

***THE CITY OF HAMILTON! OHIO***

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BUTLER COUNTY

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2004

Prepared by:  
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**THE CITY OF HAMILTON! OHIO  
BUTLER COUNTY**

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**INTRODUCTORY**

**SECTION**



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## Department of Finance

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June 10, 2005

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, 2004, 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, 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 CAFR is organized in three sections: the Introductory Section, the Financial Section and the Statistical Section. The Introductory Section contains a table of contents, letter of transmittal, organization chart, list of elected officials and a Certificate of Achievement for Excellence in Financial Reporting for the 2003 CAFR. The Financial Section includes the Independent Auditors' Report, Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements. The Statistical Section provides selected financial, economic and demographic information which may be used to indicate trends for comparative fiscal periods.

The City of Hamilton is required to undergo an annual single audit in conformity with the provisions of 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.

While this report accurately presents the financial statements and statistics of Hamilton, Ohio, it only reflects a small segment of the entire community – a community that includes many businesses, a quality school system, an excellent park system, a library system, Miami University (a branch campus) and several industrial parks.

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 compliment the MD&A and should be read in conjunction with it. Hamilton's MD&A can be found immediately following the independent auditors' report.

## **Early History**

In 1791, General St. Clair established an army post on the east bank of the Great Miami River from which he could carry on his campaign against hostile Indian tribes in the area. The stockade fort was maintained until 1796. Shortly after the abandonment of the fort, Israel Ludlow laid out a village which he called Fairfield on land adjoining the fort. A few years later, Fairfield was renamed in honor of Alexander Hamilton. In 1803, Butler County was officially created by an act of the state legislature and in 1810, Hamilton became the county seat. In 1829, the first boat passed through Hamilton on the Miami and Erie Canal bringing new prosperity and prominence to the City of Hamilton as an industrial center as well as a regional center for retail and business services.

In 1854, the City of Hamilton, on the east bank of the Great Miami River, united with its sister village, Rossville, on the west bank of the Great Miami River, under the name of Hamilton. The City maintained its reputation as an industrial community of renown, and its products were known the world over and the diversity of transportation systems provide ready access to all of the world's markets.

## **Location**

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. In addition, the Transportation Improvement District of Butler County has completed construction of the new Union Center Interchange on Interstate 75 and the State Route 129 Extension connecting Hamilton to Interstate 75.

The nearby Cincinnati Metropolitan Area is an important rail freight center served by CSX Transportation, Norfolk Southern and Conrail. It is also on the 15,000 mile Great Mississippi River inland waterway and intra-coastal canal system. There are four airports within 50 minutes drive time of Hamilton. The Cincinnati-Northern Kentucky International Airport is located approximately one hour from Hamilton via two interstate routes. The Butler County Regional Airport, a general aviation facility, is located in the cities of Hamilton and Fairfield.

## Distance from Hamilton to Major Urban Markets

| <u>City</u>              | <u>Highway Miles</u> |
|--------------------------|----------------------|
| Cincinnati, Ohio         | 30                   |
| Dayton, Ohio             | 40                   |
| Indianapolis, Indiana    | 110                  |
| Columbus, Ohio           | 110                  |
| Detroit, Michigan        | 247                  |
| Cleveland, Ohio          | 248                  |
| Chicago, Illinois        | 274                  |
| Pittsburgh, Pennsylvania | 284                  |
| Atlanta, Georgia         | 521                  |

### Form of Government

The City of Hamilton is a home rule municipal corporation created under the laws of the State of Ohio. The City has operated under its charter since 1928, with the most recent charter enacted in 2001. The City is considered a strong city manager form of municipal government.

The Mayor of Hamilton is elected to a four-year term by popular vote, separate from the remaining six council members. The Council candidate receiving the highest number of votes becomes Vice-Mayor. Members of Council are elected to four year staggered terms, three in each election. In addition, the City also elects a municipal court judge once every six years.

The City Manager is charged with the proper administration of all affairs of the City. He appoints and removes all heads of departments, subordinate officers and employees of the City. In addition, he also serves as Chief Public Safety Officer.

Michael J. Samoviski, P. E., currently serves as City Manager and was appointed by City Council on July 1, 2002. He has nearly thirty-five years of public employment, which includes twenty-nine and one-half years at the City of Hamilton. From February 2001 until June 30, 2002, he was Director of the Butler County Transportation Improvement District. From 1979 to 2001, he served as Public Works Director with the responsibility of directing the operation and management of the department's diverse activities. From 1974 to 1979, he served as the City Traffic Engineer, a managerial position in the Public Works Department. Mr. Samoviski received his bachelor's degree in 1967 from Ohio University. He is a licensed professional engineer in Ohio and California.

### 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. In addition, the GASB has also issued Statement No. 39, *Determining Whether Certain Organizations are Component Units*, which further defines the practical rules that an evaluating government must employ, presuming that inclusion of any such entity is material to financial statement presentation, for an organization to qualify as a component unit.

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.

The City serves as a fiscal agent but is not financially accountable for the Hamilton-Indian Springs Joint Economic Development Districts (JEDD). Therefore, they are reported as agency funds within the City's financial section.

Excluded from the reporting entity because they are legally separate and fiscally independent of the City are Butler County, the Butler Technology and Career Development Center, the Hamilton City School District, the Lane Public Library, the Greater Hamilton Convention and Visitor's Bureau, the Hamilton Chamber of Commerce and the Hamilton Central Business Special Improvement District.

AMP-Ohio, Inc., the Economic Development Association of Butler County (EDABC), the Transportation Improvement District of Butler County (TID), the Butler County Emergency Management Agency (EMA), the Hamilton Community Improvement Corporation (CIC), the Hamilton Economic Development Corporation (HEDC), the Center for Local Government and the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) are reported as jointly governed organizations. The AMP-Ohio OMEGA JV2 and the Hamilton-Indian Springs Joint Economic Development Districts (JEDD) are reported as governmental joint ventures.

## **ECONOMIC OUTLOOK**

Butler County exhibits a diverse economic base accompanied by growth in all sectors; including industrial, residential, retail, and service. The County is strategically located midway between the major metropolitan areas of Cincinnati and Dayton. This central location combined with population growth provides the area with a large concentration of consumers and prospective employees.

With approximately 1,700 firms, the City is a major regional center of business and industry. Manufacturing is a substantial portion of the economic base and is largely composed of paper products, metal fabrication, machine tools and automotive parts. Paper products rank high on the City's list of industrial components. Smart Papers, LLC and

International Paper both operate mills in Hamilton with a combined employment of approximately 800. International Paper has recently completed the sale of its Hamilton Mill to the Mohawk Paper Company. Metal fabricators and machine tools also are an important part of the City's manufacturing base and include such companies as the corporate headquarters of Hamilton Caster and Manufacturing Company and Matandy Steel and Metal Products. Automotive parts, for original equipment and after-market use, are manufactured by several companies in Hamilton, including Valeo Climate Control, Nifty Products, and Thyssen/Krupp-Bilstein Corporation of America. These companies employ over 700 employees and both Bilstein and Valeo foresee additional significant expansions in the near future, with subsequent employment growth. Nifty Products was recently acquired by Lund International and appears to again be on solid financial ground.

Hamilton has experienced growth in its retail and services sectors during the last several years. During this time, over 650,000 square feet of new retail space has been constructed. Businesses that have opened recently include Meijer, WalMart, Lowe's, Tractor Supply Company, Hobby Lobby, Office Depot, h.h. Gregg, Staples, two movie theaters, and several banks and restaurants. Combined these projects employ over 1,000 people and represent a capital investment of over \$20 million. These developments draw people from throughout Butler County and Southeastern Indiana.

Since the beginning of 1996, businesses in all sectors have invested over \$210 million in Hamilton with a potential of approximately 2,400 jobs. This information is based on 68 projects tracked by the City's Department of Economic Development, and is not inclusive of all business investment in the City.

Through the late 1990's and into 2004, the status of Hamilton's economic climate has been both encouraging and disappointing. Hamilton has experienced positive growth and development as noted above, but has also had several setbacks.

One major setback occurred when the Ohio Casualty Group ("OCG") purchased a 240,000 square foot Class A facility in a neighboring community and relocated approximately 1,000 employees to the new facility leaving approximately 250 OCG employees in Hamilton. However, the company recently relocated approximately 200 jobs back in the City as part of its corporate restructuring efforts. Currently, OCG's employment in Hamilton is approximately 450 - 500.

Another major occurrence was the integration of Champion International into International Paper. After the integration, the former Champion International North "B" Street Mill was divested to Smart Papers. The employment at the mill has been reduced from 850 to 650 employees. Also, International Paper closed the Knightsbridge Administrative Complex. The culmination of five years of hard work occurred in early 2005 when two local investors purchased the facility and renamed the campus the "VORA Technology Park". This redevelopment effort focuses on high technology businesses and start-up efforts and is expected to generate 500 to 800 jobs in the next five years.

The City of Hamilton has been aggressively investing in its future by supporting and partially financing community development and redevelopment projects within its borders. In 1998, the City purchased a block of vacant deteriorating buildings in the Central Business District. Today, that site includes Butler County's 11-story Government Services Center office building and the City of Hamilton's seven story One Renaissance Center. A downtown landmark, the Anthony Wayne Hotel, has been renovated into 50 units of housing for persons 55 years of age and over. The City is providing financial support by utilizing a portion of its federal HOME Housing Partnership funding as a grant to the project. When three historic buildings in the heart of the Central Business District were threatened with demolition, the City intervened by purchasing the buildings and is working with a developer to renovate this portion of downtown, soon making available over 60,000 square feet of mixed-use space. Downtown development has been enhanced by the streetscape project. The streetscape design was reviewed and approved by the downtown business owners, who also agreed to assess themselves for a portion of the cost of the improvement and maintenance. In 2003 this streetscape design received the merit award from the Ohio Chapter of the American Society of Landscape Architects.

In 1997, the City purchased a 263-acre tract of land located north of the airport. This site is situated approximately one half mile south of the State Route 129 Veterans Highway. The City has begun to develop and market industrial/office development sites known as Hamilton Enterprise Park on this land. Currently, seven projects have been undertaken at the Park. These developments represent a capital investment of almost \$25 million and have the potential of creating in excess of 225 jobs. A number of other commercial/industrial projects are considering the Park. Recent projects at the Park include the construction of a medical office building and a dialysis center. It is estimated that such new construction will result in approximately 50 new jobs in Hamilton Enterprise Park. Also, the City sold a parcel to Sensus, LLC, which constructed a 25,000 square foot industrial building employing more than 30 new employees. As a result of the Mercy Hospital site redevelopment (hereinafter discussed), the Alcohol and Chemical Addiction Board is building a 6,000 square foot office building at the Park.

University Commerce Park is a project that the City has been pursuing for over 30 years. This project has entailed the acquisition of property by using federal Block Grant Funds to purchase and assemble approximately 65 acres of prime business development land in the central City of Hamilton. In 2005, the City nears completion of this long process and is attempting to purchase the last parcel of land. Meanwhile, development has occurred on some of the parcels already acquired. The Lane Public Library is constructing a facility at the Park, which will include Lane's administrative offices, sorting operating, and bookmobile facilities. Butler Behavioral Health (BBH), a professional counseling service, is also constructing a 12,000 square foot office facility at the Park. BBH was another one of the relocation projects from the former Mercy Hospital site.

In 2003, the City purchased the vacant Mercy Hospital site. The City is extending a Request for Proposals to interested developers to renovate this riverfront property. It is hoped that this new development will include mixed-uses for the 12-acre riverfront site (e.g., an outdoor theater, residential, retail and restaurants). The City retained URS as a

consultant for the Riverfront Development project to ensure that any development plans are in the best interest of the City.

Furthermore, the City economy is expected to be augmented by large construction projects, including the ongoing campaign by the Hamilton City School District to renovate Hamilton High School and Garfield Junior High School and to build nine elementary schools and one ninth grade facility over an eight-year period. The ninth grade building is now open and the Garfield renovations and most of the high school renovations have been completed.

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 JEDD 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.

The first new construction in the JEDD area was a bank and a medical facility. The First Financial Bank and Middletown Regional Hospital built a combined facility, which consists of a branch bank with ATM and drive-up window. The Hospital complex houses a family practice medical office, mammography testing, and ancillary medical services. Walmart, Fifth/Third Bank, Super America, Home Depot, a strip retail center, restaurants, and the Southwest Ohio Family Medical Facility have also located within the JEDD. Hamilton recently approved a proposal to expand the boundaries of the JEDD, with a 118 acre addition for the construction of the Bridgewater Falls commercial development. Hamilton will receive 25% of the tax revenue generated from the added area, while the township will receive the remaining 75%. Target and Dick's Sporting Goods stores are now open. Soon to follow in Bridgewater Falls are J.C. Penney, Borders and a number of other retailers.

The City is also holding discussions with Liberty Township officials to create a new JEDD near the intersection of the State Route 129 Extension and I-75. If these discussions come to a successful conclusion, significant additional revenues will be generated back to the City from income taxes collected from future development in that area of the County.

## CITY SERVICES/INITIATIVES

### **Present**

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

The City of Hamilton has owned and operated a gas utility system since 1890. It is currently the largest municipal gas distribution operation in Ohio. The Gas system has approximately 220 miles of looped steel, cast iron and plastic mains.

The City has owned and operated an electric utility since 1893. The Electric System is a fully integrated electric generation, transmission and distribution system. It is currently the second largest municipally owned electric system in Ohio. It owns and operates both thermal and hydroelectric generation facilities and purchases and sells power and energy from and to other utilities and others.

