,081,741)
Total Net Position	<u>\$ (217,185)</u>	<u>\$ (2,798,756)</u>	<u>\$ (3,015,941)</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, 2015**

	Fleet Maintenance	Central Services	Total
Operating Revenues:			
Charges for Services	\$ 2,391,108	\$ 6,221,136	\$ 8,612,244
Other Operating Revenues	20,301	0	20,301
Total Operating Revenues	2,411,409	6,221,136	8,632,545
Operating Expenses:			
Personal Services	721,253	3,812,095	4,533,348
Contractual Services	316,720	2,148,081	2,464,801
Materials and Supplies	902,810	144,886	1,047,696
Depreciation	8,338	0	8,338
Other Operating Expenses	18,982	81,225	100,207
Total Operating Expenses	1,968,103	6,186,287	8,154,390
Operating Income	443,306	34,849	478,155
Nonoperating Revenue (Expenses):			
Investment Earnings	159	5	164
Loss on Disposal of Capital Assets	(1,948)	0	(1,948)
Total Nonoperating Revenues (Expenses)	(1,789)	5	(1,784)
Income Before Transfers	441,517	34,854	476,371
Transfers:			
Transfers Out	(249,632)	0	(249,632)
Total Transfers	(249,632)	0	(249,632)
Change in Net Position	191,885	34,854	226,739
Net Position Beginning of Year - Restated	(409,070)	(2,833,610)	(3,242,680)
Net Position End of Year	\$ (217,185)	\$ (2,798,756)	\$ (3,015,941)

CITY OF HAMILTON, OHIO

***Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2015***

	Fleet Maintenance	Central Services	Total
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$2,411,409	\$6,221,136	\$8,632,545
Cash Payments for Goods and Services	(1,234,237)	(2,232,087)	(3,466,324)
Cash Payments for Employees	(798,883)	(3,989,395)	(4,788,278)
Net Cash Provided (Used) by Operating Activities	<u>378,289</u>	<u>(346)</u>	<u>377,943</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers Out to Other Funds	(249,632)	0	(249,632)
Net Cash Used by Noncapital Financing Activities	<u>(249,632)</u>	<u>0</u>	<u>(249,632)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(41,715)	0	(41,715)
Net Cash Used by Capital and Related Financing Activities	<u>(41,715)</u>	<u>0</u>	<u>(41,715)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	159	5	164
Net Cash Provided by Investing Activities	<u>159</u>	<u>5</u>	<u>164</u>
Net Increase (Decrease) in Cash and Cash Equivalents	87,101	(341)	86,760
Cash and Cash Equivalents at Beginning of Year	287,453	8,224	295,677
Cash and Cash Equivalents at End of Year	<u>\$374,554</u>	<u>\$7,883</u>	<u>\$382,437</u>
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income	\$443,306	\$34,849	\$478,155
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	8,338	0	8,338
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Decrease in Inventory	2,535	0	2,535
Increase in Deferred Outflows of Resources	(24,482)	(147,048)	(171,530)
Increase in Accounts Payable	2,324	142,105	144,429
Decrease in Accrued Wages and Benefits	(20,475)	(100,242)	(120,717)
Decrease in Intergovernmental Payable	(2,339)	(15,268)	(17,607)
Decrease in Compensated Absences	(51,562)	(42,766)	(94,328)
Increase in Net Pension Liability	10,743	85,489	96,232
Increase in Deferred Inflows of Resources	9,901	42,535	52,436
Total Adjustments	<u>(65,017)</u>	<u>(35,195)</u>	<u>(100,212)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$378,289</u>	<u>(\$346)</u>	<u>\$377,943</u>

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, 2015***

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<u>Rounding Up Utility Account</u>				
Assets:				
Equity in Pooled Cash and Investments	\$694	\$1,649	(\$1,964)	\$379
Total Assets	<u>\$694</u>	<u>\$1,649</u>	<u>(\$1,964)</u>	<u>\$379</u>
Liabilities:				
Accounts Payable	\$694	\$0	(\$694)	\$0
Due to Others	0	1,649	(1,270)	379
Total Liabilities	<u>\$694</u>	<u>\$1,649</u>	<u>(\$1,964)</u>	<u>\$379</u>
<u>Convention and Visitor's Bureau</u>				
Assets:				
Equity in Pooled Cash and Investments	\$23,142	\$86,933	(\$82,922)	\$27,153
Total Assets	<u>\$23,142</u>	<u>\$86,933</u>	<u>(\$82,922)</u>	<u>\$27,153</u>
Liabilities:				
Accounts Payable	\$23,142	\$0	(\$23,142)	\$0
Due to Others	0	86,933	(59,780)	27,153
Total Liabilities	<u>\$23,142</u>	<u>\$86,933</u>	<u>(\$82,922)</u>	<u>\$27,153</u>
<u>Employee Taxes and Benefits</u>				
Assets:				
Equity in Pooled Cash and Investments	\$463,459	\$55,688,560	(\$55,254,464)	\$897,555
Total Assets	<u>\$463,459</u>	<u>\$55,688,560</u>	<u>(\$55,254,464)</u>	<u>\$897,555</u>
Liabilities:				
Due to Others	\$35,663	\$54,814,826	(\$54,826,668)	\$23,821
Intergovernmental Payable	427,796	873,734	(427,796)	873,734
Total Liabilities	<u>\$463,459</u>	<u>\$55,688,560</u>	<u>(\$55,254,464)</u>	<u>\$897,555</u>
<u>Miscellaneous Collections for Others</u>				
Assets:				
Equity in Pooled Cash and Investments	\$7,548	\$0	(\$7,548)	\$0
Total Assets	<u>\$7,548</u>	<u>\$0</u>	<u>(\$7,548)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$7,548	\$0	(\$7,548)	\$0
Total Liabilities	<u>\$7,548</u>	<u>\$0</u>	<u>(\$7,548)</u>	<u>\$0</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015***

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<u>Unclaimed Monies</u>				
Assets:				
Equity in Pooled Cash and Investments	\$100,609	\$0	\$0	\$100,609
Total Assets	<u>\$100,609</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100,609</u>
Liabilities:				
Due to Others	\$100,609	\$0	\$0	\$100,609
Total Liabilities	<u>\$100,609</u>	<u>\$0</u>	<u>\$0</u>	<u>\$100,609</u>
<u>Tax Collections</u>				
Assets:				
Equity in Pooled Cash and Investments	\$28,761	\$360,380	(\$353,560)	\$35,581
Total Assets	<u>\$28,761</u>	<u>\$360,380</u>	<u>(\$353,560)</u>	<u>\$35,581</u>
Liabilities:				
Intergovernmental Payable	\$28,761	\$360,380	(\$353,560)	\$35,581
Total Liabilities	<u>\$28,761</u>	<u>\$360,380</u>	<u>(\$353,560)</u>	<u>\$35,581</u>
<u>Butler County Annexation Tax</u>				
Assets:				
Equity in Pooled Cash and Investments	\$64,771	\$82,364	(\$93,661)	\$53,474
Total Assets	<u>\$64,771</u>	<u>\$82,364</u>	<u>(\$93,661)</u>	<u>\$53,474</u>
Liabilities:				
Intergovernmental Payable	\$64,771	\$82,364	(\$93,661)	\$53,474
Total Liabilities	<u>\$64,771</u>	<u>\$82,364</u>	<u>(\$93,661)</u>	<u>\$53,474</u>
<u>Central Business Special Improvement District</u>				
Assets:				
Equity in Pooled Cash and Investments	\$0	\$154,350	(\$153,991)	\$359
Receivables:				
Taxes	32,803	29,388	(32,803)	29,388
Total Assets	<u>\$32,803</u>	<u>\$183,738</u>	<u>(\$186,794)</u>	<u>\$29,747</u>
Liabilities:				
Intergovernmental Payable	\$32,803	\$183,738	(\$186,794)	\$29,747
Total Liabilities	<u>\$32,803</u>	<u>\$183,738</u>	<u>(\$186,794)</u>	<u>\$29,747</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015***

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<u>Joint Economic Development District I</u>				
Assets:				
Equity in Pooled Cash and Investments	\$18,350	\$556,819	(\$552,790)	\$22,379
Total Assets	<u>\$18,350</u>	<u>\$556,819</u>	<u>(\$552,790)</u>	<u>\$22,379</u>
Liabilities:				
Intergovernmental Payable	\$18,350	\$556,819	(\$552,790)	\$22,379
Total Liabilities	<u>\$18,350</u>	<u>\$556,819</u>	<u>(\$552,790)</u>	<u>\$22,379</u>
<u>Joint Economic Development District II</u>				
Assets:				
Equity in Pooled Cash and Investments	\$38,832	\$600,724	(\$592,687)	\$46,869
Total Assets	<u>\$38,832</u>	<u>\$600,724</u>	<u>(\$592,687)</u>	<u>\$46,869</u>
Liabilities:				
Intergovernmental Payable	\$38,832	\$600,724	(\$592,687)	\$46,869
Total Liabilities	<u>\$38,832</u>	<u>\$600,724</u>	<u>(\$592,687)</u>	<u>\$46,869</u>
<u>Fire Damage Deposit Escrow</u>				
Assets:				
Equity in Pooled Cash and Investments	\$109,800	\$22,380	(\$43,394)	\$88,786
Total Assets	<u>\$109,800</u>	<u>\$22,380</u>	<u>(\$43,394)</u>	<u>\$88,786</u>
Liabilities:				
Due to Others	\$109,800	\$22,380	(\$43,394)	\$88,786
Total Liabilities	<u>\$109,800</u>	<u>\$22,380</u>	<u>(\$43,394)</u>	<u>\$88,786</u>
<u>Police Property Room Forfeiture</u>				
Assets:				
Equity in Pooled Cash and Investments	\$421,748	\$8,817	(\$10,982)	\$419,583
Total Assets	<u>\$421,748</u>	<u>\$8,817</u>	<u>(\$10,982)</u>	<u>\$419,583</u>
Liabilities:				
Due to Others	\$421,748	\$8,817	(\$10,982)	\$419,583
Total Liabilities	<u>\$421,748</u>	<u>\$8,817</u>	<u>(\$10,982)</u>	<u>\$419,583</u>