The Wastewater System consists of the treatment plant and sanitary sewer facilities. The initial sludge plant was placed in service in 1959. In 1978, the Wastewater System was expanded to provide complete treatment services.

The City's water supply operations began in 1884. The Water System is a fully integrated water supply, treatment, transmission and distribution system. The City has two water treatment facilities. The City's two well fields draw from the Great Miami Buried Valley Aquifer. The transmission and distribution system consists of more than 275 miles of various size piping, storage facilities and pumping stations. Currently, surplus water is sold to Butler County under a settlement agreed to in 2002.

### **Future**

The completion of projects funded through Hamilton's infrastructure renewal bonds will proceed, as well as the completion of the High-Main Bridge construction in the Fall, 2005. The City's utility systems will continue to upgrade existing equipment and infrastructure in 2005, including projects such as the Highland Park Gas Main Replacement Program and Rebuild of Electric Turbine #9.

Technology initiatives will continue to be deployed as a way of maximizing resources. The GIST (or Geographic Information System Transition) Project should see Phase I completed in 2005. The City will also begin implementation of the AMR (Automated Meter Reading) System during 2005.

## Property Taxes

Property taxes are collected by the Butler County Treasurer and remitted periodically to the City by the County Auditor. Property values are assessed by the County Auditor every three years in either a triennial update of values or in the required six-year full reappraisal of property within the County. The County concluded a full property reappraisal in the year 2002.

Property tax rates are developed through statute and by voter approved levies. The property tax rate for the City of Hamilton is 7.16 mills, or \$7.16 per \$1000 of taxable valuation. The tax rate is applied to the assessed value of all property located within the City. Real Property is valued at approximately 35%. Public Utility Property is valued at approximately 88% while Tangible Personal Property is valued at approximately 25% of its actual value. Increases in the City's property tax rate can only occur with the approval of the City's voters at this time. Revenues from property taxes are primarily used for general fund operations. Total assessed values in the City over the past six years are shown below:

| <u>Levy</u><br><u>Year</u> | <u>Collection</u><br><u>Year</u> | <u>Assessed</u><br><u>Value</u><br>(in thousands) |
|----------------------------|----------------------------------|---|
| 1999                       | 2000                             | \$786,843   |
| 2000                       | 2001                             | 804,136   |
| 2001                       | 2002                             | 819,425   |
| 2002                       | 2003                             | 906,858   |
| 2003                       | 2004                             | 898,476   |
| 2004                       | 2005                             | 894,402   |

## Building Permit Values

Building activity is evidenced by the following data relating to the issuance of building permits by the City from 1999 to 2004:

| <u>Year</u> | <u>Residential</u> |              | <u>Commercial</u> |              | <u>Total</u><br><u>Value</u> |
|-------------|--------------------|--------------|-------------------|--------------|------------------------------|
|             | <u>Number</u>      | <u>Value</u> | <u>Number</u>     | <u>Value</u> |                              |
| 1999        | 298                | \$13,618,767 | 297               | \$55,584,172 | \$69,202,939                 |
| 2000        | 385                | 20,498,066   | 366               | 52,709,312   | 73,207,378                   |
| 2001        | 339                | 9,379,336    | 326               | 19,759,001   | 29,138,337                   |
| 2002        | 392                | 13,703,202   | 329               | 16,472,320   | 30,175,522                   |
| 2003        | 492                | 22,329,633   | 399               | 34,979,102   | 57,308,735                   |
| 2004        | 438                | 21,037,770   | 479               | 48,338,747   | 69,376,517                   |

## **Employee Relations**

The City currently employs approximately 712 permanent full-time employees and had a 2004 payroll of \$42,252,089, which includes part-time and seasonal personnel.

Under the “Collective Bargaining Law” public employees of the State and many local subdivisions have the right to organize, bargain collectively, and have union representation. The employer must recognize and grant exclusive representation rights to a representative approved by the State Employment Relations Board (“SERB”). SERB approval may be granted either after fulfillment of its regulatory requirements or approval by a majority of the employees at a SERB supervised election. The employer has the right to insist on an election. Any agreements under the Collective Bargaining Law must be in writing, must specify a grievance procedure and cannot exceed three years in duration.

The Collective Bargaining Law also designates those actions which constitute unfair labor practices and prescribes remedial procedures. In addition, it sets forth dispute resolution procedures for a contract negotiation impasse, including arbitration or other mutually agreeable methods. If, during negotiations for a new contract, the impasse persists after fact-finding procedures, then police and firefighters, dispatchers in a 9-1-1 communication center, and other public safety employees must take the dispute to binding arbitration and do not have the right to strike. All other employees have the right to strike ten days after written notice, provided there is no contract in place. No public employee has the right to strike within the contract period.

All members of the Hamilton Police Division may retain fraternal membership in Lodge 38, Fraternal Order of Police. Persons holding the rank of Police Detective and lower are covered by a collective bargaining agreement which extends through August 31, 2007. Police officers of the rank of Lieutenant and Sergeant are in a separate unit, also represented by Lodge 38 Fraternal Order of Police. That contract also runs through August 31, 2007. The ranks Captain and Chief are non-union but receive many of the same benefits by codified ordinance sections as do the employees covered by that contract. All eligible persons are included in these groups.

All members of the Hamilton Fire Division may retain fraternal membership in Local 20, International Association of Firefighters. Persons holding the rank of Fire Captain and lower are covered by the collective bargaining agreement which covers the period from 2005 through 2007. Members of the Fire Command, which includes the ranks of Deputy Chief and Chief, are generally extended the same benefits as those employees covered by the contract through codified ordinances. All eligible persons are included in these groups.

All of the eligible Sewer, Streets and Fleet Maintenance employees of the Public Works Department and all eligible employees of the Parks Division are represented by the American Federation of State, County and Municipal Employees (AFSCME Local 475). These employees and the City have a three year collective bargaining agreement which covers the period January 15, 2003 through January 14, 2006.

All of the 105 eligible operating and maintenance employees of the Gas & Water, Public Works, and Electric Departments are represented by the International Union of Operating Engineers, Local 20. The City and the Local 20 have negotiated a contract which covers the period September 1, 2004 through August 31, 2007.

Forty employees of the Electric, Gas & Water and Public Works Departments are members of the International Brotherhood of Electrical Workers (IBEW). The City and IBEW have negotiated a contract which covers the period November 1, 2003 through October 31, 2006.

Seven of the Public Health Nurses are members of the Office and Professional Employees International Union, Local 98. The City and these employees have agreed on a collective bargaining agreement which will expire on June 30, 2007.

All of the 11 eligible Meter Readers and service specialists in the Department of Public Utilities are represented by Local 20 of the International Union of Operating Engineers. The Meter Readers and the City have an agreement which extends to May 31, 2005.

AFSCME, Ohio Council 8 Local 3785 represents 13 persons employed in the 911 Communications Center as Public Safety Communications Operators. The current contract is in effect until July 31, 2007.

AFSCME, Ohio Council 8, Local 3169 represents approximately 64 clerical and technical employees. The three-year contract covers the period from July 13, 2002 through July 9, 2005. The parties have agreed to a successor agreement covering the period of July 10, 2005 through July 9, 2008.

The City of Hamilton has implemented a cooperative plan between labor and management which has been designated Team Hamilton. One example of that program, and its interaction with the labor contracts is the joint Health/Benefits Committee. That group, with members from both labor and management, makes significant recommendations to the City Manager. The role is important enough that the Committee is mentioned by specific contract language, in all of the collective bargaining agreements.

### **Pension Plans**

Current and retired employees of the City are covered under two statewide public pension and retirement systems. The Ohio Police and Firemen's Pension Fund (OP&F) applies to sworn members of the police and fire departments. Other City employees are covered by the Public Employees Retirement Systems (PERS).

## **FINANCIAL INFORMATION**

### **Accounting 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 expense 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.

All internal control evaluations occur within this framework. 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 Controls**

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and the City Charter. The City Manager, with the assistance of the Finance Director, is required to submit to Council a tax budget of estimated revenues and expenditures for all funds, except agency funds for the succeeding fiscal year by the first council meeting in July. The budget is required to be adopted by the legislative body by July 15 and to be submitted to the County Budget Commission by July 20 of each year. City Council is required by Charter to adopt a permanent appropriation measure for the ensuing fiscal year no later than January 1<sup>st</sup>. On December 17, 2003, City Council adopted the 2004 fiscal year permanent appropriation measure.

The City maintains budgetary control on a non-GAAP budgetary basis by fund (the legal level of control). Management further monitors budgetary performance by establishing lower levels of budgetary control within each fund by department at major object levels, which include personal services, contractual services, supplies and materials, other expenditures, capital outlay, debt service and operating transfers.

Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Requisitions for the expenditure of monies are submitted to the Finance Director for certification of funds and preparation of a

purchase order after approval by the City Manager and the appropriate Department Director. 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.

The City's Accounting Division monitors year-to-date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. This permits the Finance Director and other City officials to ascertain the status of each department's appropriations at any time during the year. A description of the various funds and the basis of accounting are included in Note 1 to the basic financial statements.

### **CASH MANAGEMENT**

Cash management is an integral component of the City's overall financial plan. The City attempts to earn a market rate of return consistent with providing the liquidity needed to pay obligations on a timely basis. Cash flow forecasting and the use of short-term investments allows the City to earn interest on all funds.

The City's investments comply with Section 135.14 of the Ohio Revised Code, and the maximum maturity is limited to five years, except for certain reserve funds. Most investments mature within the current fiscal year. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution, Codified City Ordinance 165.01, the City Charter and ordinances and revenue bond indentures. As required by law, all deposits are covered by eligible collateral, while investment securities (treasuries and agency/instrumentality issues) are specifically permitted by the Ohio Revised Code and the City's investment policy.

Authorized investments are described in detail in Note 4 of the footnotes to the basic financial statements included within the financial section of this comprehensive annual financial report. Interest earnings are credited to various funds based upon City ordinance.

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 varying 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.

The primary objectives of the City's investment program, in order of priority, are as follows:

1. Safety – The safety of principal balances is the City's foremost objective and all investments are undertaken in a manner to insure the preservation of capital.
2. Liquidity – All investments should be sufficiently liquid to meet all operating requirements that can be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment portfolio should consist of securities with active resale markets.
3. Yield – Return on investment is of least importance compared to the safety and liquidity objectives described above. Investments are limited to low risk securities with the expectation of earning market value.

## **RISK MANAGEMENT**

The City of Hamilton is a local government in the State of Ohio and retains only limited tort immunity by statute and court decision. Beyond potential tort liabilities, the City is liable for Worker's Compensation claims as well as the risk of casualty loss to real and personal property owned by the City. In addition, the City has utility operations requiring special coverages as well as the fact that it must provide faithful performance bonding for certain officials.

The proactive approach that the administration employs in addressing its ongoing operations is reflected in the composition of the City's insurance protection package and its very favorable loss experience. The City reduces exposure to risk through several initiatives. They include insurance coverages for vehicles, general liability, inland marine, building and contents and computer insurance, public officials and law enforcement liability coverages and boiler and machinery coverage. The City maintains comprehensive insurance coverage with private carriers for real property, building contents, fleet, and general liability coverage. The City also carries police professional and public officials liability insurance. The City also maintains coverage through the Ohio Bureau of Worker's Compensation to mitigate job related illness and injury.

The City managed the risk of medical expense claims by employees who were eligible for health care coverage as a fringe benefit. The City maintained a contract with United Health Care to provide health insurance to employees on a premium based plan, and negotiated a new contract for 2005 with the same company.

A more detailed description of the City's risk management may be found in Note 16 to the basic financial statements.

## **OTHER INFORMATION**

### **Independent Audit**

Included in this report is the unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2004, 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.

### **Awards**

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, 2003. 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.

### **Acknowledgments**

We would like to express our sincere appreciation to Mayor Donald V. Ryan, Vice-Mayor Patrick Moeller, James R. Noonan, Edward Shelton, Katherine A. Becker, Christopher D. Flaig, CPA, and George V. McNally, known collectively as the City Council of Hamilton, for their support and encouragement.

To Fraunfelter Accounting Services, we extend our deepest gratitude for your professional and expert advice in preparing this document.

The abilities of the staff of the Department of Finance is never more evident than in the preparation of this report. Whether directly involved in financial statement creation and the audit of those statements, or in the day to day tasks of protecting public funds, our sincere thanks are extended to the following employees: David Jones, Crystal Hall, Richard Keller, Deborah Hymer, Mary Lefeld, Glenda Iacobucci, Lynn Mitchell, Lucretia Warren, Lucinda Ormsby, Kim Wagers, Brenda McBee and Karen Bowling. We'd also be remiss if we didn't thank John Hoskinson, Guy Gaspar, and Angela Presswood of our Purchasing Division.

The basic financial statements of the City of Hamilton have been prepared in conformity with statements issued by the Governmental Accounting Standards Board (GASB), and more specifically GASB Statement No. 34. The statements are presented based upon

accounting measurements and prescribed formats that have come to be known as the New Reporting Model. The adoption of these GASB statements requires a great deal of time and resources, a majority of which have come from in-house personnel. Ana Ramanathan and Crystal Hall provided a great deal of time, effort and work ethic to bring this project to its timely fruition. These employees have provided an invaluable service in bringing these reports to completion and we are indebted to them for the service they have provided.

On June 30, 2005, Treasurer Michael Engel will retire after providing 32 years of dedicated service to the City of Hamilton. Mr. Engel plans to continue his governmental career as Treasurer of the City of Trenton and we certainly envy that municipality for having obtained his services. Mike has seen the City, the Hamilton Finance Department, and the financial reporting of our municipality evolve through many years. He will be sorely missed by this City and we extend our overwhelming gratitude and sincere hope for his continued success for many years to come.

A special word of thanks is extended to Michael J. Samoviski, Mark Brandenburger, Hillary Stevenson, John W. "Jay" Liver, Mike Perry, Ralph Riegelsperger, Rob Smith, Charles Young, Doug Childs, Mark Murray, Alison Haskins, Alan McIntire, and all the Directors and employees of the City of Hamilton.

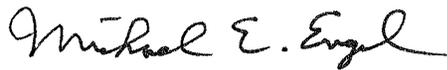
We would also like to take this opportunity to acknowledge the assistance of the Hamilton City School District and their Treasurer, Robert Hancock, as well as Jill Cole, Julie Joyce-Smith, Nancy Powell and Belinda Ricketts of the Butler County Auditor's Office.

The City of Hamilton is proud to be submitting this Comprehensive Annual Financial Report, which is the result of continued cooperation and the combined services of our elected officials, appointed administrators and employees. Its issuance is symbolic not only of our commitment to sound financial reporting, but also of the spirit of Team Hamilton. Your continuing support of this project is critical to its success as we strive to best serve the citizens of Hamilton, Ohio.

Respectfully Submitted,  
THE CITY OF HAMILTON, OHIO



George M. Gordon, CPA  
Director of Finance



Michael E. Engel, CMFA  
Treasurer



Ana Ramanathan, MBA, CPA  
Comptroller

**City of Hamilton, Ohio**  
**List of Elected and Principal Officials**  
**As of December 31, 2004**

**Mayor**

Donald V. Ryan

**Vice Mayor**

Pat Moeller

**Council Members**

Katherine A. Becker

Christopher D. Flaig

George V. McNally

James R. Noonan

Edward Shelton

**Municipal Court**

John G. Rosmarin, Judge

**City Management**

**City Manager**

Michael J. Samoviski, P. E.

**Managing Director of Operations/  
Deputy City Manager**

Mark Brandenburger, Esq.

Economic Development Department

Planning Department

Information Technology Department

Police Division

Finance Department

Civil Service & Personnel Department

Health Department

Human Relations Department

Gas & Water Department

Law Department

Fire Division

Electric Department

Parks & Recreation Department

Public Works Department

City Clerk

Treasurer

Comptroller

Tim Bigler

Teri Whitmore

Rob Smith

Chief Neil R. Ferdelman

George M. Gordon, CPA

Nadine Hill

Dr. William Karwisch

Vaughn Lewis

John Liver

Hillary Miller, Esq.

Chief Joseph Schutte

Michael Perry

Bob Harris

R. Reigelsperger, P. E., P. S.

Ina Allen

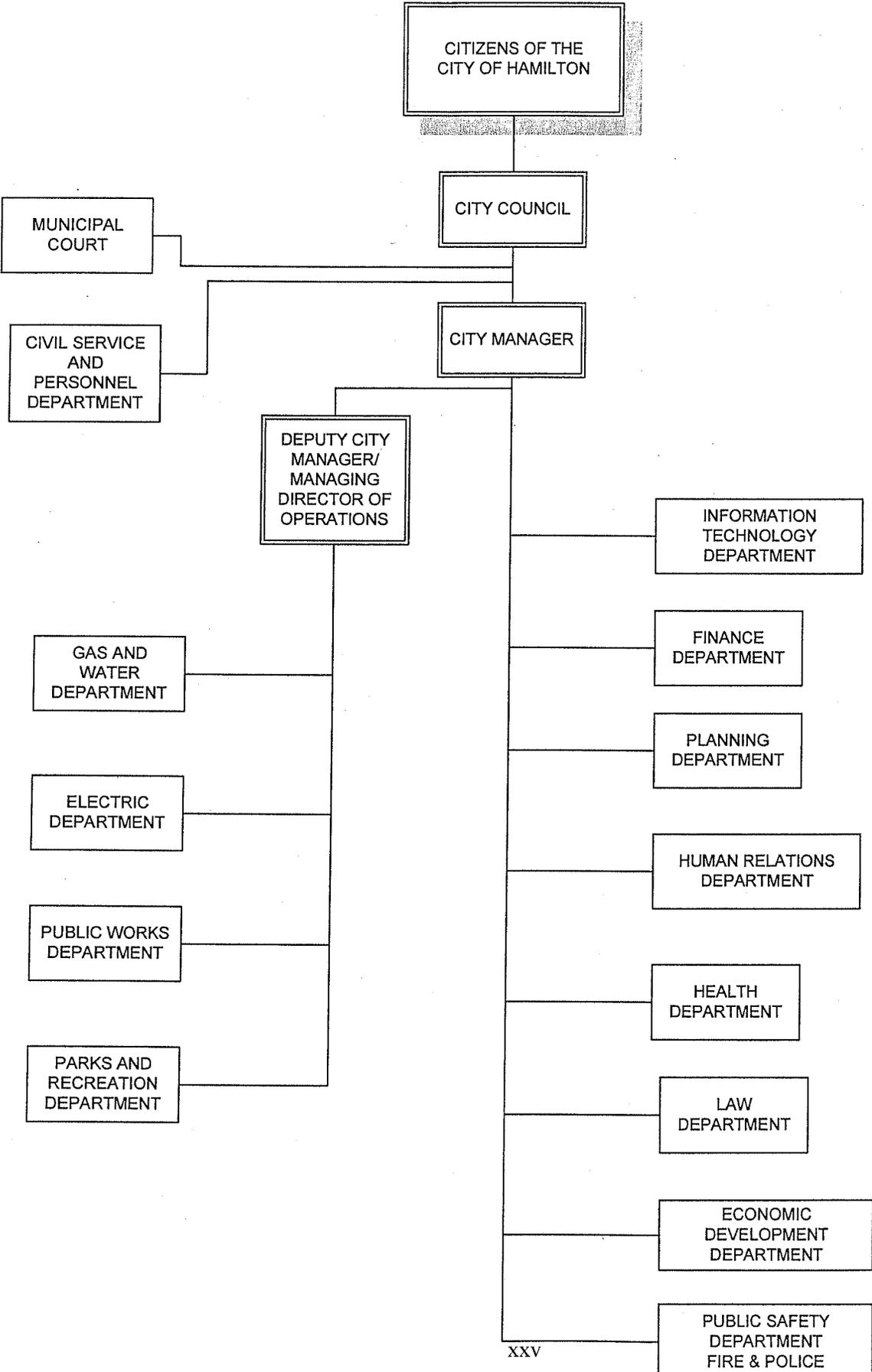
Michael E. Engel, CMFA

Ana Ramanathan, MBA, CPA

# City of Hamilton, Ohio

## Organizational Chart

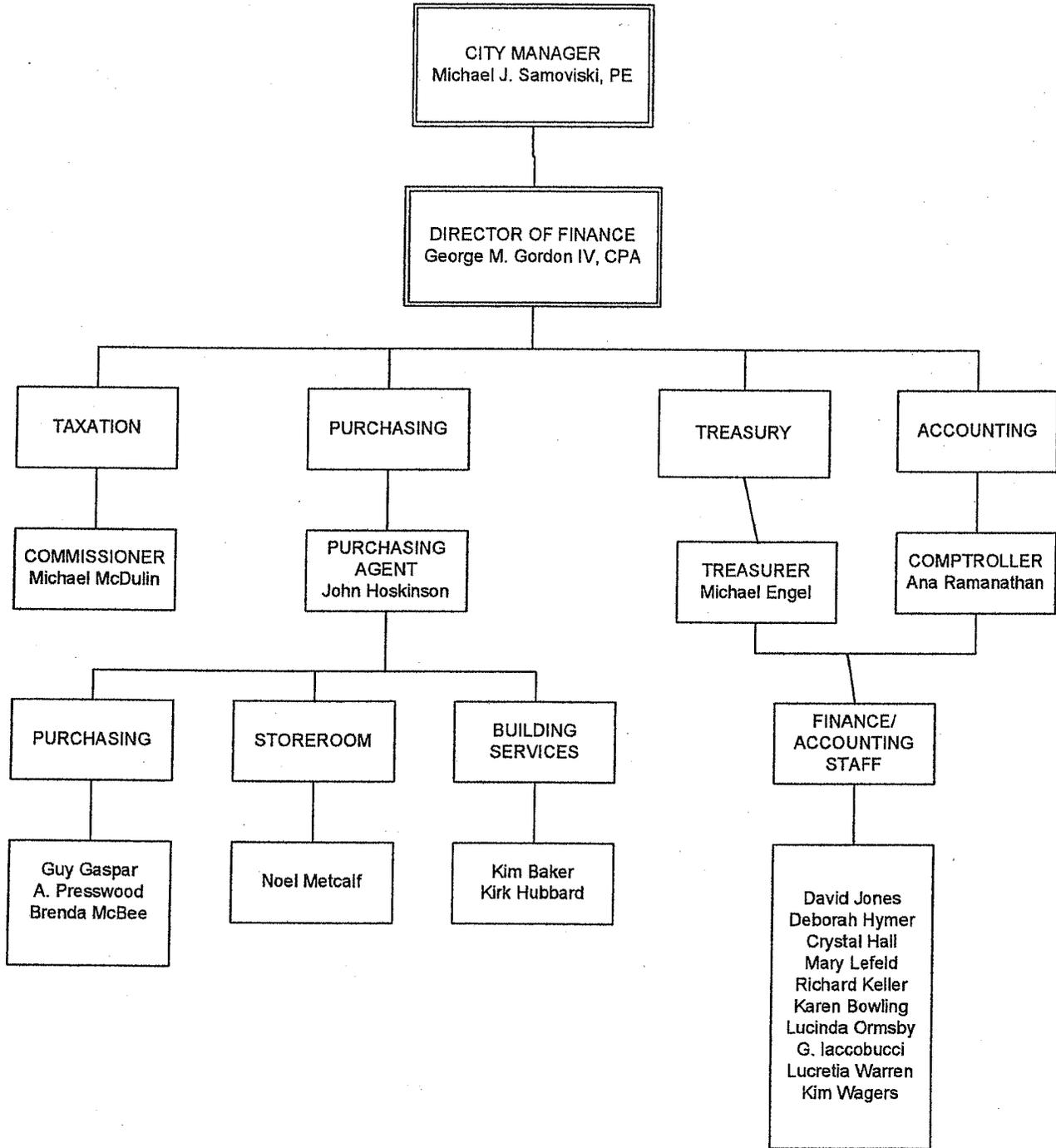
Rev. 6/05



# City of Hamilton, Ohio

## Department of Finance

### Organization, Departments and Representative Duties As of December 31, 2004



# 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, 2003

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

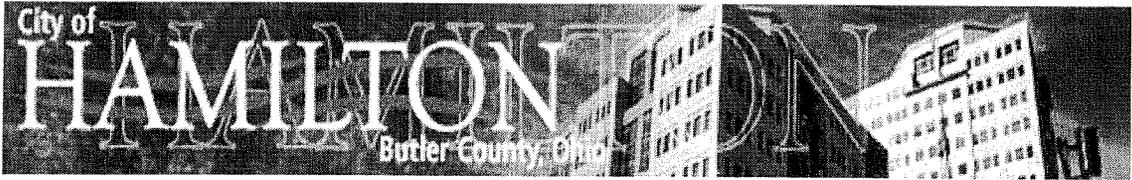


*Nancy L. Zielle*

President

*Jeffrey R. Emer*

Executive Director



**FINANCIAL**

**SECTION**



## INDEPENDENT AUDITORS' REPORT

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

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 as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2005, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3-11 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Hamilton! Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Clark, Schaefer, Hachett & Co.*

Cincinnati, Ohio  
June 10, 2005

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

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The discussion and analysis of the City of Hamilton's financial performance provide an overall review of the City's financial activities for the year ended December 31, 2004. While 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 and the basic financial statements to enhance their understanding of the City's fiscal performance.

**Financial Highlights**

Key highlights for 2004 are as follows:

- ❑ The assets of the City exceeded its liabilities at the close of the year ended December 31, 2004, by \$210,174,214 (net assets). Of this amount, \$19,363,783 (governmental unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors, and \$41,157,570 is classified as unrestricted in the Gas, Electric, Water and Wastewater activities.
- ❑ The City's total net assets increased by \$4,365,156, which represents a 2.12% increase from 2003.
- ❑ At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$16,113,070. Of this amount \$10,295,965 is available for spending (unreserved fund balance) on behalf of its citizens.
- ❑ At the end of the current fiscal year, unreserved fund balance for the general fund was \$7,293,591 or a little more than 23.75% of total general fund expenditures and other financing uses.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Hamilton as a complete operating entity.

The Statement of Net Assets and Statement of Activities present both an aggregate view of the City's finances and longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

**Reporting City of Hamilton as a Whole**

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2004?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

In the Statement of Net Assets and the Statement of Activities, the City is divided into two kinds of activities:

- Government Activities – Most of the City's services are reported here including police, social services programs, administration, and all departments with the exception of our Gas, Electric, Water and Wastewater funds.
- Business-Type Activities – These services have a charge based upon the amount of usage. The City charges fees to recoup the cost of the entire operation of our Gas, Electric, Water and Wastewater Systems as well as all capital expenses associated with these facilities.
- Component units are legally separate entities that the City has voting control over or fiscal responsibility for the entity. The City has no component units.