(Continued)

CITY OF HAMILTON, OHIO

***Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015***

	Balance December 31, 2014	Additions	Deductions	Balance December 31, 2015
<u>Municipal Court</u>				
Assets:				
Equity in Pooled Cash and Investments	\$244,964	\$3,249,691	(\$3,234,945)	\$259,710
Total Assets	<u>\$244,964</u>	<u>\$3,249,691</u>	<u>(\$3,234,945)</u>	<u>\$259,710</u>
Liabilities:				
Intergovernmental Payable	\$92,094	\$150,005	(\$92,094)	\$150,005
Due to Others	152,870	3,099,686	(3,142,851)	109,705
Total Liabilities	<u>\$244,964</u>	<u>\$3,249,691</u>	<u>(\$3,234,945)</u>	<u>\$259,710</u>
 <u>Total - All Agency Funds</u>				
Assets:				
Equity in Pooled Cash and Investments	\$1,522,678	\$60,812,667	(\$60,382,908)	\$1,952,437
Receivables:				
Taxes	32,803	29,388	(32,803)	29,388
Total Assets	<u>\$1,555,481</u>	<u>\$60,842,055</u>	<u>(\$60,415,711)</u>	<u>\$1,981,825</u>
Liabilities:				
Accounts Payable	\$23,836	\$0	(\$23,836)	\$0
Intergovernmental Payable	703,407	5,757,445	(5,350,139)	1,211,789
Due to Others	828,238	55,084,610	(55,041,736)	770,036
Total Liabilities	<u>\$1,555,481</u>	<u>\$60,842,055</u>	<u>(\$60,415,711)</u>	<u>\$1,981,825</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)*

	2006	2007	2008	2009
Governmental Activities:				
Net Investment in Capital Assets	\$56,285,912	\$59,732,393	\$59,645,749	\$61,258,050
Restricted	8,292,468	7,367,202	15,051,564	14,612,944
Unrestricted (Deficit)	7,818,532	4,929,462	(1,647,332)	(711,156)
Total Governmental Activities Net Position	<u>\$72,396,912</u>	<u>\$72,029,057</u>	<u>\$73,049,981</u>	<u>\$75,159,838</u>
Business-type Activities:				
Net Investment in Capital Assets	\$94,984,687	\$94,444,136	\$99,710,125	\$95,260,611
Restricted	14,417,833	14,386,221	17,030,271	18,966,340
Unrestricted	33,564,704	40,123,385	32,349,314	38,675,708
Total Business-type Activities Net Position	<u>\$142,967,224</u>	<u>\$148,953,742</u>	<u>\$149,089,710</u>	<u>\$152,902,659</u>
Primary Government:				
Net Investment in Capital Assets	\$151,270,599	\$154,176,529	\$159,355,874	\$156,518,661
Restricted	22,710,301	21,753,423	32,081,835	33,579,284
Unrestricted	41,383,236	45,052,847	30,701,982	37,964,552
Total Primary Government Net Position	<u>\$215,364,136</u>	<u>\$220,982,799</u>	<u>\$222,139,691</u>	<u>\$228,062,497</u>

* Restated

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

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

	2010	* 2011	2012	* 2013
Governmental Activities:				
Net Investment in Capital Assets	\$62,373,720	\$61,265,974	\$60,330,073	\$64,612,820
Restricted	14,372,832	12,456,507	9,033,196	9,974,060
Unrestricted (Deficit)	1,391,246	10,738,609	13,796,160	12,148,592
Total Governmental Activities Net Position	<u>\$78,137,798</u>	<u>\$84,461,090</u>	<u>\$83,159,429</u>	<u>\$86,735,472</u>
Business-type Activities:				
Net Investment in Capital Assets	\$96,155,478	\$92,584,709	\$88,211,121	\$101,543,663
Restricted	19,220,759	21,542,104	20,539,704	20,759,192
Unrestricted	41,348,470	45,878,883	53,287,953	44,971,490
Total Business-type Activities Net Position	<u>\$156,724,707</u>	<u>\$160,005,696</u>	<u>\$162,038,778</u>	<u>\$167,274,345</u>
Primary Government:				
Net Investment in Capital Assets	\$158,529,198	\$153,850,683	\$148,541,194	\$166,156,483
Restricted	33,593,591	33,998,611	29,572,900	30,733,252
Unrestricted	42,739,716	56,617,492	67,084,113	57,120,082
Total Primary Government Net Position	<u>\$234,862,505</u>	<u>\$244,466,786</u>	<u>\$245,198,207</u>	<u>\$254,009,817</u>

(continued)

CITY OF HAMILTON, OHIO

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

	*	
	2014	2015
Governmental Activities:		
Net Investment in Capital Assets	\$68,592,556	\$69,286,773
Restricted	6,720,442	8,178,159
Unrestricted (Deficit)	(25,249,747)	(28,081,791)
Total Governmental Activities Net Position	<u>\$50,063,251</u>	<u>\$49,383,141</u>
Business-type Activities:		
Net Investment in Capital Assets	\$107,423,550	\$103,130,278
Restricted	21,622,744	18,235,929
Unrestricted	24,981,821	29,658,800
Total Business-type Activities Net Position	<u>\$154,028,115</u>	<u>\$151,025,007</u>
Primary Government:		
Net Investment in Capital Assets	\$176,016,106	\$172,417,051
Restricted	28,343,186	26,414,088
Unrestricted	(267,926)	1,577,009
Total Primary Government Net Position	<u>\$204,091,366</u>	<u>\$200,408,148</u>

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)*

	2012	2013	2014
Expenses			
Governmental Activities:			
General Government	\$7,057,730	\$6,846,691	\$5,495,659
Security of Persons and Property	31,282,855	29,179,575	27,645,337
Leisure Time Activities	2,247,173	2,552,980	2,828,054
Community Environment	3,397,734	4,757,333	4,341,261
Basic Utility Services	5,809,490	5,696,920	6,088,052
Transportation	6,157,603	5,644,999	5,878,181
Public Health and Welfare Services	1,061,241	1,081,832	1,206,052
Interest and Fiscal Charges	1,439,838	973,805	992,213
<i>Total Governmental Activities Expenses</i>	<u>58,453,664</u>	<u>56,734,135</u>	<u>54,474,809</u>
Business-type Activities:			
Gas Utility	16,850,289	24,873,444	31,175,555
Electric Utility	60,661,556	57,515,509	64,245,951
Water Utility	14,909,166	14,605,296	13,741,329
Wastewater Utility	11,872,627	12,256,376	11,602,824
<i>Total Business-type Activities Expenses</i>	<u>104,293,638</u>	<u>109,250,625</u>	<u>120,765,659</u>
<i>Total Primary Government Expenses</i>	<u>\$162,747,302</u>	<u>\$165,984,760</u>	<u>\$175,240,468</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
General Government	\$3,345,900	\$3,315,895	\$3,252,331
Security of Persons and Property	3,678,374	2,804,466	2,963,747
Leisure Time Activities	1,122,766	1,200,984	1,284,944
Community Environment	806,118	746,272	611,630
Basic Utility Services	5,666,718	5,903,259	5,933,181
Transportation	698,865	645,653	591,655
Public Health and Welfare Services	237,768	253,046	232,987
Interest and Fiscal Charges	0	0	0
Operating Grants and Contributions	6,402,940	8,740,661	5,925,099
Capital Grants and Contributions	1,138,969	1,573,747	1,973,789
<i>Total Governmental Activities Program Revenues</i>	<u>23,098,418</u>	<u>25,183,983</u>	<u>22,769,363</u>

(continued)

CITY OF HAMILTON, OHIO

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

	<u>2015</u>
Expenses	
Governmental Activities:	
General Government	\$11,972,665
Security of Persons and Property	29,109,984
Leisure Time Activities	2,788,945
Community Environment	3,213,932
Basic Utility Services	6,779,008
Transportation	5,496,120
Public Health and Welfare Services	1,542,573
Interest and Fiscal Charges	1,075,144
<i>Total Governmental Activities Expenses</i>	<u>61,978,371</u>
Business-type Activities:	
Gas Utility	22,071,290
Electric Utility	65,637,974
Water Utility	14,563,899
Wastewater Utility	12,065,377
<i>Total Business-type Activities Expenses</i>	<u>114,338,540</u>
<i>Total Primary Government Expenses</i>	<u>\$176,316,911</u>
Program Revenues	
Governmental Activities:	
Charges for Services	
General Government	\$3,183,357
Security of Persons and Property	3,055,722
Leisure Time Activities	1,209,724
Community Environment	456,883
Basic Utility Services	5,839,079
Transportation	659,797
Public Health and Welfare Services	222,113
Interest and Fiscal Charges	0
Operating Grants and Contributions	5,584,899
Capital Grants and Contributions	2,880,774
<i>Total Governmental Activities Program Revenues</i>	<u>23,092,348</u>

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
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
Transfers	(1,773,041)	0	(170,000)
Special Items	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>(\$34,008,218)</u>	<u>(\$36,894,976)</u>	<u>(\$32,929,165)</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
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
Transfers	(492,500)	0	0
Special Items	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>\$39,705,179</u>	<u>\$42,637,861</u>	<u>\$42,633,482</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>\$5,696,961</u>	<u>\$5,742,885</u>	<u>\$9,704,317</u>

(continued)