**Reporting City of Hamilton's Most Significant Funds**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds which account for the

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

multitude of services provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of Hamilton, our major funds are the General, Gas, Electric, Water and Wastewater funds.

*Governmental Funds:* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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, which were identified earlier. 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.

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

*Fiduciary Funds:* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that of the proprietary funds.

**City of Hamilton! Ohio**  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2004  
 Unaudited

*Notes to the Financial Statements:* The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

*Other information:* In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$210,174,214 (\$67,624,522 in governmental activities and \$142,549,692 in business type activities) as of December 31, 2004. By far, the largest portion of the City's net assets (67.67%) 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. Table 1 provides a summary of the City's statement of net assets for 2004 compared to 2003.

|  | Governmental<br>Activities |                     | Business-Type<br>Activities |                      | Total                |                      |
|--|----------------------------|---------------------|-----------------------------|----------------------|----------------------|----------------------|
|  | 2004                       | 2003                | 2004                        | 2003                 | 2004                 | 2003                 |
| Current and Other Assets                           | \$39,077,949               | \$39,483,291        | \$74,087,160                | \$83,880,258         | \$113,165,109        | \$123,363,549        |
| Capital Assets                                     | 90,590,903                 | 90,184,579          | 301,377,031                 | 306,522,469          | 391,967,934          | 396,707,048          |
| Total Assets                                       | <u>129,668,852</u>         | <u>129,667,870</u>  | <u>375,464,191</u>          | <u>390,402,727</u>   | <u>505,133,043</u>   | <u>520,070,597</u>   |
| Long-term liabilities                              | 44,090,196                 | 45,684,794          | 216,856,832                 | 236,776,514          | 260,947,028          | 282,461,308          |
| Other liabilities                                  | 17,954,134                 | 18,204,980          | 16,057,617                  | 13,595,251           | 34,011,751           | 31,800,231           |
| Total Liabilities                                  | <u>62,044,330</u>          | <u>63,889,774</u>   | <u>232,914,449</u>          | <u>250,371,765</u>   | <u>294,958,829</u>   | <u>314,261,539</u>   |
| Nets Assets:                                       |                            |                     |                             |                      |                      |                      |
| Invested in capital assets,<br>net of related debt | 46,914,025                 | 56,158,847          | 95,310,393                  | 74,353,822           | 142,224,418          | 130,512,669          |
| Restricted   | 1,346,714                  | 1,065,776           | 6,081,729                   | 0                    | 7,428,443            | 1,065,776            |
| Unrestricted                                       | 19,363,783                 | 8,553,473           | 41,157,570                  | 65,677,140           | 60,521,353           | 74,230,613           |
| Total Net Assets                                   | <u>\$67,624,522</u>        | <u>\$65,778,096</u> | <u>\$142,549,692</u>        | <u>\$140,030,962</u> | <u>\$210,174,214</u> | <u>\$205,809,058</u> |

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

An additional portion of the City's net assets represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented \$7,428,443 or 3.53% of net assets. The remaining unrestricted \$60,521,353 or 28.80% of net assets may be used to meet the City's ongoing obligations to its citizens and creditors and for business-type activities.

As of December 31, 2004, the City is able to report positive balances in all three categories of net assets, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for both 2002 and 2003. Total net assets increased \$4,365,156 due to the City controlling expenses during the fiscal year as well as increases in income tax revenue and the institution of stormwater collection fees.

*Statement of Activities*

|                                     | Governmental<br>Activities |              | Business-Type<br>Activities |               | Total         |               |
|-------------------------------------|----------------------------|--------------|-----------------------------|---------------|---------------|---------------|
|                                     | 2004                       | 2003         | 2004                        | 2003          | 2004          | 2003          |
| Revenues:                           |                            |              |                             |               |               |               |
| Program Revenues:                   |                            |              |                             |               |               |               |
| Charges for Services                | \$13,248,610               | \$11,774,785 | \$99,138,254                | \$99,608,508  | \$112,386,864 | \$111,383,293 |
| Operating Grants                    | 9,422,109                  | 9,168,937    | 57,739                      | 102,851       | 9,479,848     | 9,271,788     |
| Capital Grants                      | 2,689,249                  | 808,510      | 199,152                     | 456,976       | 2,888,401     | 1,265,486     |
| General Revenues                    |                            |              |                             |               |               |               |
| Income Tax                          | 22,166,068                 | 20,449,696   | 0                           | 0             | 22,166,068    | 20,449,696    |
| Property Tax                        | 7,209,615                  | 6,555,179    | 0                           | 0             | 7,209,615     | 6,555,179     |
| Other                               | 4,992,490                  | 6,370,594    | 820,707                     | 1,128,519     | 5,813,197     | 7,499,113     |
| Total Revenues                      | 59,728,141                 | 55,127,701   | 100,215,852                 | 101,296,854   | 159,943,993   | 156,424,555   |
| Expenses:                           |                            |              |                             |               |               |               |
| Security of Persons<br>and Property | 28,125,387                 | 23,509,934   | 0                           | 0             | 28,125,387    | 23,509,934    |
| General Government                  | 2,118,100                  | 2,947,223    | 0                           | 0             | 2,118,100     | 2,947,223     |
| Public Health/Welfare               | 2,471,205                  | 1,151,216    | 0                           | 0             | 2,471,205     | 1,151,216     |
| Leisure Time Activities             | 2,334,059                  | 3,357,315    | 0                           | 0             | 2,334,059     | 3,357,315     |
| Community Environment               | 7,636,375                  | 4,711,002    | 0                           | 0             | 7,636,375     | 4,711,002     |
| Basic Utility Services              | 3,479,397                  | 3,239,070    | 0                           | 0             | 3,479,397     | 3,239,070     |
| Transportation                      | 3,725,413                  | 3,615,021    | 0                           | 0             | 3,725,413     | 3,615,021     |
| Gas                                 | 0                          | 0            | 24,756,742                  | 26,072,411    | 24,756,742    | 26,072,411    |
| Electric                            | 0                          | 0            | 51,735,827                  | 50,839,938    | 51,735,827    | 50,839,938    |
| Water                               | 0                          | 0            | 10,580,588                  | 10,102,024    | 10,580,588    | 10,102,024    |
| Wastewater                          | 0                          | 0            | 10,623,965                  | 12,643,903    | 10,623,965    | 12,643,903    |
| Other                               | 7,991,779                  | 8,683,643    | 0                           | 0             | 7,991,779     | 8,683,643     |
| Total Expenses                      | 57,881,715                 | 51,214,424   | 97,697,122                  | 99,658,276    | 155,578,837   | 150,872,700   |
| Change in Net Assets                | 1,846,426                  | 3,913,277    | 2,518,730                   | 1,638,578     | 4,365,156     | 5,551,855     |
| Beginning Net Assets                | 65,778,096                 | 61,864,819   | 140,030,962                 | 138,392,384   | 205,809,508   | 200,257,203   |
| Ending Net Assets                   | \$67,624,522               | \$65,778,096 | \$142,549,692               | \$140,030,962 | \$210,174,214 | \$205,809,508 |

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

*Governmental Activities*

The primary focus of governmental activities is in the area of security of persons and property, which represents the police, fire and dispatch centers of the City. For 2004, total expenses were \$28.12 Million representing 48.59% of governmental activity spending yielding a reliance on general revenues to fund the program of approximately \$22.58 Million after direct support to their programs.

Continuing escalation in health insurance costs have affected all programs of the government. A primary goal of all programs is to continually review and monitor methods to seek self-sufficiency as public safety continues to increase expenditures. The transportation program was the most successful of all programs, yielding no reliance on general revenues and generating over \$1.3 Million in net revenues during 2004.

*Business-Type Activities*

The City's business-type activities include the Gas, Water, Electric and Wastewater systems. All four utilities were able to boast positive operating income figures and totaled \$11.47 Million. Combined change in net assets figured to \$2.52 Million with only the electric system posting a net loss of \$1.04 Million due to interest expense in the non-operating expenses. Over \$224 Million of revenue bonds exist in the four utilities and each is adequately meeting its covenant required debt service coverage ratio.

**Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of these City funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements as well as its ability to meet the needs of its citizens. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of 2004, the City's governmental funds reported combined ending fund balances of \$16.11 Million. Approximately \$10.29 Million constitutes unreserved fund balance available for spending for citizens. The remainder of the balance is reserved to indicate that it has been spoken for already and not available to be spent for a variety of purposes, most notably to liquidate contracts and purchase orders from the prior year (\$4.8 Million).

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

The General Fund is the chief operating fund of the City. As of December 31, 2004, the unreserved general fund balance was \$7.29 Million with a total fund balance of \$7.86 Million. As a measure of liquidity, it is often useful to compare these numbers to total general fund expenditures and other financing uses. Unreserved fund balance represents approximately 23.75% of the total expenditures and other financing uses, while total fund balance represents 25.60% of that same amount.

During 2004, the City's general fund increased by \$.67 Million with revenues exceeding expenditures by \$0.83 Million. This is primarily due to the general fund controlled expenditures during the fiscal year.

**General Fund Budgeting Highlights**

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

During the course of 2004, the City amended its total and general fund budget 4 times, the most significant noted below. All recommendations for the budget came from the City Manager after consultation with individual directors and the Finance Department before submission to City Council. The City Council also ministerially approves small interdepartmental budget changes that modify line items within departments within the same fund. With the General fund supporting a majority of our major activities such as public safety programs, as well as most legislative and executive activities, the General fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

The City was able to complete the final budget within three percent the original budget for appropriations for 2004. With over a \$33.2 Million budget, the total change was just over \$0.68 Million. The City maintained a strong fiscal control by monitoring the individual departments. No specific line item had a percentage change of greater than thirteen percent from final budget to actual appropriations. Appropriations are monitored against revenues and while the lowest legal level of budgetary control exists at the Fund level, City Finance and Administrative staff routinely review budgetary status reports well below this level to insure proper public purpose and adherence to budgetary rules at an account level.

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

**Capital Assets and Debt Administration**

*Capital Assets:* The City's investment in capital assets for its governmental and business type activities as of December 31, 2004, amounts to \$142.2 Million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and systems, improvements, equipment and machinery, roads, highways and bridges.

Note 10 (Capital Assets) provides capital asset activity during 2004. The City has had extremely limited funding to provide for capital asset acquisition and construction. Some of the notable assets completed or acquired during 2004 were:

- ❖ Creation of a skate park in Joyce Park \$201,894
- ❖ Street resurfacing program for 2004 \$1,306,306
- ❖ Fire Department purchased 68 self contained breathing apparatus \$191,355
- ❖ Electric coal blending system \$247,466
- ❖ Updating the City's water mains \$3,660,041
- ❖ Work on the water's system's west reservoir lining \$594,403
- ❖ Updating the City's sewer mains and linings \$874,748

*Long-term Debt:* At the end of 2004, the City had general obligation bonds outstanding of \$35,070,000. Total outstanding long-term bonds totaled \$262,263,000 and represents a decrease of 3.7% against prior year outstanding bond balances. See Note 14 for further information on the City's long-term debt.

**Economic Factors and Next Year's Budgets and Rates**

The City of Hamilton has experienced declining population in the last two decades as the result of urban sprawl to townships and the loss of several large employers within the City has made for difficult economic times. The City has weathered these financial storms admirably and has built General Fund balances even with pressure placed on its income tax revenues. The City has reasonably priced, affordable undeveloped land for business expansion and has become a leader in the area of brownsfield remediation of existing plant and business sites.

**City of Hamilton! Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited

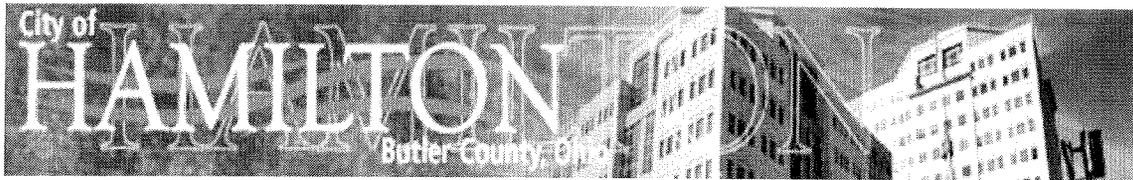
The 2003 calendar year was the first tax year under which the City of Hamilton required all residents to file a return (mandatory filing). The City was able to project a 2.5% increase over 2004 estimated collection levels for the 2005 budget. Even with this increase, constancy in other General Fund revenue streams, especially the Undivided Local Government Fund, coupled with contractually required salary and benefit increases, yields a 2005 budget with expenditures exceeding revenues by over \$1,000,000. Continuing State of Ohio budget problems as well as changes in personal property tax, inheritance tax, and real tax delinquencies have prompted the City to appropriate from the carry-over balance, or surplus, in the General Fund. Although budgeted, the City is strictly monitoring expenditures and reporting budgetary results on a monthly basis. Uncertainties regarding 2005 and future year revenue streams have prompted City Council to take a wait-and-see approach regarding the accuracy of such projections.

These factors were all considered in preparing, and then adopting, the 2005 budget for the City of Hamilton. Anticipated increases in spending are strictly monitored beyond standard cost of living adjustments. Health insurance costs continue to be of major concern. Infrastructure and electric system renewal continues to be a focus for the City.

The City is prospering even in light of these fiscal pressures and maintains an A2 Moody's General Obligation Bond Rating at the end of 2004. All bond anticipation notes issued by the City received a Moody's Investor Service MIG-1 rating, the highest possible rating. The City issued a number of new bond anticipation notes designed to match future revenues with anticipated costs and mitigate both tax and rate increases in future years.

**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 George M. Gordon IV, CPA, City of Hamilton Finance Director, 345 High Street, 7<sup>th</sup> Floor, Hamilton, Ohio 45011, (513) 785-7170, (email at [gordong@ci.hamilton.oh.us](mailto:gordong@ci.hamilton.oh.us)) or visit the City website at [www.hamilton-city.org](http://www.hamilton-city.org).



**THE CITY OF HAMILTON/ OHIO**  
**STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2004**

|  | Governmental<br>Type  | Business<br>Type      | Total                 |
|--|-----------------------|-----------------------|-----------------------|
| <b>Assets:</b>   |                       |                       |                       |
| Equity in Pooled Cash and Investments                    | \$ 21,816,696         | \$ 48,428,423         | \$ 70,245,119         |
| Receivables (net of allowance<br>for doubtful accounts): |                       |                       |                       |
| Taxes-Real & Personal Property                           | 6,925,663             | -                     | 6,925,663             |
| Taxes-Municipal Income                                   | 4,572,072             | -                     | 4,572,072             |
| Accounts   | 1,555,563             | 12,275,050            | 13,830,613            |
| Loans  | 489,578               | -                     | 489,578               |
| Interest   | 36,378                | 136,513               | 172,891               |
| Due from Other Governments                               | 2,773,886             | -                     | 2,773,886             |
| Inventory of Supplies at Cost                            | 69,075                | 2,405,352             | 2,474,427             |
| Prepaid Items  | 344,452               | 740,638               | 1,085,090             |
| Restricted Assets:                                       |                       |                       |                       |
| Cash and Investments                                     | -                     | 6,081,729             | 6,081,729             |
| Bond Issuance Costs                                      | 494,586               | 4,019,455             | 4,514,041             |
| Nondepreciable Assets:                                   |                       |                       |                       |
| Land   | 18,726,024            | 6,332,325             | 25,058,349            |
| Real Estate held for development                         | 3,250,788             | -                     | 3,250,788             |
| Construction In Progress                                 | 8,214,630             | 9,444,759             | 17,659,389            |
| Depreciable Assets:                                      |                       |                       |                       |
| Buildings and Improvements                               | 38,537,435            | 91,360,703            | 129,898,138           |
| Machinery And equipment                                  | 18,524,786            | 495,560,430           | 514,085,216           |
| Infrastructure : streets                                 | 125,949,136           | -                     | 125,949,136           |
| bridges  | 3,658,227             | -                     | 3,658,227             |
| culverts   | 183,401               | -                     | 183,401               |
| storm sewer  | 9,241,985             | -                     | 9,241,985             |
| Less: Accumulated Depreciation                           |                       |                       |                       |
| Buildings and Improvements                               | (10,484,053)          | (45,703,125)          | (56,187,178)          |
| Machinery And equipment                                  | (12,806,114)          | (255,618,061)         | (268,424,175)         |
| Infrastructure : streets                                 | (103,680,135)         | -                     | (103,680,135)         |
| bridges  | (1,964,707)           | -                     | (1,964,707)           |
| culverts   | (176,065)             | -                     | (176,065)             |
| storm sewer  | (6,584,435)           | -                     | (6,584,435)           |
| <b>TOTAL ASSETS</b>                                      | <b>129,668,852</b>    | <b>375,464,191</b>    | <b>505,133,043</b>    |
| <b>Liabilities:</b>                                      |                       |                       |                       |
| Accounts Payable   | 2,017,900             | 7,334,344             | 9,352,244             |
| Accrued Wages and Benefits                               | 529,084               | 322,138               | 851,222               |
| Accrued Liabilities                                      | 475,646               | 100                   | 475,746               |
| Intergovernmental Payable                                | 1,477,646             | 367,585               | 1,845,231             |
| Accrued Interest Payable                                 | 340,406               | 1,287,752             | 1,628,158             |
| Customer Deposits Payable                                | 7,192                 | 1,195,748             | 1,202,940             |
| Deferred Revenue   | 6,516,260             | -                     | 6,516,260             |
| General Obligation Notes Payable                         | 6,590,000             | 5,550,000             | 12,140,000            |
| Long Term Liabilities due within 1 year                  | 3,517,482             | 9,426,957             | 12,944,439            |
| Long Term Liabilities due over 1 year                    | 40,572,714            | 207,429,875           | 248,002,589           |
| <b>Total Liabilities</b>                                 | <b>62,044,330</b>     | <b>232,914,499</b>    | <b>294,958,829</b>    |
| <b>NET ASSETS</b>  |                       |                       |                       |
| Investment in Capital Assets, net related debt           | 46,914,025            | 95,310,393            | 142,224,418           |
| Restricted:  |                       |                       |                       |
| Debt Service   | 551,344               | 6,081,729             | 6,633,073             |
| Grants   | 27,469                | -                     | 27,469                |
| Levy Purposes  | 691,918               | -                     | 691,918               |
| Nonexpendable Endowments                                 | 75,983                | -                     | 75,983                |
| Unrestricted   | 19,363,783            | 41,157,570            | 60,521,353            |
| <b>Total Net Assets</b>                                  | <b>67,624,522</b>     | <b>142,549,692</b>    | <b>210,174,214</b>    |
| <b>Total Net Assets and Liabilities</b>                  | <b>\$ 129,668,852</b> | <b>\$ 375,464,191</b> | <b>\$ 505,133,043</b> |

See accompanying notes to the basic financial statements

**THE CITY OF HAMILTON! OHIO**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

| Function/Programs  | Program Revenues       |                       |                                    |                                  | Net (Expense) Revenue and Changes in Net Assets |                          |                       |
|--|------------------------|-----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------------|
|  | Expenses               | Charges for Services  | Operating Grants and Contributions |                                  | Primary Government Business-Type Activities     |                          | Total                 |
|  |                        |                       | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                         | Business-Type Activities |                       |
| <b>Governmental Activities:</b>                              |                        |                       |                                    |                                  |   |                          |                       |
| Security of Persons and Property                             | \$ (28,125,387)        | \$ 3,607,548          | \$ 1,939,143                       | \$ -                             | \$ (22,578,696)                                 | \$ -                     | (22,578,696)          |
| Public Health and Welfare                                    | (2,471,205)            | 514,250               | 728,198                            | -                                | (1,228,757)                                     | -                        | (1,228,757)           |
| Leisure Time Activities                                      | (2,334,059)            | 1,136,289             | -                                  | -                                | (1,197,770)                                     | -                        | (1,197,770)           |
| Community Environment  | (7,636,375)            | 752,647               | 3,294,749                          | 2,676,249                        | (912,730)                                       | -                        | (912,730)             |
| Basic Utility Services                                       | (3,479,397)            | 2,754,648             | -                                  | -                                | (724,749)                                       | -                        | (724,749)             |
| Transportation   | (3,729,413)            | 1,511,184             | 3,460,019                          | 13,000                           | 1,258,790                                       | -                        | 1,258,790             |
| General Government   | (2,118,100)            | 704,136               | -                                  | -                                | (1,413,964)                                     | -                        | (1,413,964)           |
| Other Expenditures   | (6,080,420)            | 2,267,908             | -                                  | -                                | (3,812,512)                                     | -                        | (3,812,512)           |
| Interest and Fiscal Charges                                  | (1,911,359)            | -                     | -                                  | -                                | (1,911,359)                                     | -                        | (1,911,359)           |
| Total Governmental Activities                                | <u>(57,881,715)</u>    | <u>13,248,610</u>     | <u>9,422,109</u>                   | <u>2,689,249</u>                 | <u>(32,521,747)</u>                             | <u>-</u>                 | <u>(32,521,747)</u>   |
| <b>Business-Type Activities:</b>                             |                        |                       |                                    |                                  |   |                          |                       |
| Gas  | (24,756,742)           | 24,322,105            | -                                  | 51,004                           | -   | (383,633)                | (383,633)             |
| Electric   | (51,735,827)           | 49,612,998            | -                                  | 88,361                           | -   | (2,034,468)              | (2,034,468)           |
| Water  | (10,580,588)           | 14,118,507            | 57,739                             | 13,912                           | -   | 3,609,570                | 3,609,570             |
| Sewer  | (10,623,965)           | 11,084,644            | -                                  | 45,875                           | -   | 506,554                  | 506,554               |
| Total Business-Type Activities                               | <u>(97,697,122)</u>    | <u>99,138,254</u>     | <u>57,739</u>                      | <u>199,152</u>                   | <u>-</u>  | <u>1,698,023</u>         | <u>1,698,023</u>      |
| Total  | <u>\$(155,578,837)</u> | <u>\$ 112,386,864</u> | <u>\$ 9,479,848</u>                | <u>\$ 2,888,401</u>              | <u>(32,521,747)</u>                             | <u>1,698,023</u>         | <u>(30,823,724)</u>   |
| <b>General Revenues:</b>                                     |                        |                       |                                    |                                  |   |                          |                       |
| Income Taxes   |                        |                       |                                    |                                  | 22,166,068                                      | -                        | 22,166,068            |
| Property Taxes   |                        |                       |                                    |                                  | 7,209,615                                       | -                        | 7,209,615             |
| Grants and Contributions not restricted to specific programs |                        |                       |                                    |                                  | 3,249,105                                       | -                        | 3,249,105             |
| Unrestricted investment earnings                             |                        |                       |                                    |                                  | 332,995   | 820,707                  | 1,153,702             |
| Miscellaneous  |                        |                       |                                    |                                  | 1,410,390                                       | -                        | 1,410,390             |
| Total General Revenues                                       |                        |                       |                                    |                                  | <u>34,368,173</u>                               | <u>820,707</u>           | <u>35,188,880</u>     |
| Changes in Net Assets  |                        |                       |                                    |                                  | 1,846,426                                       | 2,518,730                | 4,365,156             |
| Net Assets-Beginning   |                        |                       |                                    |                                  | 65,778,096                                      | 140,030,962              | 205,809,058           |
| Net Assets-Ending  |                        |                       |                                    |                                  | <u>\$ 67,624,522</u>                            | <u>\$ 142,549,692</u>    | <u>\$ 210,174,214</u> |

See accompanying notes to the basic financial statements

**THE CITY OF HAMILTON, OHIO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2004**

|  | General              | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|--------------------------------|--------------------------------|
| <b>Assets:</b>   |                      |                                |                                |
| Equity in Pooled Cash and Investments                    | \$ 6,773,916         | \$ 14,708,025                  | \$ 21,481,941                  |
| Receivables (net of allowance<br>for doubtful accounts): |                      |                                |                                |
| Taxes-Real & Personal Property                           | 2,686,316            | 4,239,347                      | 6,925,663                      |
| Taxes-Municipal Income                                   | 3,543,356            | 1,028,716                      | 4,572,072                      |
| Loans  | -                    | 489,578                        | 489,578                        |
| Accounts   | 700,326              | 855,237                        | 1,555,563                      |
| Interest   | 30,724               | 5,654                          | 36,378                         |
| Due from Other Funds                                     | 9,621                | -                              | 9,621                          |
| Interfund Receivable                                     | 379,404              | -                              | 379,404                        |
| Due from Other Governments                               | 1,387,592            | 1,386,294                      | 2,773,886                      |
| Inventory of Supplies at Cost                            | 1,076                | 43,786                         | 44,862                         |
| Prepaid Items  | 295,911              | 48,541                         | 344,452                        |
| <b>Total Assets</b>                                      | <b>\$ 15,808,242</b> | <b>\$ 22,805,178</b>           | <b>\$ 38,613,420</b>           |
| <b>Liabilities:</b>                                      |                      |                                |                                |
| Accounts Payable   | 429,967              | 1,518,047                      | 1,948,014                      |
| Accrued Wages and Benefits                               | 463,583              | 57,576                         | 521,159                        |
| Accrued Liabilities                                      | 372,371              | 103,275                        | 475,646                        |
| Due to Other Funds                                       | -                    | 9,621                          | 9,621                          |
| Intergovernmental Payable                                | 1,407,992            | 59,187                         | 1,467,179                      |
| Interfund Payable  | -                    | 379,404                        | 379,404                        |
| Accrued Interest Payable                                 | -                    | 42,257                         | 42,257                         |
| Customer Deposits Payable                                | -                    | 7,192                          | 7,192                          |
| Deferred Revenue   | 5,273,066            | 5,786,812                      | 11,059,878                     |
| General Obligation Notes Payable                         | -                    | 6,590,000                      | 6,590,000                      |
| <b>Total Liabilities</b>                                 | <b>7,946,979</b>     | <b>14,553,371</b>              | <b>22,500,350</b>              |
| <b>Fund Balances:</b>                                    |                      |                                |                                |
| Reserved for Encumbrances                                | 270,685              | 4,529,779                      | 4,800,464                      |
| Reserved for Supplies Inventory                          | 1,076                | 43,786                         | 44,862                         |
| Reserved for Prepaid Items                               | 295,911              | 48,541                         | 344,452                        |
| Reserved for Debt Service                                | -                    | 551,344                        | 551,344                        |
| Reserved for Endowments                                  | -                    | 75,983                         | 75,983                         |
| Unreserved, reported in:                                 |                      |                                |                                |
| General  | 7,293,591            | -                              | 7,293,591                      |
| Special Revenue  | -                    | 2,937,386                      | 2,937,386                      |
| Capital Projects   | -                    | 64,988                         | 64,988                         |
| <b>Total Fund Balances</b>                               | <b>7,861,263</b>     | <b>8,251,807</b>               | <b>16,113,070</b>              |
| <b>Total Liabilities and fund balances</b>               | <b>\$ 15,808,242</b> | <b>\$ 22,805,178</b>           |                                |