CITY OF HAMILTON, OHIO

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

	2012	2013	2014
Business-type Activities:			
Charges for Services			
Gas Utility	16,574,138	24,742,117	29,369,479
Electric Utility	62,172,965	60,346,033	61,577,164
Water Utility	14,749,579	14,656,538	14,865,682
Wastewater Utility	12,068,156	11,779,979	12,037,408
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	200,000	0	713,516
<i>Total Business-type Activities Program Revenues</i>	<u>105,764,838</u>	<u>111,524,667</u>	<u>118,563,249</u>
<i>Total Primary Government Program Revenues</i>	<u>128,863,256</u>	<u>136,708,650</u>	<u>141,332,612</u>
Net (Expense)/Revenue			
Governmental Activities	(35,355,246)	(31,550,152)	(31,705,446)
Business-type Activities	1,471,200	2,274,042	(2,202,410)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$33,884,046)</u>	<u>(\$29,276,110)</u>	<u>(\$33,907,856)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Income Taxes	\$21,259,474	\$22,310,512	\$23,354,264
Property and Other Local Taxes	8,969,655	8,961,444	8,709,596
Intergovernmental, Unrestricted	3,112,982	3,210,419	2,674,829
Investment Earnings	76,967	(69,511)	253,825
Miscellaneous	913,202	751,688	1,021,094
Transfers	(278,695)	0	0
<i>Total Governmental Activities</i>	<u>34,053,585</u>	<u>35,164,552</u>	<u>36,013,608</u>
Business-type Activities:			
Other Local Taxes (kWh Tax)	0	0	0
Investment Earnings	283,187	73,168	1,053,605
Transfers	278,695	0	0
Special Items	0	2,850,000	0
<i>Total Business-type Activities</i>	<u>561,882</u>	<u>2,923,168</u>	<u>1,053,605</u>
<i>Total Primary Government</i>	<u>\$34,615,467</u>	<u>\$38,087,720</u>	<u>\$37,067,213</u>
Change in Net Position			
Governmental Activities	(\$1,301,661)	\$3,614,400	\$4,308,162
Business-type Activities	2,033,082	5,197,210	(1,148,805)
<i>Total Primary Government Change in Net Position</i>	<u>\$731,421</u>	<u>\$8,811,610</u>	<u>\$3,159,357</u>

(continued)

CITY OF HAMILTON, OHIO

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

	2015
Business-type Activities:	
Charges for Services	
Gas Utility	21,979,425
Electric Utility	64,619,906
Water Utility	12,550,024
Wastewater Utility	11,821,865
Operating Grants and Contributions	0
Capital Grants and Contributions	0
<i>Total Business-type Activities Program Revenues</i>	110,971,220
<i>Total Primary Government Program Revenues</i>	134,063,568
Net (Expense)/Revenue	
Governmental Activities	(38,886,023)
Business-type Activities	(3,367,320)
<i>Total Primary Government Net (Expense)/Revenue</i>	(\$42,253,343)
General Revenues and Other Changes in Net Position	
Governmental Activities:	
Income Taxes	\$24,852,412
Property and Other Local Taxes	8,959,287
Intergovernmental, Unrestricted	2,691,164
Investment Earnings	114,686
Miscellaneous	1,635,091
Transfers	(46,727)
<i>Total Governmental Activities</i>	38,205,913
Business-type Activities:	
Other Local Taxes (kWh Tax)	0
Investment Earnings	317,485
Transfers	46,727
Special Items	0
<i>Total Business-type Activities</i>	364,212
<i>Total Primary Government</i>	\$38,570,125
Change in Net Position	
Governmental Activities	(\$680,110)
Business-type Activities	(3,003,108)
<i>Total Primary Government Change in Net Position</i>	(\$3,683,218)

CITY OF HAMILTON, OHIO

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

	2006	2007	2008	2009
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	512,104	949,595	358,802	320,800
Unreserved	5,821,858	3,650,400	2,393,672	2,234,918
<i>Total General Fund</i>	<u>6,333,962</u>	<u>4,599,995</u>	<u>2,752,474</u>	<u>2,555,718</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	5,805,929	4,063,502	1,832,382	1,251,859
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	3,699,611	3,441,448	6,052,023	9,652,045
Debt Service Funds	462,379	413,719	545,256	519,843
Capital Projects Funds	(760,126)	(985,852)	(1,962,315)	4,592,911
<i>Total All Other Governmental Funds</i>	<u>9,207,793</u>	<u>6,932,817</u>	<u>6,467,346</u>	<u>16,016,658</u>
<i>Total Governmental Funds</i>	<u><u>\$15,541,755</u></u>	<u><u>\$11,532,812</u></u>	<u><u>\$9,219,820</u></u>	<u><u>\$18,572,376</u></u>

(continued)

Source: City Records

* Restated

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)*

	2010	2011	2012	*
	2010	2011	2012	2013
General Fund				
Nonspendable	\$0	\$212,005	\$150,276	\$157,427
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	1,586,391	2,797,712	2,591,073
Unassigned	0	10,108,616	7,014,183	8,272,712
Reserved	647,346	0	0	0
Unreserved	4,604,450	0	0	0
Total General Fund	5,251,796	11,907,012	9,962,171	11,021,212
All Other Governmental Funds				
Nonspendable	\$0	\$134,858	\$120,806	\$128,399
Restricted	0	10,764,914	7,315,026	14,833,337
Committed	0	3,035,715	3,592,878	4,031,504
Assigned	0	2,659,700	3,078,130	2,240,056
Unassigned	0	(972,421)	(498,843)	(473,703)
Reserved	2,588,395	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	7,632,072	0	0	0
Debt Service Funds	639,917	0	0	0
Capital Projects Funds	4,738,598	0	0	0
Total All Other Governmental Funds	15,598,982	15,622,766	13,607,997	20,759,593
Total Governmental Funds	\$20,850,778	\$27,529,778	\$23,570,168	\$31,780,805

(continued)

CITY OF HAMILTON, OHIO

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

	<u>2014</u>	<u>2015</u>
General Fund		
Nonspendable	\$257,910	\$273,120
Restricted	0	0
Committed	0	0
Assigned	3,513,033	2,027,119
Unassigned	7,986,708	11,602,256
Reserved	0	0
Unreserved	0	0
<i>Total General Fund</i>	<u>11,757,651</u>	<u>13,902,495</u>
All Other Governmental Funds		
Nonspendable	\$173,681	\$169,184
Restricted	9,753,522	5,294,588
Committed	4,492,651	4,386,446
Assigned	3,386,345	843,659
Unassigned	(98,694)	(36,116)
Reserved	0	0
Unreserved, Undesignated, Reported in:		
Special Revenue Funds	0	0
Debt Service Funds	0	0
Capital Projects Funds	0	0
<i>Total All Other Governmental Funds</i>	<u>17,707,505</u>	<u>10,657,761</u>
<i>Total Governmental Funds</i>	<u><u>\$29,465,156</u></u>	<u><u>\$24,560,256</u></u>

CITY OF HAMILTON, OHIO

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

	2006	2007	2008	2009
Revenues:				
Taxes	\$31,875,087	\$32,477,358	\$33,726,071	\$32,187,244
Intergovernmental Revenues	10,862,027	12,114,525	13,577,781	13,171,624
Charges for Services	11,198,175	11,663,269	12,113,048	11,940,972
Licenses and Permits	1,616,785	1,617,944	928,440	900,996
Investment Earnings	1,029,667	1,207,785	678,248	143,617
Special Assessments	541,788	579,531	646,254	515,488
Fines and Forfeitures	1,308,179	1,169,628	1,101,672	1,080,015
All Other Revenue	2,942,798	1,417,602	1,336,575	2,041,280
Total Revenues	<u>61,374,506</u>	<u>62,247,642</u>	<u>64,108,089</u>	<u>61,981,236</u>
Expenditures:				
Current:				
General Government	8,675,905	7,374,610	7,448,102	5,628,443
Security of Persons and Property	29,379,866	30,438,704	32,092,050	31,100,200
Leisure Time Activities	2,414,964	2,792,748	2,369,005	2,059,769
Community Environment	4,343,714	5,089,993	4,185,051	4,114,757
Basic Utility Services	5,248,571	6,465,442	5,761,957	4,879,843
Transportation	3,527,957	3,443,964	2,900,974	2,650,327
Public Health and Welfare Services	1,796,070	2,020,528	1,755,859	1,356,162
Capital Outlay	2,965,518	6,522,370	6,392,174	2,084,004
Debt Service:				
Principal Retirement	1,862,000	1,885,000	1,997,000	2,045,000
Interest and Fiscal Charges	1,982,479	1,674,562	1,791,973	1,679,943
Total Expenditures	<u>62,197,044</u>	<u>67,707,921</u>	<u>66,694,145</u>	<u>57,598,448</u>
Excess (Deficiency) of Revenues Over Expenditures	(822,538)	(5,460,279)	(2,586,056)	4,382,788

(continued)

CITY OF HAMILTON, OHIO

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

	2010	2011	2012	2013
Revenues:				
Taxes	\$31,926,401	\$30,848,001	\$30,240,129	\$30,392,344
Intergovernmental Revenues	15,353,253	19,480,722	10,997,434	13,552,982
Charges for Services	12,018,069	11,893,521	12,659,606	12,367,803
Licenses and Permits	1,026,594	857,177	981,700	935,844
Investment Earnings	100,931	98,396	76,967	(59,847)
Special Assessments	686,661	563,674	811,933	668,686
Fines and Forfeitures	1,017,725	1,066,910	1,130,278	821,866
All Other Revenue	1,226,936	964,173	913,202	751,688
Total Revenues	63,356,570	65,772,574	57,811,249	59,431,366
Expenditures:				
Current:				
General Government	3,965,793	5,089,992	6,121,906	6,456,639
Security of Persons and Property	31,574,695	30,807,813	30,141,708	27,840,266
Leisure Time Activities	2,202,403	1,662,185	1,973,297	2,731,042
Community Environment	5,013,534	2,754,638	3,315,185	4,639,097
Basic Utility Services	5,945,443	5,821,649	5,696,091	5,621,039
Transportation	3,336,713	3,924,752	3,762,769	3,496,658
Public Health and Welfare Services	1,219,842	1,115,975	1,035,886	1,042,523
Capital Outlay	4,383,743	6,762,309	5,461,124	6,069,186
Debt Service:				
Principal Retirement	2,425,000	2,485,000	2,695,000	2,365,000
Interest and Fiscal Charges	1,573,877	1,750,626	1,274,719	1,187,163
Total Expenditures	61,641,043	62,174,939	61,477,685	61,448,613
Excess (Deficiency) of Revenues Over Expenditures	1,715,527	3,597,635	(3,666,436)	(2,017,247)