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

|   |              |
|---|--------------|
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds  | 90,590,903   |
| Issuance Costs associated with governmental debt are not financial resources and, therefore, are not reported in the funds  | 494,586      |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds   | 4,543,618    |
| Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets: | 160,660      |
| Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds.   | (44,278,315) |

Net Assets of governmental activities \$ 67,624,522

See accompanying notes to the basic financial statements

**THE CITY OF HAMILTON, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|  | General             | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|--------------------------------|--------------------------------|
| <b>Revenues:</b>   |                     |                                |                                |
| Income Taxes   | \$ 16,410,753       | \$ 4,991,104                   | \$ 21,401,857                  |
| Property and Other Taxes   | 5,083,204           | 1,717,609                      | 6,800,813                      |
| Intergovernmental  | 4,243,955           | 10,413,260                     | 14,657,215                     |
| Charges for Services   | 2,534,858           | 6,749,271                      | 9,284,129                      |
| Licenses and Permits   | 1,331,322           | 360,806                        | 1,692,128                      |
| Investment Earnings  | 225,664             | 106,061                        | 331,725                        |
| Fines and Forfeitures  | 1,038,045           | 282,868                        | 1,320,913                      |
| Special Assessments  | -                   | 524,335                        | 524,335                        |
| All Other Revenues   | 459,504             | 2,001,596                      | 2,461,100                      |
| <b>Total Revenues</b>  | <b>31,327,305</b>   | <b>27,146,910</b>              | <b>58,474,215</b>              |
| <b>Expenditures:</b>   |                     |                                |                                |
| <b>Current:</b>  |                     |                                |                                |
| Security of Persons and Property   | 19,725,282          | 6,280,484                      | 26,005,766                     |
| Public Health and Welfare  | 1,532,409           | 693,296                        | 2,225,705                      |
| Leisure Time Activities  | 1,302,403           | 909,701                        | 2,212,104                      |
| Community Environment  | 874,416             | 6,128,801                      | 7,003,217                      |
| Basic Utility Services   | 855,120             | 2,382,816                      | 3,237,936                      |
| Transportation   | -                   | 3,288,729                      | 3,288,729                      |
| General Government   | 1,246,370           | 10,329                         | 1,256,699                      |
| Other Expenditures   | 4,957,149           | 557,713                        | 5,514,862                      |
| Capital Outlay   | -                   | 5,757,861                      | 5,757,861                      |
| <b>Debt Service:</b>   |                     |                                |                                |
| Principal Retirement   | -                   | 1,798,770                      | 1,798,770                      |
| Interest and Fiscal Charges  | -                   | 1,852,238                      | 1,852,238                      |
| <b>Total Expenditures</b>  | <b>30,493,149</b>   | <b>29,660,738</b>              | <b>60,153,887</b>              |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures   | 834,156             | (2,513,828)                    | (1,679,672)                    |
| <b>Other Financing Sources (Uses):</b>   |                     |                                |                                |
| Sale of Capital Assets   | 11,927              | 345,116                        | 357,043                        |
| Transfers - In   | 45,549              | 4,351,778                      | 4,397,327                      |
| Transfers - Out  | (217,750)           | (4,179,577)                    | (4,397,327)                    |
| <b>Total Other Financing Sources (Uses)</b>  | <b>(160,274)</b>    | <b>517,317</b>                 | <b>357,043</b>                 |
| Excess (Deficiency) of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | 673,882             | (1,996,511)                    | (1,322,629)                    |
| Fund Balances at Beginning of Year   | 7,188,877           | 10,232,974                     |                                |
| Increase (Decrease) in Inventory   | (1,496)             | 15,344                         |                                |
| <b>Fund Balances at End of Year</b>  | <b>\$ 7,861,263</b> | <b>\$ 8,251,807</b>            |                                |

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

Net Change in Fund Balances - total governmental funds

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 and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

406,324

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

972,600

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

1,739,649

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

104,103

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

(53,621)

Change in net assets of governmental activities

\$ 1,846,426

See accompanying notes to the basic financial statements

**THE 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, 2004**

|  | Initial<br>Budget   | Final<br>Budget     | Actual              | Variance<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|------------------------------------|
| <u>Revenues:</u>   |                     |                     |                     |                                    |
| Property and Other Local Taxes   | \$ 5,550,000        | \$ 5,550,000        | \$ 5,083,204        | \$ (466,796)                       |
| Income Taxes   | 15,422,500          | 15,770,951          | 16,284,048          | 513,097                            |
| Intergovernmental  | 3,982,468           | 4,500,495           | 4,240,805           | (259,690)                          |
| Charges for Services   | 2,687,862           | 2,651,412           | 2,534,858           | (116,554)                          |
| Licenses and Permits   | 1,236,350           | 1,314,300           | 1,331,322           | 17,022                             |
| Investment Earnings  | 400,000             | 260,000             | 245,287             | (14,713)                           |
| Fines and Forfeitures  | 1,120,388           | 1,058,338           | 1,038,045           | (20,293)                           |
| Other All Revenue  | 85,662              | 431,303             | 437,912             | 6,609                              |
| Total Revenues   | <u>30,485,230</u>   | <u>31,536,799</u>   | <u>31,195,481</u>   | <u>(341,318)</u>                   |
| <u>Expenditures:</u>   |                     |                     |                     |                                    |
| Current  |                     |                     |                     |                                    |
| Security of Persons and Property   | 20,979,692          | 20,644,427          | 20,270,345          | 374,082                            |
| Public Health and Welfare  | 1,800,695           | 1,799,114           | 1,617,273           | 181,841                            |
| Leisure Time Activities  | 1,612,202           | 1,487,929           | 1,378,323           | 109,606                            |
| Community Environment  | 770,351             | 949,051             | 870,884             | 78,167                             |
| Basic Utility Services   | 1,480,230           | 1,227,419           | 1,086,533           | 140,886                            |
| General Government   | 1,912,429           | 1,703,494           | 1,495,060           | 208,434                            |
| Other Expenditures   | 5,326,064           | 5,390,210           | 5,251,815           | 138,395                            |
| Total Expenditures   | <u>33,881,663</u>   | <u>33,201,644</u>   | <u>31,970,233</u>   | <u>1,231,411</u>                   |
| Deficiency of Revenues<br>Under Expenditures   | (3,396,433)         | (1,664,845)         | (774,752)           | 890,093                            |
| <u>Other Financing Sources (Uses):</u>   |                     |                     |                     |                                    |
| Sale of Capital Assets   | 21,000              | 21,000              | 11,927              | (9,073)                            |
| Transfers - In   | 394,984             | 572,409             | 45,549              | (526,860)                          |
| Transfers - Out  | (30,145)            | (333,750)           | (217,750)           | 116,000                            |
| Total Other Financing Sources (Uses)   | <u>385,839</u>      | <u>259,659</u>      | <u>(160,274)</u>    | <u>(419,933)</u>                   |
| Deficiency of Revenues and Other<br>Financing Sources Under<br>Expenditures and Other Financing Uses | (3,010,594)         | (1,405,186)         | (935,026)           | 470,160                            |
| Fund Balances at Beginning of Year   | 6,110,461           | 6,110,461           | 6,110,461           | -                                  |
| Prior Year Encumbrances Appropriated   | 921,492             | 921,492             | 921,492             | -                                  |
| Fund Balances at End of Year   | <u>\$ 4,021,359</u> | <u>\$ 5,626,767</u> | <u>\$ 6,096,927</u> | <u>\$ 470,160</u>                  |

See accompanying notes to the basic financial statements

**THE CITY OF HAMILTON! OHIO**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2004**

**BUSINESS-TYPE ACTIVITIES -- ENTERPRISE FUNDS**

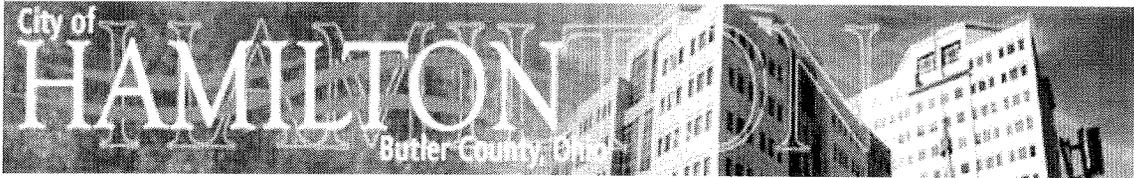
|   | Gas           | Electric       | Water         | Wastewater    | Total          | Governmental<br>Activities<br>Internal<br>Service<br>Funds |
|---|---------------|----------------|---------------|---------------|----------------|--|
| <b>Assets:</b>  |               |                |               |               |                |  |
| <u>Current Assets:</u>                                      |               |                |               |               |                |  |
| Cash and Investments  | \$ 8,321,037  | \$ 17,110,006  | \$ 14,944,543 | \$ 8,052,837  | \$ 48,428,423  | \$ 334,755   |
| Receivables (net of allowances<br>for doubtful accounts)    |               |                |               |               |                |  |
| Accounts  | 4,614,369     | 4,943,645      | 1,221,989     | 1,495,047     | 12,275,050     | -  |
| Accrued Interest  | 14,585        | 23,413         | 56,708        | 41,807        | 136,513        | -  |
| Inventory of Supplies at Cost                               | 141,376       | 2,143,275      | 119,309       | 1,392         | 2,405,352      | 24,213   |
| Prepaid Items   | 97,976        | 450,221        | 90,334        | 102,107       | 740,638        | -  |
| Restricted Assets:  |               |                |               |               |                |  |
| Cash and Cash Equivalents                                   | 373,985       | 2,551,777      | 266,443       | 2,889,524     | 6,081,729      | -  |
| Total Current Assets  | 13,563,328    | 27,222,337     | 16,699,326    | 12,582,714    | 70,067,705     | 358,968  |
| <u>Noncurrent Assets:</u>                                   |               |                |               |               |                |  |
| Bond Issuance Costs   | 350,261       | 3,151,421      | 288,348       | 229,425       | 4,019,455      | -  |
| Capital Assets:   |               |                |               |               |                |  |
| Property, Plant and Equipment                               | 59,516,269    | 341,071,200    | 105,473,250   | 87,192,740    | 593,253,459    | 349,549  |
| Construction in Progress                                    | 591,134       | 3,854,010      | 3,296,373     | 1,703,242     | 9,444,759      | -  |
| Less: Accumulated Depreciation                              | (23,300,686)  | (204,970,096)  | (31,633,385)  | (41,417,020)  | (301,321,187)  | (254,867)  |
| Total Capital Assets (net of<br>(accumulated depreciation)) | 36,806,717    | 139,955,114    | 77,136,238    | 47,478,962    | 301,377,031    | 94,682   |
| Total Noncurrent Assets                                     | 37,156,978    | 143,106,535    | 77,424,586    | 47,708,387    | 305,396,486    | 94,682   |
| Total Assets  | \$ 50,720,306 | \$ 170,328,872 | \$ 94,123,912 | \$ 60,291,101 | \$ 375,464,191 | \$ 453,650   |

**THE CITY OF HAMILTON! OHIO**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2004**

**BUSINESS-TYPE ACTIVITIES -- ENTERPRISE FUNDS**

|   | Gas           | Electric       | Water         | Wastewater    | Total       | Governmental<br>Activities<br>Internal<br>Service<br>Funds |
|---|---------------|----------------|---------------|---------------|-------------|--|
| <b>Liabilities:</b>   |               |                |               |               |             |  |
| <b>Current Liabilities:</b>   |               |                |               |               |             |  |
| Accounts Payable  | 4,356,470     | 2,248,086      | 412,094       | 150,581       | 7,167,241   | 236,989  |
| Accrued Wages and Benefits  | 19,472        | 155,963        | 47,866        | 40,310        | 263,611     | 66,452   |
| Accrued Liabilities   | 100           | -              | -             | -             | 100         | -  |
| Intergovernmental Payable   | 24,698        | 165,226        | 56,382        | 43,487        | 289,793     | 88,259   |
| Accrued Interest Payable  | 120,410       | 718,672        | 112,019       | 336,651       | 1,287,752   | -  |
| General Obligation Notes Payable  | 800,000       | 2,000,000      | -             | 2,750,000     | 5,550,000   | -  |
| Revenue Bonds Payable-Current   | 970,000       | 5,785,000      | 520,000       | 905,000       | 8,180,000   | -  |
| Total Current Liabilities   | 6,291,150     | 11,072,957     | 1,148,361     | 4,226,029     | 22,738,497  | 391,700  |
| <b>Noncurrent Liabilities:</b>  |               |                |               |               |             |  |
| Customer Deposits Payable   | 458,079       | 539,765        | 100,035       | 97,869        | 1,195,748   | -  |
| Compensated Absences Payable  | 421,828       | 2,029,750      | 785,773       | 762,812       | 4,000,163   | 953,885  |
| Revenue Bonds Payable   | 11,239,109    | 158,056,615    | 9,105,465     | 25,431,625    | 203,832,814 | -  |
| Total Noncurrent Liabilities  | 12,119,016    | 160,626,130    | 9,991,273     | 26,292,306    | 209,028,725 | 953,885  |
| Total Liabilities   | 18,410,166    | 171,699,087    | 11,139,634    | 30,518,335    | 231,767,222 | 1,345,585  |
| <b>Net Assets:</b>  |               |                |               |               |             |  |
| Invested in capital assets, net of related debt (Deficit)   | 24,147,869    | (22,735,080)   | 67,799,121    | 26,098,483    | 95,310,393  | 94,682   |
| Restricted for Debt Service   | 373,985       | 2,551,777      | 266,443       | 2,889,524     | 6,081,729   | -  |
| Unrestricted (Deficit)  | 7,788,286     | 18,813,088     | 14,918,714    | 784,759       | 42,304,847  | (986,617)  |
| Total Net Assets  | 32,310,140    | (1,370,215)    | 82,984,278    | 29,772,766    | 143,696,969 | (891,935)  |
| Total Net Assets and Liabilities  | \$ 50,720,306 | \$ 170,328,872 | \$ 94,123,912 | \$ 60,291,101 |             | \$ 453,650   |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds |               |                |               |               |             | (1,147,277)  |
| Net Assets of Business - Type Activities  |               |                |               |               |             | 142,549,692  |

See accompanying notes to the basic financial statements



**THE CITY OF HAMILTON/ OHIO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | Gas                  | Electric              | Water                | Wastewater           | Totals  | Governmental<br>Activities<br>Internal<br>Service<br>Funds |
|---|----------------------|-----------------------|----------------------|----------------------|---|--|
| <b>Operating Revenues:</b>                            |                      |                       |                      |                      |   |  |
| Charges for Services                                  | \$ 24,813,882        | \$ 49,479,128         | \$ 13,409,800        | \$ 10,531,796        | \$ 98,234,606   | \$ 11,214,828  |
| Other Operating Revenues                              | 34,987               | 1,515,517             | 773,726              | 586,201              | 2,910,431   |  |
| <b>Total Operating Revenues</b>                       | <b>24,848,869</b>    | <b>50,994,645</b>     | <b>14,183,526</b>    | <b>11,117,997</b>    | <b>101,145,037</b>  | <b>11,214,828</b>  |
| <b>Operating Expenses:</b>                            |                      |                       |                      |                      |   |  |
| Personal Services                                     | 1,355,603            | 8,827,347             | 3,023,626            | 2,336,233            | 15,542,809  | 8,270,800  |
| Materials and Supplies                                | 59,902               | 55,472                | 909,472              | 1,346,441            | 2,371,287   | 684,252  |
| Contractual Services                                  | 548,767              | 3,422,673             | 835,143              | 945,070              | 5,751,653   | 1,617,471  |
| Purchase of Gas and Electric                          | 17,326,703           | 19,421,957            | -                    | -                    | 36,748,660  |  |
| Depreciation  | 1,829,937            | 9,805,932             | 2,172,749            | 2,356,663            | 16,165,281  | 30,359   |
| Other Operating Expenses                              | 2,931,989            | 3,778,012             | 3,737,063            | 2,643,317            | 13,090,381  | 217,995  |
| <b>Total Operating Expenses</b>                       | <b>24,052,901</b>    | <b>45,311,393</b>     | <b>10,678,053</b>    | <b>9,627,724</b>     | <b>89,670,071</b>   | <b>10,820,877</b>  |
| <b>Operating Income</b>                               | <b>795,968</b>       | <b>5,683,252</b>      | <b>3,505,473</b>     | <b>1,490,273</b>     | <b>11,474,966</b>   | <b>393,951</b>   |
| <b>Non-Operating Revenues (Expenses):</b>             |                      |                       |                      |                      |   |  |
| Investment Earnings                                   | 151,759              | 250,634               | 263,820              | 154,494              | 820,707   | 1,272  |
| Interest and Fiscal Charges                           | (670,836)            | (6,974,056)           | (738,312)            | (1,489,410)          | (9,872,614)   | -  |
| Other Non-Operating Revenues                          | -                    | -                     | -                    | -                    | -   | 327  |
| Loss on Disposal of Capital Assets                    | (33,005)             | 2,622                 | (27,223)             | (31,831)             | (89,437)  | -  |
| <b>Total Non-Operating Revenues (Expenses)</b>        | <b>(52,082)</b>      | <b>(6,720,800)</b>    | <b>(501,715)</b>     | <b>(1,366,747)</b>   | <b>(9,141,344)</b>  | <b>1,599</b>   |
| <b>Change in Net Assets</b>                           | <b>243,886</b>       | <b>(1,037,548)</b>    | <b>3,003,758</b>     | <b>123,526</b>       | <b>2,333,622</b>  | <b>395,550</b>   |
| <b>Total Net Assets - Beginning of Year (Deficit)</b> | <b>32,066,254</b>    | <b>(332,667)</b>      | <b>79,980,520</b>    | <b>29,649,240</b>    | <b>(1,287,485)</b>  | <b>(1,287,485)</b>   |
| <b>Total Net Assets - End of Year (Deficit)</b>       | <b>\$ 32,310,140</b> | <b>\$ (1,370,215)</b> | <b>\$ 82,984,278</b> | <b>\$ 29,772,766</b> | <b>\$ (891,935)</b>   | <b>\$ (891,935)</b>  |
|   |                      |                       |                      |                      |   |  |
|   |                      |                       |                      |                      | Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | 185,108  |
|   |                      |                       |                      |                      | Change in Net Assets of Business - Type Activities  | 2,518,730  |

See accompanying notes to the basic financial statements

THE CITY OF HAMILTON, OHIO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2004

BUSINESS-TYPE ACTIVITIES--ENTERPRISE FUNDS

|  | Gas           | Electric      | Water         | Wastewater    | Totals         | Governmental<br>Activities<br>Internal<br>Service<br>Funds |
|--|---------------|---------------|---------------|---------------|----------------|--|
| Increase (Decrease) in Cash and Investments                |               |               |               |               |                |  |
| Cash Flows from Operating Activities:                      |               |               |               |               |                |  |
| Cash Received from Customers                               | \$ 25,242,837 | \$ 50,892,329 | \$ 13,915,880 | \$ 11,128,961 | \$ 101,180,007 | \$ 11,056,040  |
| Cash Paid for Employee Services and Benefits               | (1,351,552)   | (8,965,690)   | (3,066,633)   | (2,363,686)   | (15,757,561)   | (8,491,948)  |
| Cash Paid to Suppliers for Goods and Services              | (16,836,208)  | (24,313,931)  | (2,681,089)   | (2,456,524)   | (46,307,752)   | (2,676,210)  |
| Other Operating Revenues                                   | 10,104        | 1,214,952     | 212,088       | 15,003        | 1,452,147      | -  |
| Other Operating Expenses                                   | (2,890,704)   | (3,726,132)   | (2,837,917)   | (2,644,058)   | (12,098,811)   | (117,397)  |
| Other Non-Operating Revenues                               | -             | -             | -             | -             | -              | 327  |
| Net Cash Provided by (Used for) Operating Activities       | 4,144,477     | 15,101,528    | 5,542,329     | 3,679,696     | 28,468,030     | (229,188)  |
| Cash Flows from Capital and Related Financing Activities:  |               |               |               |               |                |  |
| Capital Grant Contributions                                | -             | -             | 57,739        | -             | 57,739         | -  |
| Fair Value from the Sale of Debt                           | 800,000       | 2,000,000     | -             | 2,750,000     | 5,550,000      | -  |
| Proceeds from Sale of Assets                               | -             | 7,277         | -             | 57            | 7,334          | -  |
| Acquisition and Construction of Assets                     | (1,187,092)   | (3,431,521)   | (6,027,543)   | (1,109,496)   | (11,755,652)   | (4,027)  |
| Principal Paid on General Obligation Notes                 | -             | -             | -             | (2,750,000)   | (2,750,000)    | -  |
| Principal Paid on Mortgage Revenue Bonds                   | (955,000)     | (5,605,000)   | (510,000)     | (865,000)     | (7,935,000)    | -  |
| Interest Paid on All Debt                                  | (538,212)     | (5,924,079)   | (497,114)     | (1,461,056)   | (8,420,461)    | -  |
| Net Cash Used for Capital and Related Financing Activities | (1,850,304)   | (12,953,323)  | (6,976,918)   | (3,435,495)   | (25,246,040)   | (4,027)  |
| Cash Flows from Investing Activities:                      |               |               |               |               |                |  |
| Interest and Dividends                                     | 174,197       | 290,918       | 276,383       | 150,875       | 892,373        | 1,272  |
| Net Cash Provided By Investing Activities                  | 174,197       | 290,918       | 276,383       | 150,875       | 892,373        | 1,272  |
| Net Increase (Decrease) in Cash and Investments            | 2,438,370     | 2,439,123     | (1,158,206)   | 395,076       | 4,114,383      | (231,943)  |
| Cash and Investments at Beginning of Year                  | 6,256,652     | 17,222,660    | 16,369,192    | 10,547,285    | 50,395,789     | 566,698  |
| Cash and Investments at End of Year                        | \$ 8,695,022  | \$ 19,661,783 | \$ 15,210,986 | \$ 10,942,361 | \$ 54,510,152  | \$ 334,755   |

**THE CITY OF HAMILTON, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|  | BUSINESS-TYPE ACTIVITIES--ENTERPRISE FUNDS |               |              |              | Business-Type<br>Activities<br>Internal<br>Service<br>Fund |              |
|--|--|---------------|--------------|--------------|--|--------------|
|  | Gas  | Electric      | Water        | Wastewater   |  | Totals       |
| Reconciliation of Operating Income to<br>Net Cash Provided by (Used for) Operating Activities:<br>Operating Income | \$ 795,968                                 | \$ 5,683,252  | \$ 3,505,473 | \$ 1,490,273 | \$ 11,474,966  | \$ 393,951   |
| Adjustments to Reconcile Operating Income<br>to Net Cash Provided by (Used by) Operating Activities:               |  |               |              |              |  |              |
| Depreciation Expense   | 1,829,937                                  | 9,805,932     | 2,172,749    | 2,356,663    | 16,165,281   | 30,359       |
| Other Non-Operating Revenues   | -  | -             | -            | -            | -  | 327          |
| Change in Assets and Liabilities:  |  |               |              |              |  |              |
| (Increase) Decrease in Accounts Receivable   | 403,972                                    | 1,112,636     | (55,558)     | 25,967       | 1,487,017  | -            |
| (Increase) in Materials and Supplies Inventories   | (37,625)                                   | (1,344,170)   | (23,473)     | (189)        | (1,405,457)  | (12,016)     |
| (Increase) Decrease in Prepaid Items   | (2,477)                                    | (50)          | 2,199        | 1,001        | 673  | 3,394        |
| Increase (Decrease) in Intergovernmental Payables  | 4,842                                      | 31,844        | 14,651       | 8,256        | 59,593   | (424,069)    |
| Increase (Decrease) in Accounts Payables   | 1,128,178                                  | (91,671)      | (24,251)     | (175,209)    | 837,047  | (262,310)    |
| (Decrease) in Accrued Wages and Benefits   | (33,274)                                   | (223,485)     | (65,640)     | (51,669)     | (374,068)  | (98,135)     |
| Increase in Compensated Absences Payable   | 20,967                                     | 44,454        | 5,555        | 14,359       | 85,335   | 139,311      |
| Increase in Customer Deposits  | 33,889                                     | 82,786        | 10,624       | 10,244       | 137,543  | -            |
| Increase in Accrued Liabilities  | 100  | -             | -            | -            | 100  | -            |
| Total Adjustments  | 3,348,509                                  | 9,418,276     | 2,036,856    | 2,189,423    | 16,993,064   | (623,139)    |
| Net Cash Provided by (Used by) Operating Activities  | \$ 4,144,477                               | \$ 15,101,528 | \$ 5,542,329 | \$ 3,679,696 | \$ 28,468,030  | \$ (229,188) |

Schedule of Noncash Investing, Capital and Financing Activities:  
At December 31, 2004, the Gas, Electric, Water and Wastewater Funds had change in fair value  
of investments of (\$10,486), (\$34,575), (\$48,057) and (\$39,195), respectively.

At December 31, 2004, the Governmental Activities Internal Service funds had a change  
in fair value of investments of \$1,292.

See accompanying notes to the basic financial statements

**THE CITY OF HAMILTON, OHIO**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2004**

|  | Agency<br>Funds |
|--|-----------------|
| <b>Assets:</b>   |                 |
| Cash and Cash Equivalents                                | \$ 1,803,889    |
| Receivables (net of allowances<br>for doubtful accounts) |                 |
| Taxes-Real & Personal Property                           | 121,200         |
| Accounts   | 631             |
| Prepaid Items  | 32,066          |
| Total Assets   | 1,957,786       |
| <b>Liabilities:</b>                                      |                 |
| Accounts Payable   | 1,285           |
| Intergovernmental Payable                                | 1,605,480       |
| Due to Others  | 351,021         |
| Total Liabilities  | \$ 1,957,786    |

See accompanying notes to the basic financial statements

***THE CITY OF HAMILTON! OHIO***  
***NOTES TO BASIC FINANCIAL STATEMENTS***  
***DECEMBER 31, 2004***

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**NOTE 1 – REPORTING ENTITY AND BASIS OF PRESENTATION**

**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 including the Managing Director of Operations/Deputy City Manager, to whom the Director of Parks and Recreation and 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, Human Relations, Information Technology, and the Chief of Police and Fire. 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).