(continued)

CITY OF HAMILTON, OHIO

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

	<u>2014</u>	<u>2015</u>
Revenues:		
Taxes	\$31,793,857	\$33,637,684
Intergovernmental Revenues	10,403,668	10,354,357
Charges for Services	12,274,857	12,210,156
Licenses and Permits	1,036,845	1,018,831
Investment Earnings	253,825	114,686
Special Assessments	626,396	457,761
Fines and Forfeitures	947,713	944,175
All Other Revenue	1,021,094	1,635,091
Total Revenues	<u>58,358,255</u>	<u>60,372,741</u>
Expenditures:		
Current:		
General Government	4,599,445	5,203,607
Security of Persons and Property	26,527,614	26,548,711
Leisure Time Activities	2,406,632	2,427,067
Community Environment	4,195,166	3,004,125
Basic Utility Services	5,847,541	6,354,117
Transportation	3,761,881	3,161,989
Public Health and Welfare Services	1,144,033	1,455,638
Capital Outlay	8,688,731	14,304,429
Debt Service:		
Principal Retirement	2,405,000	2,559,963
Interest and Fiscal Charges	1,134,543	1,217,255
Total Expenditures	<u>60,710,586</u>	<u>66,236,901</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,352,331)	(5,864,160)

(continued)

CITY OF HAMILTON, OHIO

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

	2006	2007	2008	2009
Other Financing Sources (Uses):				
Long-Term Capital Related Debt Issued	218,000	365,000	0	0
Sale of Capital Assets	756,038	1,087,495	86,580	61,196
Loan Issuance	0	0	0	0
General Obligation Bonds and Notes Issued	0	0	0	4,920,000
Premium on General Obligation Bonds	0	0	0	142,501
Discount on General Obligation Bonds	0	0	0	(42,930)
Refunding General Obligation Bonds	0	0	0	2,235,000
Payment to Refunded Bond Escrow Agent	0	0	0	(2,257,022)
Transfers In	13,537,743	6,447,505	7,003,332	11,407,779
Transfers Out	(11,764,702)	(6,447,505)	(6,833,332)	(10,915,279)
Total Other Financing Sources (Uses)	<u>2,747,079</u>	<u>1,452,495</u>	<u>256,580</u>	<u>5,551,245</u>
Net Change in Fund Balance	<u>\$1,924,541</u>	<u>(\$4,007,784)</u>	<u>(\$2,329,476)</u>	<u>\$9,934,033</u>
Debt Service as a Percentage of Noncapital Expenditures	6.53%	5.83%	6.04%	6.65%

(continued)

CITY OF HAMILTON, OHIO

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

	2010	2011	2012	2013
Other Financing Sources (Uses):				
Long-Term Capital Related Debt Issued	0	0	0	0
Sale of Capital Assets	0	49,451	418	115,852
Loan Issuance	0	0	0	9,500,000
General Obligation Bonds and Notes Issued	0	2,535,000	0	0
Premium on General Obligation Bonds	0	1,709,955	0	0
Discount on General Obligation Bonds	0	0	0	0
Refunding General Obligation Bonds	0	18,360,000	0	0
Payment to Refunded Bond Escrow Agent	0	(19,621,590)	0	0
Transfers In	5,119,036	4,214,964	8,844,112	7,500,414
Transfers Out	(5,119,036)	(4,214,964)	(9,122,807)	(7,500,414)
Total Other Financing Sources (Uses)	<u>0</u>	<u>3,032,816</u>	<u>(278,277)</u>	<u>9,615,852</u>
Net Change in Fund Balance	<u>\$1,715,527</u>	<u>\$6,630,451</u>	<u>(\$3,944,713)</u>	<u>\$7,598,605</u>
Debt Service as a Percentage of Noncapital Expenditures	6.81%	7.22%	6.91%	6.30%

(continued)

CITY OF HAMILTON, OHIO

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

	<u>2014</u>	<u>2015</u>
Other Financing Sources (Uses):		
Long-Term Capital Related Debt Issued	0	0
Sale of Capital Assets	29,359	65,721
Loan Issuance	0	700,000
General Obligation Bonds and Notes Issued	0	0
Premium on General Obligation Bonds	0	0
Discount on General Obligation Bonds	0	0
Refunding General Obligation Bonds	0	0
Payment to Refunded Bond Escrow Agent	0	0
Transfers In	11,699,277	10,725,880
Transfers Out	<u>(11,699,277)</u>	<u>(10,522,975)</u>
Total Other Financing Sources (Uses)	<u>29,359</u>	<u>968,626</u>
Net Change in Fund Balance	<u><u>(\$2,322,972)</u></u>	<u><u>(\$4,895,534)</u></u>
Debt Service as a Percentage of Noncapital Expenditures	6.59%	6.78%

CITY OF HAMILTON, OHIO

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

Collection Year	2006	2007	2008	2009
Real Property				
Assessed	\$880,671,170	\$894,319,760	\$903,465,830	\$950,210,110
Actual	2,516,203,343	2,555,199,314	2,581,330,943	2,714,886,029
Public Utility				
Assessed	11,724,950	7,410,550	3,167,600	2,719,800
Actual	11,724,950	7,410,550	3,167,600	2,719,800
Tangible Personal Property				
Assessed	72,654,723	50,884,160	38,617,646	0
Actual	387,491,856	407,073,280	617,882,336	0
Total				
Assessed	965,050,843	952,614,470	945,251,076	952,929,910
Actual	2,915,420,149	2,969,683,144	3,202,380,879	2,717,605,829
Assessed Value as a Percentage of Actual Value	33.10%	32.08%	29.52%	35.07%
Total Direct Tax Rate	\$7.16	\$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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Real Property				
Assessed	\$900,434,690	\$889,863,130	\$822,899,950	\$805,839,810
Actual	2,572,670,543	2,542,466,086	2,351,142,714	2,302,399,457
Public Utility				
Assessed	2,461,240	5,891,190	5,798,610	4,726,410
Actual	2,461,240	5,891,190	5,798,610	4,726,410
Tangible Personal Property				
Assessed	0	0	0	0
Actual	0	0	0	0
Total				
Assessed	902,895,930	895,754,320	828,698,560	810,566,220
Actual	2,575,131,783	2,548,357,276	2,356,941,324	2,307,125,867
Assessed Value as a Percentage of Actual Value	35.06%	35.15%	35.16%	35.13%
Total Direct Tax Rate	\$7.16	\$6.81	\$6.81	\$6.81

(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>2014</u>	<u>2015</u>
Real Property		
Assessed	\$753,521,500	\$747,624,230
Actual	2,152,918,571	2,136,069,229
Public Utility		
Assessed	4,763,000	4,937,810
Actual	4,763,000	4,937,810
Tangible Personal Property		
Assessed	0	0
Actual	0	0
Total		
Assessed	758,284,500	752,562,040
Actual	2,157,681,571	2,141,007,039
Assessed Value as a Percentage of Actual Value	35.14%	35.15%
Total Direct Tax Rate	\$6.81	\$6.81

CITY OF HAMILTON, OHIO

*Property Tax Levies and Collections
Last Ten Calendar Years*

Calendar Year	2006	2007	2008	2009
Taxes Levied for the Calendar Year	\$6,590,009	\$6,498,408	\$6,446,810	\$6,582,443
Collected within the Calendar Year of the Levy				
Amount	5,877,718	5,885,931	5,964,533	6,341,037
Percent of Levy	89.19%	90.57%	92.52%	96.33%
Collections in Subsequent Years (1)	344,982	232,809	260,500	371,397
Total Collections to Date				
Amount	6,222,700	6,118,740	6,225,033	6,712,434
Percent of Levy	94.43%	94.16%	96.56%	101.97%

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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Taxes Levied for the Calendar Year	\$6,159,369	\$5,808,362	\$5,459,714	\$5,409,302
Collected within the Calendar Year of the Levy				
Amount	5,755,139	5,449,604	5,152,127	5,042,759
Percent of Levy	93.44%	93.82%	94.37%	93.22%
Collections in Subsequent Years (1)	211,476	236,932	262,971	231,531
Total Collections to Date				
Amount	5,966,615	5,686,536	5,415,098	5,274,290
Percent of Levy	96.87%	97.90%	99.18%	97.50%

(continued)

CITY OF HAMILTON, OHIO

*Property Tax Levies and Collections
Last Ten Calendar Years*

Calendar Year	<u>2014</u>	<u>2015</u>
Taxes Levied for the Calendar Year	\$5,349,390	\$5,091,799
Collected within the Calendar Year of the Levy		
Amount	5,043,851	4,837,997
Percent of Levy	94.29%	95.02%
Collections in Subsequent Years (1)	258,114	262,126
Total Collections to Date		
Amount	5,301,965	5,100,123
Percent of Levy	99.11%	100.16%

CITY OF HAMILTON, OHIO

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

	2006	2007	2008	2009	2010
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	0.35	0.35
Police / Fire-EMS Levies	2.00	2.00	2.00	2.00	2.00
Total Direct Rate	7.16	7.16	7.16	7.16	7.16
Overlapping Rates					
Hamilton City School District	48.01	53.42	53.42	53.42	53.42
Butler County	9.44	10.95	10.45	10.45	9.75

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*

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</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)	0.00	0.00	0.00	0.00	0.00
Police / Fire-EMS Levies	2.00	2.00	2.00	2.00	2.00
Total Direct Rate	<u>6.81</u>	<u>6.81</u>	<u>6.81</u>	<u>6.81</u>	<u>6.81</u>
Overlapping Rates					
Hamilton City School District	53.42	53.42	53.61	55.61	54.81
Butler County	9.75	9.72	9.72	9.72	9.72

CITY OF HAMILTON, OHIO

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

Tax Payer	Nature of Business	2015	
		Assessed Value	Percentage of Total Assessed Value
Colonial Senior Services	Healthcare	\$5,491,920	0.73%
Duke Realty	Real Estate	3,993,590	0.53%
Shadow Creek Apartments	Real Estate	3,869,070	0.51%
AHP Knollwood Crossing	Real Estate	3,770,670	0.50%
Tippmann Realty	Real Estate	3,628,230	0.48%
Pedcor Investments	Investments	3,031,700	0.40%
Duke Energy	Utility	2,798,010	0.37%
SD County Walk Sub	Real Estate	2,502,860	0.33%
VCG-Hamilton Crossings	Real Estate	2,380,000	0.32%
TCG Symmes	Real Estate	2,308,500	0.31%
	Sub-Total	33,774,550	4.48%
	All Others	718,787,490	95.52%
	Total	<u>\$752,562,040</u>	<u>100.00%</u>

Tax Payer	Nature of Business	2006	
		Assessed Value	Percentage of Total Assessed Value
Tippman Realty PRT	Real Estate	\$5,052,960	0.52%
Colonial Senior Services Inc.	Healthcare	4,262,690	0.44%
Pedcor Investments	Investments	4,163,870	0.43%
Shadow Creek Apartments	Real Estate	3,847,890	0.40%
First National Bank	Finance	3,728,850	0.39%
Affordable Housing PRT Inc.	Real Estate	3,672,820	0.38%
Hamilton Crossings LLC	Real Estate	3,325,000	0.34%
Cincinnati Bell Telephone	Utility	3,252,550	0.34%
Jendec Development LLC	Real Estate	3,022,640	0.31%
Meijer Stores LTD PRT	Retail	3,010,000	0.31%
	Sub-Total	37,339,270	3.86%
	All Others	927,711,573	96.14%
	Total	<u>\$965,050,843</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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund (1)	\$17,702,447	\$18,240,349	\$18,623,279	\$17,656,771
Public Safety / Health Income Tax Fund (2)	2,882,087	2,971,408	3,034,120	2,877,197
Hamilton Capital Improvement Fund (3)	<u>2,305,669</u>	<u>2,377,126</u>	<u>2,427,386</u>	<u>2,301,757</u>
Total	<u>\$22,890,203</u>	<u>\$23,588,883</u>	<u>\$24,084,785</u>	<u>\$22,835,725</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 c 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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund (1)	\$17,442,410	\$17,046,349	\$16,874,253	\$17,464,829
Public Safety / Health Income Tax Fund (2)	2,841,970	2,777,128	2,749,995	2,844,699
Hamilton Capital Improvement Fund (3)	<u>2,273,576</u>	<u>2,221,702</u>	<u>2,199,995</u>	<u>2,275,758</u>
Total	<u>\$22,557,956</u>	<u>\$22,045,179</u>	<u>\$21,824,243</u>	<u>\$22,585,286</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>2014</u>	<u>2015</u>
General Fund (1)	\$17,840,205	\$19,347,853
Public Safety / Health Income Tax Fund (2)	2,897,290	3,120,623
Hamilton Capital Improvement Fund (3)	2,317,831	2,496,498
Total	<u>\$23,055,326</u>	<u>\$24,964,974</u>
Income Tax Rate (4)	2.00	2.00

CITY OF HAMILTON, OHIO

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

Employer	Nature of Business	2015 Rank
Butler County Auditor	Government	1
Hamilton City School District	Education	2
Kettering Medical Center Network	Healthcare	3
ThyssenKrupp Bilstein of America Inc.	Manufacturing	4
Miami University	Education	5
Valeo Climate Control	Manufacturing	6
GE Engine Services Inc.	Manufacturing	7
Bethesda Hospital Inc.	Healthcare	8
Alliance Physicians Inc.	Healthcare	9
Kroger LTD Partnership	Retail	10

Employer	Nature of Business	2006 Rank
Butler County Auditor	Government	1
Board of Education	Education	2
Fort Hamilton Hospital	Healthcare	3
City of Hamilton	Government	4
Smart Papers LLC	Manufacturing	5
Valeo Climate Control	Manufacturing	6
Ohio Casualty Group	Insurance	7
First Financial Bank	Banking	8
GE Engine Service Inc.	Manufacturing	9
Miami University	Education	10

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

CITY OF HAMILTON, OHIO

*Ratios of Outstanding Debt By Type
Last Ten Years*

	2006	2007	2008	2009
Governmental Activities (1)				
General Obligation Bonds Payable	\$31,927,795	\$30,385,161	\$28,695,738	\$31,964,738
Special Revenue Notes Payable	3,075,000	2,540,000	1,930,000	0
Capital Projects Notes Payable	3,255,000	3,495,000	5,565,000	0
Special Assessments Notes Payable	525,000	400,000	103,000	0
Special Assessment Bonds Payable	2,447,000	2,492,000	2,205,000	1,935,000
Loans Payable	0	0	0	0
Business-type Activities (1)				
Water Revenue Bonds Payable	\$10,880,000	\$10,335,000	\$9,775,000	\$26,321,193
OWDA Loans	0	0	0	0
Line of Credit Payable	0	0	8,000,000	0
Gas Bonds Payable	10,755,000	9,730,000	8,675,000	11,845,845
Enterprise Notes Payable	17,910,000	21,720,000	33,075,000	0
Electric Revenue Bonds Payable	161,570,000	155,395,000	149,020,000	169,384,333
Wastewater Bonds Payable	22,660,000	21,660,000	20,630,000	33,073,131
Total Primary Government	\$265,004,795	\$258,152,161	\$267,673,738	\$274,524,240
Population (2)				
City of Hamilton	60,690	60,690	60,690	60,690
Outstanding Debt Per Capita	\$4,367	\$4,254	\$4,411	\$4,523
Income (3)				
Personal (in thousands) (a)	11,025,896	11,264,851	11,954,760	11,533,094
Percentage of Personal Income	2.40%	2.29%	2.24%	2.38%

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

*Ratios of Outstanding Debt By Type
Last Ten Years*

	2010	2011	2012	2013
Governmental Activities (1)				
General Obligation Bonds Payable	\$29,828,806	\$30,426,579	\$28,115,485	\$25,701,350
Special Revenue Notes Payable	0	0	0	0
Capital Projects Notes Payable	0	0	0	0
Special Assessments Notes Payable	0	0	0	0
Special Assessment Bonds Payable	1,650,000	1,400,000	1,195,000	1,060,000
Loans Payable	0	0	0	9,500,000
Business-type Activities (1)				
Water Revenue Bonds Payable	\$25,623,614	\$24,810,415	\$24,706,460	\$23,655,911
OWDA Loans	431,837	416,213	400,077	383,412
Line of Credit Payable	0	0	0	0
Gas Bonds Payable	10,782,428	9,655,749	8,588,256	7,268,857
Enterprise Notes Payable	0	5,900,000	10,690,000	10,690,000
Electric Revenue Bonds Payable	163,238,287	156,835,006	153,774,110	146,129,261
Wastewater Bonds Payable	31,763,637	59,865,579	58,384,649	56,274,683
Total Primary Government	\$263,318,609	\$289,309,541	\$285,854,037	\$280,663,474
Population (2)				
City of Hamilton	62,477	62,795	62,295	62,477
Outstanding Debt Per Capita	\$4,215	\$4,607	\$4,589	\$4,492
Income (3)				
Personal (in thousands) (a)	12,975,478	13,652,278	14,375,201	14,468,982
Percentage of Personal Income	2.03%	2.12%	1.99%	1.94%

(continued)

CITY OF HAMILTON, OHIO

*Ratios of Outstanding Debt By Type
Last Ten Years*

	<u>2014</u>	<u>2015</u>
Governmental Activities (1)		
General Obligation Bonds Payable	\$23,258,690	\$20,762,700
Special Revenue Notes Payable	0	0
Capital Projects Notes Payable	0	0
Special Assessments Notes Payable	0	0
Special Assessment Bonds Payable	920,000	770,000
Loans Payable	9,500,000	10,115,037
Business-type Activities (1)		
Water Revenue Bonds Payable	\$22,574,819	\$28,817,338
OWDA Loans	366,201	339,322
Line of Credit Payable	0	0
Gas Bonds Payable	5,895,337	4,467,672
Enterprise Notes Payable	10,690,000	103,695,000
Electric Revenue Bonds Payable	137,642,002	30,924,820
Wastewater Bonds Payable	54,084,065	51,824,871
 Total Primary Government	 <u>\$264,931,114</u>	 <u>\$251,716,760</u>
 Population (2)		
City of Hamilton	62,258	62,486
Outstanding Debt Per Capita	\$4,255	\$4,028
 Income (3)		
Personal (in thousands) (a)	14,592,475	15,294,831
Percentage of Personal Income	1.82%	1.65%

CITY OF HAMILTON, OHIO

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2006	2007	2008	2009
Population (1)	60,690	60,690	60,690	60,690
Actual Value (in thousands) (2)	\$2,915,420	\$2,969,683	\$3,202,381	\$2,717,606
General Bonded Debt (3)				
General Obligation Bonds	\$31,927,795	\$30,385,161	\$28,695,738	\$31,964,738
Total General Bonded Debt	\$31,927,795	\$30,385,161	\$28,695,738	\$31,964,738
Resources Available to Pay Principal	\$0	\$0	\$0	\$0
Net General Bonded Debt	\$31,927,795	\$30,385,161	\$28,695,738	\$31,964,738
Ratio of Net Bonded Debt to Estimated Actual Value	1.10%	1.02%	0.90%	1.18%
Net Bonded Debt per Capita	\$526.08	\$500.66	\$472.82	\$526.69

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	2010	2011	2012	2013
Population (1)	62,477	62,795	62,295	62,477
Actual Value (in thousands) (2)	\$2,575,132	\$2,548,357	\$2,356,941	\$2,307,126
General Bonded Debt (3)				
General Obligation Bonds	\$29,828,806	\$30,426,579	\$28,115,485	\$25,701,350
Total General Bonded Debt	\$29,828,806	\$30,426,579	\$28,115,485	\$25,701,350
Resources Available to Pay Principal	\$0	\$0	\$0	\$0
Net General Bonded Debt	\$29,828,806	\$30,426,579	\$28,115,485	\$25,701,350
Ratio of Net Bonded Debt to Estimated Actual Value	1.16%	1.19%	1.19%	1.11%
Net Bonded Debt per Capita	\$477.44	\$484.54	\$451.33	\$411.37

(continued)

CITY OF HAMILTON, OHIO

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2014	2015
Population (1)	62,258	62,486
Actual Value (in thousands) (2)	\$2,157,682	\$2,141,007
General Bonded Debt (3)		
General Obligation Bonds	\$23,258,690	\$20,762,700
Total General Bonded Debt	\$23,258,690	\$20,762,700
Resources Available to Pay Principal	\$0	\$0
Net General Bonded Debt	\$23,258,690	\$20,762,700
Ratio of Net Bonded Debt to Estimated Actual Value	1.08%	0.97%
Net Bonded Debt per Capita	\$373.59	\$332.28

CITY OF HAMILTON, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2015*

<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	\$31,647,737	100.00%	\$31,647,737
Overlapping:			
Butler County	70,997,152	11.95%	8,484,160
Hamilton City School District	91,895,562	97.32%	89,432,761
Talawanda School District	50,112,344	5.58%	2,796,269
New Miami Local School District	1,469,570	0.40%	5,878
Ross Local School District	18,197,517	0.50%	<u>90,988</u>
		Subtotal	<u>100,810,056</u>
		Total	<u>\$132,457,793</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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$965,050,843	\$952,614,470	\$945,251,076	\$952,929,910
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	101,330,339	100,024,519	99,251,363	100,057,641
City Debt Outstanding (2)	37,957,621	36,146,281	35,764,744	31,440,157
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>37,957,621</u>	<u>36,146,281</u>	<u>35,764,744</u>	<u>31,440,157</u>
Overall Legal Debt Margin	<u><u>\$63,372,718</u></u>	<u><u>\$63,878,238</u></u>	<u><u>\$63,486,619</u></u>	<u><u>\$68,617,484</u></u>
 Debt Margin as a Percentage of Debt Limit	 62.54%	 63.86%	 63.97%	 68.58%
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$965,050,843	\$952,614,470	\$945,251,076	\$952,929,910
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	53,077,796	52,393,796	51,988,809	52,411,145
City Debt Outstanding (2)	37,957,621	36,146,281	35,764,744	31,440,157
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>37,957,621</u>	<u>36,146,281</u>	<u>35,764,744</u>	<u>31,440,157</u>
Overall Legal Debt Margin	<u><u>\$15,120,175</u></u>	<u><u>\$16,247,515</u></u>	<u><u>\$16,224,065</u></u>	<u><u>\$20,970,988</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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$902,895,930	\$895,754,320	\$828,698,560	\$810,566,220
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	94,804,073	94,054,204	87,013,349	85,109,453
City Debt Outstanding (2)	29,180,083	28,170,011	25,925,097	23,875,438
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>29,180,083</u>	<u>28,170,011</u>	<u>25,925,097</u>	<u>23,875,438</u>
Overall Legal Debt Margin	<u><u>\$65,623,990</u></u>	<u><u>\$65,884,193</u></u>	<u><u>\$61,088,252</u></u>	<u><u>\$61,234,015</u></u>
 Debt Margin as a Percentage of Debt Limit	 69.22%	 70.05%	 70.21%	 71.95%
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$902,895,930	\$895,754,320	\$828,698,560	\$810,566,220
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	49,659,276	49,266,488	45,578,421	44,581,142
City Debt Outstanding (2)	29,180,083	28,170,011	25,925,097	23,875,438
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>29,180,083</u>	<u>28,170,011</u>	<u>25,925,097</u>	<u>23,875,438</u>
Overall Legal Debt Margin	<u><u>\$20,479,193</u></u>	<u><u>\$21,096,477</u></u>	<u><u>\$19,653,324</u></u>	<u><u>\$20,705,704</u></u>

(continued)

CITY OF HAMILTON, OHIO

*Debt Limitations
Last Ten Years*

Collection Year	<u>2014</u>	<u>2015</u>
<u>Total Debt</u>		
Net Assessed Valuation	\$758,284,500	\$752,562,040
Legal Debt Limitation (%) (1)	10.50%	10.50%
Legal Debt Limitation (\$) (1)	79,619,873	79,019,014
City Debt Outstanding (2)	21,739,256	19,720,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation (2)	<u>21,739,256</u>	<u>19,720,000</u>
Overall Legal Debt Margin	<u><u>\$57,880,617</u></u>	<u><u>\$59,299,014</u></u>
 Debt Margin as a Percentage of Debt Limit	 72.70%	 75.04%
<u>Unvoted Debt</u>		
Net Assessed Valuation	\$758,284,500	\$752,562,040
Legal Debt Limitation (%) (1)	5.50%	5.50%
Legal Debt Limitation (\$) (1)	41,705,648	41,390,912
City Debt Outstanding (2)	21,739,256	19,720,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation (2)	<u>21,739,256</u>	<u>19,720,000</u>
Overall Legal Debt Margin	<u><u>\$19,966,392</u></u>	<u><u>\$21,670,912</u></u>

CITY OF HAMILTON, OHIO

*Pledged Revenue Coverage
Last Ten Years*

	2006	2007	2008	2009
Water System Revenue Bonds				
Gross Revenues (1)	\$14,980,733	\$15,618,225	\$14,753,151	\$14,365,405
Direct Operating Expenses (2)	11,035,787	11,278,031	11,625,041	11,794,753
Net Revenue Available for Debt Service	3,944,946	4,340,194	3,128,110	2,570,652
Annual Debt Service Requirement	1,005,474	1,007,224	1,006,964	1,009,324
Coverage (3)	3.92	4.31	3.11	2.55
Wastewater System Revenue Bonds				
Gross Revenues (1)	\$10,784,184	\$11,086,222	\$11,151,093	\$10,835,332
Direct Operating Expenses (2)	7,373,360	7,838,546	8,252,037	8,150,313
Net Revenue Available for Debt Service	3,410,824	3,247,676	2,899,056	2,685,019
Annual Debt Service Requirement	2,058,590	2,059,490	2,059,490	2,056,015
Coverage (3)	1.66	1.58	1.41	1.31
Gas System Revenue Bonds				
Gross Revenues (1)	\$40,216,803	\$38,699,384	\$39,980,359	\$31,795,459
Direct Operating Expenses (2)	32,442,221	32,703,906	35,686,059	27,095,082
Net Revenue Available for Debt Service	7,774,582	5,995,478	4,294,300	4,700,377
Annual Debt Service Requirement	1,490,012	1,492,513	1,491,762	1,490,112
Coverage (3)	5.22	4.02	2.88	3.15
Electric System Revenue Bonds				
Gross Revenues (1)	\$59,863,468	\$63,779,353	\$66,029,226	\$61,400,264
Direct Operating Expenses (2)	39,719,528	46,588,939	48,905,823	39,290,578
Net Revenue Available for Debt Service	20,143,940	17,190,414	17,123,403	22,109,686
Annual Debt Service Requirement	13,007,773	13,037,485	13,046,060	13,052,060
Coverage (3)	1.55	1.32	1.31	1.69
Special Assessment Bonds				
Special Assessment Collections	\$378,938	\$434,437	\$562,053	\$343,711
Debt Service				
Principal	347,000	320,000	287,000	270,000
Interest	121,859	121,101	127,757	111,863
Coverage	0.81	0.98	1.36	0.90

- (1) Gross revenues include operating revenues plus interest income.
(2) Direct operating expenses include operating expenses less depreciation.
(3) Coverage ratios based on GAAP basis figures. Under the terms of the revenue bond indentures, coverage ratios are calculated using Non-GAAP basis figures.

(continued)

Source: City Records

CITY OF HAMILTON, OHIO

*Pledged Revenue Coverage
Last Ten Years*

	2010	2011	2012	2013
Water System Revenue Bonds				
Gross Revenues (1)	\$14,930,142	\$15,000,714	\$14,798,053	\$14,656,915
Direct Operating Expenses (2)	12,158,069	10,795,637	10,868,974	10,505,666
Net Revenue Available for Debt Service	2,772,073	4,205,077	3,929,079	4,151,249
Annual Debt Service Requirement	2,337,494	2,321,067	2,322,567	2,320,492
Coverage (3)	1.19	1.81	1.69	1.79
Wastewater System Revenue Bonds				
Gross Revenues (1)	\$11,272,546	\$12,368,786	\$12,181,654	\$14,684,679
Direct Operating Expenses (2)	7,792,762	7,355,594	6,988,504	7,068,795
Net Revenue Available for Debt Service	3,479,784	5,013,192	5,193,150	7,615,884
Annual Debt Service Requirement	3,114,006	3,092,977	4,853,775	4,901,071
Coverage (3)	1.12	1.62	1.07	1.55
Gas System Revenue Bonds				
Gross Revenues (1)	\$26,867,128	\$21,974,462	\$16,611,781	\$24,746,065
Direct Operating Expenses (2)	23,092,861	19,230,178	14,435,127	22,596,575
Net Revenue Available for Debt Service	3,774,267	2,744,284	2,176,654	2,149,490
Annual Debt Service Requirement	1,693,780	1,674,487	1,670,737	1,669,237
Coverage (3)	2.23	1.64	1.30	1.29
Electric System Revenue Bonds				
Gross Revenues (1)	\$66,365,469	\$63,439,859	\$62,256,537	\$60,360,176
Direct Operating Expenses (2)	47,654,945	42,406,513	41,468,644	42,282,539
Net Revenue Available for Debt Service	18,710,524	21,033,346	20,787,893	18,077,637
Annual Debt Service Requirement	14,836,139	14,713,079	14,874,641	14,837,797
Coverage (3)	1.26	1.43	1.40	1.22
Special Assessment Bonds				
Special Assessment Collections	\$511,216	\$512,509	\$465,240	\$499,689
Debt Service				
Principal	285,000	250,000	205,000	135,000
Interest	99,996	87,383	75,698	65,498
Coverage	1.33	1.52	1.66	2.49

(continued)

CITY OF HAMILTON, OHIO

*Pledged Revenue Coverage
Last Ten Years*

	2014	2015
Water System Revenue Bonds		
Gross Revenues (1)	\$14,965,626	\$12,602,429
Direct Operating Expenses (2)	9,477,829	9,364,217
Net Revenue Available for Debt Service	5,487,797	3,238,212
Annual Debt Service Requirement	2,314,717	2,316,840
Coverage (3)	2.37	1.40
Wastewater System Revenue Bonds		
Gross Revenues (1)	\$12,375,483	\$11,950,092
Direct Operating Expenses (2)	6,582,215	6,816,788
Net Revenue Available for Debt Service	5,793,268	5,133,304
Annual Debt Service Requirement	4,852,095	4,844,370
Coverage (3)	1.19	1.06
Gas System Revenue Bonds		
Gross Revenues (1)	\$29,488,952	\$22,013,427
Direct Operating Expenses (2)	28,900,507	19,446,910
Net Revenue Available for Debt Service	588,445	2,566,517
Annual Debt Service Requirement	1,669,738	1,670,375
Coverage (3)	0.35	1.54
Electric System Revenue Bonds		
Gross Revenues (1)	\$62,073,277	\$64,722,757
Direct Operating Expenses (2)	48,620,592	46,586,253
Net Revenue Available for Debt Service	13,452,685	18,136,504
Annual Debt Service Requirement	15,373,471	15,301,211
Coverage (3)	0.88	1.19
Special Assessment Bonds		
Special Assessment Collections	\$484,900	\$417,716
Debt Service		
Principal	140,000	150,000
Interest	58,523	51,078
Coverage	2.44	2.08

CITY OF HAMILTON, OHIO

Demographic and Economic Statistics Last Ten Years

Calendar Year	2006	2007	2008	2009
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)	11,025,896	11,264,851	11,954,760	11,533,094
Per Capita	33,130	33,848	35,921	34,654
Unemployment Rate (3)				
Federal	6.0%	5.5%	5.8%	10.0%
State	6.1%	6.0%	6.6%	10.8%
Butler County	5.6%	5.1%	5.9%	9.9%
Civilian Work Force Estimates (3)				
State	5,875,300	5,900,400	5,986,400	5,970,200
Butler County	189,700	190,800	191,700	191,700

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 2014, for the presentation of 2014 and 2015 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	2010	2011	2012	2013
Population (1)				
City of Hamilton	62,477	62,795	62,295	62,477
Butler County	368,130	373,115	369,999	368,130
Income (2) (a)				
Total Personal (in thousands)	12,975,478	13,652,278	14,375,201	14,468,982
Per Capita	35,247	36,590	38,852	39,304
Unemployment Rate (3)				
Federal	9.6%	8.9%	8.1%	7.4%
State	10.1%	8.6%	7.2%	7.4%
Butler County	9.6%	8.6%	7.1%	6.9%
Civilian Work Force Estimates (3)				
State	5,897,600	5,806,000	5,748,000	5,766,000
Butler County	188,200	191,300	189,600	190,500

(continued)

CITY OF HAMILTON, OHIO

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2014	2015
Population (1)		
City of Hamilton	62,258	62,486
Butler County	371,272	374,158
Income (2) (a)		
Total Personal (in thousands)	14,592,475	15,294,831
Per Capita	39,304	40,878
Unemployment Rate (3)		
Federal	6.2%	5.3%
State	5.6%	4.6%
Butler County	4.9%	4.2%
Civilian Work Force Estimates (3)		
State	5,737,000	5,703,400
Butler County	191,100	186,900

CITY OF HAMILTON, OHIO

*Principal Employers
Current Year and Nine Years Ago*

		2015	
Employer	Nature of Business	Number of Employees	Rank
Butler County	Government	1,500	1
Fort Hamilton Hospital	Health Care	1,000	2
Hamilton City School District	Education	1,000	3
Community First Solutions (HQ)	Health Care	700	4
ThyssenKrupp Bilstein of America (HQ)	Manufacturing	675	5
City of Hamilton	Government	600	6
Miami University - Hamilton	Education	400	7
STARTEK	Communication Technology	275	8
Bethesda Butler Hospital	Health Care	250	9
Valeo Climate Control	Manufacturing	235	10
Total		<u>6,635</u>	
Total Employment within the City (1)		<u>N/A</u>	

		2006	
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, LLC	Manufacturing	500	4
Valeo Climate Control	Manufacturing	400	5
Ohio Casualty Group	Insurance	400	6
First Financial Bank (HQ)	Financial	400	7
Meijer, Inc.	Retail	325	8
ThyssenKrupp Bilstein of America	Manufacturing	250	9
The Kroger co.	Groceries	250	10
Total		<u>5,925</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 Ten Years*

	2006	2007	2008	2009	2010
Governmental Activities					
General Government					
City Administration	25.00	34.00	28.00	21.00	21.00
Engineering	24.00	20.00	18.00	17.00	17.00
Municipal Court	30.00	28.00	27.00	28.00	28.00
Information Technology	17.00	18.00	15.00	10.00	10.00
Finance	39.00	43.00	37.00	35.00	32.00
Security of Persons and Property					
Police	159.00	174.00	167.00	147.00	147.00
Fire	113.00	116.00	108.00	107.00	105.00
Public Health and Welfare Services					
Health	20.00	21.00	16.00	15.00	14.00
Leisure Time Activities					
Parks and Recreation	27.00	27.00	27.00	22.00	13.00
Community Environment					
Planning and Zoning	22.00	23.00	23.00	25.00	23.00
Transportation					
Street	49.00	47.00	48.00	52.00	50.00
Business-Type Activities					
Utilities					
Gas	17.00	17.00	22.00	24.00	24.00
Electric	113.00	111.00	118.00	110.00	109.00
Water	35.00	32.00	32.00	34.00	33.00
Wastewater	26.00	28.00	24.00	23.00	23.00
Utility Customer Service	30.00	30.00	28.00	29.00	28.00
<i>Total Employees</i>	<u>746.00</u>	<u>769.00</u>	<u>738.00</u>	<u>699.00</u>	<u>677.00</u>

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

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Full Time Equivalent Employees by Function
Last Ten Years*

	2011	2012	2013	2014	2015
Governmental Activities					
General Government					
City Administration	22.00	21.50	23.00	23.75	16.50
Engineering	12.50	9.00	6.00	7.00	4.00
Municipal Court	32.00	31.50	30.75	27.50	27.00
Information Technology	9.00	7.00	6.00	6.00	5.00
Finance	36.00	36.00	34.50	33.25	29.00
Security of Persons and Property					
Police	141.00	136.00	121.75	118.00	121.25
Fire	110.00	107.00	95.00	97.00	96.25
Public Health and Welfare Services					
Health	11.25	10.50	11.50	13.25	15.50
Leisure Time Activities					
Parks and Recreation	17.50	18.00	17.50	17.75	15.00
Community Environment					
Planning and Zoning	16.00	15.00	15.00	15.00	16.50
Transportation					
Street	55.00	57.00	60.00	60.00	56.25
Business-Type Activities					
Utilities					
Gas	31.00	29.00	30.00	28.00	26.00
Electric	114.00	105.00	105.00	111.50	96.75
Water	32.00	32.00	30.00	25.00	30.25
Wastewater	16.00	19.00	16.00	14.00	26.00
Utility Customer Service	23.00	26.00	25.00	17.00	19.00
<i>Total Employees</i>	<u>678.25</u>	<u>659.50</u>	<u>627.00</u>	<u>614.00</u>	<u>600.25</u>

CITY OF HAMILTON, OHIO

Operating Indicators by Function Last Ten Years

	2006	2007	2008	2009
Governmental Activities				
General Government				
Licenses and Permits				
Building Permits Issued - Residential	387	239	234	434
Building Permits Issued - Commercial	355	251	427	371
Security of Persons and Property				
Police				
Misdemeanor Arrests	8,400	7,534	6,778	8,774
Felony Arrests	1,621	2,302	942	2,041
Traffic Citations Issued	14,335	6,418	7,050	6,273
Parking Tickets Written	1,231	767	1,157	766
Fire / Emergency Medical Services				
Number of Calls Answered	10,523	10,687	11,870	11,326
Number of Inspections	2,157	2,203	596	2,156
Number of Emergency Medical Calls	8,292	8,536	8,836	8,691
Transportation				
Street				
Street Resurfacing (Center Line miles)	4.60	2.14	4.68	3.57
Parking				
Parking Levels	6.50	6.50	6.50	6.50
Parking Spaces	752	752	752	751
Average Daily Cars Parked	575	560	550	412
Parking / Meters - On Street and Lots	892	836	836	836
Public Works				
Refuse Collection				
Refuse Collected (tons)	27,638	25,387	25,807	26,493
Recyclables Collected (tons)	1,683	1,547	1,587	1,842
Leisure Time Activities				
Parks and Recreation				
Athletic Field Permits Issued*	55	61	128	94
Public Health and Welfare Services				
Health Care				
Number of Patient Beds	282	318	288	320

*Beginning in 2015, athletic field permits are issued by the Hamilton Parks Conservancy.

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2010	2011	2012	2013
Governmental Activities				
General Government				
Licenses and Permits				
Building Permits Issued - Residential	270	189	292	299
Building Permits Issued - Commercial	355	300	331	340
Security of Persons and Property				
Police				
Misdemeanor Arrests	7,740	6,589	3,832	3,159
Felony Arrests	1,516	1,587	1,371	1,519
Traffic Citations Issued	6,208	6,418	4,903	4,315
Parking Tickets Written	873	3,721	2,923	2,710
Fire / Emergency Medical Services				
Number of Calls Answered	11,386	11,733	12,091	11,657
Number of Inspections	1,145	2,159	637	295
Number of Emergency Medical Calls	9,008	9,121	9,471	9,239
Transportation				
Street				
Street Resurfacing (Center Line miles)	11.86	17.97	3.20	3.49
Parking				
Parking Levels	6.50	6.50	6.50	5.00
Parking Spaces	754	754	754	550
Average Daily Cars Parked	646	457	423	N/A
Parking / Meters - On Street and Lots	836	836	818	753
Public Works				
Refuse Collection				
Refuse Collected (tons)	25,988	25,823	23,149	23,227
Recyclables Collected (tons)	2,149	2,023	2,534	2,728
Leisure Time Activities				
Parks and Recreation				
Athletic Field Permits Issued*	92	60	65	75
Public Health and Welfare Services				
Health Care				
Number of Patient Beds	274	320	320	274

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2014	2015
Governmental Activities		
General Government		
Licenses and Permits		
Building Permits Issued - Residential	354	318
Building Permits Issued - Commercial	282	325
Security of Persons and Property		
Police		
Misdemeanor Arrests	6,237	6,025
Felony Arrests	773	637
Traffic Citations Issued	4,253	4,698
Parking Tickets Written	2,437	2,107
Fire / Emergency Medical Services		
Number of Calls Answered	12,157	12,724
Number of Inspections	520	980
Number of Emergency Medical Calls	9,700	10,208
Transportation		
Street		
Street Resurfacing (Center Line miles)	1.82	3.56
Parking		
Parking Levels	5.00	5.00
Parking Spaces	550	550
Average Daily Cars Parked	N/A	N/A
Parking / Meters - On Street and Lots	656	524
Public Works		
Refuse Collection		
Refuse Collected (tons)	23,232	23,190
Recyclables Collected (tons)	2,697	2,644
Leisure Time Activities		
Parks and Recreation		
Athletic Field Permits Issued*	132	0
Public Health and Welfare Services		
Health Care		
Number of Patient Beds	209	296

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	2006	2007	2008	2009
Business-Type Activities				
Gas				
Average Daily Consumption (100 cubic feet)	9,237	9,114	9,176	8,694
Peak Daily Consumption (100 cubic feet)	24,325	29,992	29,415	33,457
Electric				
Peak Demand (MW)	157	165	148	146
Energy Requirement (MWh)	638,652	664,687	658,776	626,161
Total System Sales (MWh)	585,791	630,596	623,351	592,956
Total Residential Customers	25,974	26,398	26,481	26,345
Total Commercial Customers	3,060	3,019	3,000	2,905
Water				
New Service Connections	9	122	52	8
Water Main Breaks	57	88	94	71
Average Daily Consumption (thousands of gallons)	19,757	21,256	18,053	16,957
Peak Daily Consumption (thousands of gallons)	32,266	35,197	22,723	22,755
Wastewater				
Average Daily Sewage Treatment (millions of gallons)	16.4	16.2	16.2	12.5

Source: City Records

N/A = Information Not Available

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Business-Type Activities				
Gas				
Average Daily Consumption (100 cubic feet)	9,088	8,808	6,823	9,969
Peak Daily Consumption (100 cubic feet)	26,487	27,425	23,042	27,136
Electric				
Peak Demand (MW)	159	159	152	140
Energy Requirement (MWh)	663,099	651,892	613,645	619,273
Total System Sales (MWh)	636,557	618,083	583,773	566,426
Total Residential Customers	26,177	26,085	26,052	26,099
Total Commercial Customers	2,954	2,952	2,926	2,922
Water				
New Service Connections	10	4	18	25
Water Main Breaks	93	87	77	117
Average Daily Consumption (thousands of gallons)	17,853	17,644	16,322	15,458
Peak Daily Consumption (thousands of gallons)	22,537	25,545	21,495	20,323
Wastewater				
Average Daily Sewage Treatment (millions of gallons)	13.4	14.2	8.6	8.4

(continued)

CITY OF HAMILTON, OHIO

*Operating Indicators by Function
Last Ten Years*

	<u>2014</u>	<u>2015</u>
Business-Type Activities		
Gas		
Average Daily Consumption (100 cubic feet)	10,243	6,794
Peak Daily Consumption (100 cubic feet)	33,759	32,152
Electric		
Peak Demand (MW)	133	143
Energy Requirement (MWh)	613,779	614,023
Total System Sales (MWh)	594,699	561,624
Total Residential Customers	26,127	26,347
Total Commercial Customers	2,915	2,908
Water		
New Service Connections	23	23
Water Main Breaks	83	83
Average Daily Consumption (thousands of gallons)	14,490	14,490
Peak Daily Consumption (thousands of gallons)	18,204	18,204
Wastewater		
Average Daily Sewage Treatment (millions of gallons)	8.9	8.9

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2006	2007	2008	2009
Governmental Activities				
General Government				
Public Land and Buildings				
Land (Square Miles)	21.56	21.56	21.57	21.62
Security of Persons and Property				
Police				
Stations	1	1	1	1
Patrol Cruisers	40	39	44	44
Fire / Emergency Medical Services				
Stations	6	6	6	6
Transportation				
Street				
Streets (lane miles)	215.90	216.00	216.20	216.20
Street Lights	9,000	6,966	6,978	6,963
Traffic Signals	97	98	98	98
Parking				
Off street Parking Garages	2	2	2	2
Leisure Time Activities				
Parks and Recreation				
Parks	55	55	52	52
Park Area (acres)	1,300	1,300	1,300	1,300
Playgrounds	25	25	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	5	3	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*

	2010	2011	2012	2013
Governmental Activities				
General Government				
Public Land and Buildings				
Land (Square Miles)	21.62	21.68	21.68	21.68
Security of Persons and Property				
Police				
Stations	1	1	1	1
Patrol Cruisers	44	44	40	40
Fire / Emergency Medical Services				
Stations	6	6	6	5
Transportation				
Street				
Streets (lane miles)	254.21	254.21	254.21	254.21
Street Lights	6,986	6,996	7,011	7,028
Traffic Signals	98	98	96	96
Parking				
Off street Parking Garages	2	2	2	1
Leisure Time Activities				
Parks and Recreation				
Parks	52	52	52	54
Park Area (acres)	1,300	1,300	1,300	1,308
Playgrounds	24	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	1	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

	2014	2015
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	40	40
Fire / Emergency Medical Services		
Stations	5	5
Transportation		
Street		
Streets (lane miles)	254.21	254.21
Street Lights	7,029	9,043
Traffic Signals	95	95
Parking		
Off street Parking Garages	1	1
Leisure Time Activities		
Parks and Recreation		
Parks	54	54
Park Area (acres)	1,308	1,308
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*

	2006	2007	2008	2009
Business-Type Activities				
Utilities				
Water				
Purification Plants	2	2	2	2
Maximum Capacity (millions of gallons)	46	46	46	46
Waterlines (Miles)	267.3	267.4	267.4	267.4
Wastewater				
Treatment Plants	1	1	1	1
Maximum Capacity (millions of gallons)	32	32	32	32
Sanitary Sewerlines (Miles)	236.3	236.4	236.8	236.8
Storm Drains (Miles)	157.1	158.3	158.5	158.5

Source: City Records

(continued)

CITY OF HAMILTON, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2010	2011	2012	2013
Business-Type Activities				
Utilities				
Water				
Purification Plants	2	2	2	2
Maximum Capacity (millions of gallons)	46	46	46	46
Waterlines (Miles)	340.0	340.0	340.0	345.0
Wastewater				
Treatment Plants	1	1	1	1
Maximum Capacity (millions of gallons)	32	32	32	32
Sanitary Sewerlines (Miles)	253.0	253.0	253.0	253.0
Storm Drains (Miles)	188.2	188.2	188.2	188.2

(continued)

CITY OF HAMILTON, OHIO

Capital Asset Statistics by Function
Last Ten Years

	<u>2014</u>	<u>2015</u>
Business-Type Activities		
Utilities		
Water		
Purification Plants	2	2
Maximum Capacity (millions of gallons)	46	46
Waterlines (Miles)	340.1	340.1
Wastewater		
Treatment Plants	1	1
Maximum Capacity (millions of gallons)	32	32
Sanitary Sewerlines (Miles)	253.0	253.0
Storm Drains (Miles)	188.2	188.2





Dave Yost • Auditor of State

CITY OF HAMILTON

BUTLER COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 23, 2016