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**NOTE 1 – REPORTING ENTITY AND BASIS OF PRESENTATION (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) Ohio, Inc., the Economic Development Association of Butler County (EDABC), the Transportation Improvement District (TID) of Butler County, the Butler County Emergency Management Agency (EMA), the Hamilton Community Improvement Corporation (CIC), the Hamilton Economic Development Corporation (HEDC), the Center for Local Governments, and the Ohio-Kentucky-Indiana Regional Council of Governments (OKI). These organizations are presented in Note 19 to the basic financial statements and are excluded from the accompanying financial statements except as noted.

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**NOTE 1 – REPORTING ENTITY AND BASIS OF PRESENTATION (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 Section 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 government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements. Taxes and intergovernmental revenues normally support governmental activities. *Business type activities* are supported by charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Hamilton have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Certain of the City's accounting policies are described as follows.

### **A. Measurement Focus Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is expected to be liquidated with expendable, available resources. However, debt service expenditures, as well as compensated absences, are recorded only when payment is due.

Property taxes, income taxes, licenses, state shared revenues, judgments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the City receives cash.

#### *Fund Accounting*

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

#### *Governmental Funds*

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose of which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports the following major governmental fund:

**General Fund**

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

**Gas Fund**

To account for activities of the City's gas system.

**Electric Fund**

To account for activities of the City's electric system.

**Water Fund**

To account for activities of the City's water system.

**Wastewater Fund**

To account for activities of the City's wastewater system.

Additionally, the City reports the following fund types:

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

*Fiduciary Funds*

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: private purpose trust funds, pension trust funds, investment trust funds and agency funds. The City maintains fourteen fiduciary agency funds. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary and Other Governmental Entities that Use Proprietary Fund Accounting*, the City has elected to follow FASB Statements and Interpretations issued prior to December 1, 1989 to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

The City also has the option of following subsequent FASB guidance for their business-type and enterprises funds, subject to this same limitation. The City has elected not to apply those FASB Statements and Interpretations issued after November 30, 1989 to its enterprise funds.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

When both restricted and unrestricted resources are available for use, it is the City's policy to use the restricted resources first, then unrestricted resources, as they are needed.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**B. Budgetary Process**

The budgetary process is prescribed by provisions of the City Charter 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 the general fund is required to be reported. The primary level of budgetary control is at the fund level. Budgetary modifications that amend the appropriations of any fund 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.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 to 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 statement reflect the amounts in the final amended official certificate of estimated resources issued during 2004, while the original budget column reflects the amounts in the original official certificate of estimated resources.

3. Appropriations

As required by charter, an annual appropriation ordinance must be adopted prior to the beginning of fiscal year. The appropriation ordinance establishes spending controls at the fund level, the legal level of control. The appropriation ordinance may be amended by ordinance of Council 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. The allocation of appropriations among departments and objects within a fund may be modified during the year by management. During 2004, several supplemental appropriations were necessary to budget the use of contingency funds, debt and debt related proceeds, intergovernmental grant proceeds and capital improvement projects. None of these were considered material.

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 (Non-GAAP Budgetary Basis) – General Fund” are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications. Budget figures appearing in the statement of budgetary comparisons are based upon the following:

Initial Budget is the legally adopted amount of appropriation originally passed by City Council through the original appropriation ordinance.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Final Budget represents the final appropriation amounts, including all amendments and modifications.

4. Encumbrances

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

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 re-appropriated.

6. Budgetary Basis of Accounting

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures, and changes in fund balances, budget and actual (budget basis) - General Fund is presented on the budgetary basis to provide a comparison of actual results with the final, adopted budget. Differences between the budget basis and the GAAP basis are that:

- a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- c) Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

|                      |                    |
|----------------------|--------------------|
|                      | General<br>Fund    |
| GAAP Basis           | \$673,882          |
| Adjustments:         |                    |
| Revenue Accruals     | (131,824)          |
| Expenditure Accruals | (776,434)          |
| Encumbrances         | (700,650)          |
| Budget Basis         | <u>(\$935,026)</u> |

**C. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and the State Treasury Asset Reserve (STAR Ohio). The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the basic financial statements because it is a highly liquid instrument, which is readily convertible to cash.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own pooled cash and investments account. For purposes of the statement of cash flows, the proprietary funds' share of equity in investments with original maturities of three months or less is considered to be cash equivalents. (See Note 4, "Cash, Cash Equivalents and Investments")

**D. Investments**

Provisions of the Ohio Constitution, the City Charter and ordinances and revenue bond indentures, restrict investment procedures and interest allocations. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. (See Note 4, "Cash, Cash Equivalents and Investments")

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City has invested funds in the STAR Ohio during 2004. 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, 2004.

**E. Inventory**

Inventories are stated at moving average cost. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed and recorded on the financial statements as a fund balance reserve. The costs of proprietary fund-type inventories are recorded as expenses when consumed rather than when purchased.

**F. Capital Assets and Depreciation**

The accounting and reporting treatment applied to capital assets is determined by the ultimate use:

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date of donation.

The City has purchased a tract of land referred to as the Hamilton Enterprise Park (capital projects fund) for which the City is holding land for resale. The City is examining various development opportunities and economic conditions as part of the marketing process for this area.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

| <u>Description</u>                               | <u>Estimated Lives (Years)</u> |
|--|--------------------------------|
| Buildings  | 25                             |
| Improvements other than Buildings/Infrastructure | 10 – 75                        |
| Machinery, Equipment, Furniture and Fixtures     | 3 – 25                         |

**G. Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the non-current portion of capital leases (although none exist in the current fiscal year), contractually required pension contributions and general obligation bonds payable that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be expected to be liquidated with expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources.

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

| Obligation   | Fund  |
|--|---|
| General Obligation Bonds                                 | Debt Service Fund, Parking Fund, Golf Fund,   |
| Special Assessment Bonds<br>With Governmental Commitment | Debt Service Fund   |
| Revenue Bonds  | Gas Fund, Electric Fund, Water Fund<br>Wastewater Fund  |
| Compensated Absences                                     | General Fund<br>Safety Services Fund, Refuse Fund<br>Street Maintenance Fund<br>Community Development Block Grant Fund<br>Gas Fund, Electric Fund<br>Water Fund, Wastewater Fund<br>Parking Fund, Golf Course Fund<br>Fleet Maintenance Fund<br>Central Services Fund |

**H. 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.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 1200 hours for employees whose normal work schedule is 40 hours per week, and up to 1680 hours for those working a 53 hour week. Those individuals that commenced employment on or after January 1, 1990, will be paid 50%, and those individuals that commenced employment on or after January 1, 1994 will be paid 25% of the accumulated sick leave upon death or retirement. Employees are eligible for retirement at age 60 with 5 years of service, age 55 with 25 years of service, and any age with at least 30 years of service. Compensation for sick leave is paid at the employee's then full rate of pay at the time of termination or retirement.

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. The entire liability is reported on the government-wide statements.

**I. Pensions**

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

**J. Interfund Transactions**

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Transfers In" by the recipient fund and "Transfers Out" by the disbursing fund on the fund financial statements. These transfers are consolidated within the governmental and business-type activities columns, and also from the "total" column on the statement of activities.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City.

**K. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for encumbrances, supplies inventories, prepaid items, debt service, and endowments.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. 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 combined statement of net assets because their use is limited for debt service payments, rate stabilization and capital improvements. Other restricted assets consist of resources whose use is restricted by City Council for capital improvements.

**M. Net Assets**

Net assets represent the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are calculated, net of accumulated depreciation and reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**N. Interfund Activity**

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

**O. Deferred Revenues**

Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenues. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenues.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Exchange/Non-Exchange Transactions**

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

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

**Q. 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.

**R. Reconciliation of Government-Wide and Fund Financial Statements**

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds.” The details of this (\$44,278,315) difference are as follows:

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

|   |                              |
|---|------------------------------|
| Long Term Debt  | (\$37,793,000)               |
| Long Term Debt – Discount   | (211,536)                    |
| Accrued Interest Payable  | (298,149)                    |
| Compensated Absences  | (6,398,702)                  |
| Net Adjustment to reduce <i>fund balance - total governmental funds</i><br>to arrive at <i>net assets - governmental activities</i> | <u><u>(\$44,278,315)</u></u> |

Another element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.” The details of \$90,590,903 difference are as follows:

|   |                            |
|---|----------------------------|
| Capital Assets  | \$226,286,412              |
| Accumulated Depreciation  | (135,695,509)              |
| Net Adjustment to increase <i>fund balance - total governmental funds</i><br>to arrive at <i>net assets - governmental activities</i> | <u><u>\$90,590,903</u></u> |

Another element of that reconciliation states that “Capital additions are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.” The details of this \$406,324 are as follows:

|  |                         |
|--|-------------------------|
| Current capital additions  | \$5,268,472             |
| Loss on sale/disposal of capital assets  | (1,138,443)             |
| Depreciation Expense   | (3,723,705)             |
| Net Adjustment - capital assets to increase <i>fund balance - total governmental funds</i><br>to arrive at <i>net assets - governmental activities</i> | <u><u>\$406,324</u></u> |

An element of that reconciliation states that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any affect of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this \$1,739,649 are as follows:

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

|  |             |
|--|-------------|
| Principal paid on Long Term Debt   | \$1,798,770 |
| Current Year Amortization of Issuance Costs  | (51,132)    |
| Current Year Amortization of Long Term Debt Discount   | (26,673)    |
| Change in Interest Payable   | 18,684      |
| Net Adjustment - current financial resources focus to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i> | \$1,739,649 |

**NOTE 3 –ACCOUNTABILITY**

**Fund Balance Deficits**

The following funds had deficit fund balance/net assets amounts as of December 31, 2004:

| Fund Name                          | Net Assets/Fund<br>Balances Deficit |
|------------------------------------|-------------------------------------|
| Major Funds:                       |                                     |
| Electric                           | \$1,370,215                         |
| <i>Nonmajor Governmental Funds</i> |                                     |
| Special Revenue Funds:             |                                     |
| Technology Initiative              | 2,632,747                           |
| Miami Conservancy                  | 286,179                             |
| Total Special Revenue Funds        | 2,918,926                           |
| Capital Projects Funds:            |                                     |
| Hamilton Enterprise Park           | 2,124,459                           |
| Issue II Projects                  | 47,214                              |
| Total Capital Projects             | 2,171,673                           |
| <i>Internal Service Funds</i>      |                                     |
| Central Services                   | 1,147,277                           |

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**NOTE 3 – ACCOUNTABILITY (Continued)**

The deficits occurring in the Electric Major Enterprise fund and Miami Conservancy Special Revenue Fund arose from the recognition of expenses/expenditures on the accrual/modified accrual basis of accounting which are greater than expenses/expenditures recognized on the budgetary basis. As cash is received and the payables liquidated, the deficits will be eliminated.

Deficits occurring in the Technology Initiative Special Revenue Fund and Hamilton Enterprise Park, Capital Projects Funds arose from the recognition of bond anticipation notes within the individual fund balance sheets. When bonds are issued which retire the anticipation notes, the related liability will be removed and the deficit eliminated. The deficit occurring in the Issue II Projects Capital Project Fund has arisen due to recognition of an interfund payable. When cash is received and the liability removed, the deficit will be eliminated.

The deficit occurring in the Central Services Internal Service Fund has risen due to recognition of encumbrances at year-end. The Internal Service fund operates as a rotary fund and cash is recognized as revenue operationally only after an actual expenditure is made. When expenditures are made reducing the encumbrance or the encumbrance is released, then the related deficit will be removed.

Other than the deficit in the Central Services fund, none of the deficits in any of these funds exist under the budgetary basis of accounting.

**NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds. The following is a list of the allowable investments for the City:

- 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;

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**NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- 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;
- The State Treasury Asset Reserve of Ohio (STAR Ohio); and
- Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

The City may also invest any moneys not required to be used for period of time of six months or more in the following:

- Bonds of the State of Ohio;
- Bonds of any municipal corporation, village, City, township or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and
- Obligations of the City.

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

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

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.

**NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**A. Deposits**

*Custodial Credit Risk*

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

As of December 31, 2004, \$10,068,380 of the City’s bank balance of \$10,468,539 was exposed to custodial credit risk as follows since it was uninsured and uncollateralized.

**S. Investments**

The City’s investments at December 31, 2004 are summarized below:

| <i>Categorized Investments</i> | <i>Fair Value</i>   | <i>Avg<br/>Max Maturity</i> | <i>Credit<br/>Rating</i> |
|--------------------------------|---------------------|-----------------------------|--------------------------|
| U.S. Governmental Agencies     | \$32,914,416        | 2.07                        | NA                       |
| Money Market Mutual Funds      | 9,502,251           | NA                          | AAA/V-1+                 |
| STAR Ohio                      | <u>20,114,198</u>   | NA                          | AAAm                     |
| Total Investments              | <u>\$62,530,865</u> |                             |                          |

*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.

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**NOTE 5 – TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2004 were levied after October 1, 2004 on assessed values as of January 1, 2004, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed for tax year 2002. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semi-annually, the first payment is due by February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually, the first payment is due April 30; the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 88% 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, 2004 was \$7.16 per \$1,000 of assessed value. The assessed value upon which the 2004 receipts were based was \$894,402,144. This amount constitutes \$807,728,570 in real property assessed value, \$12,942,330 in public utility assessed value and \$73,731,244 in tangible personal property 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 .716% (7.16 mills) of assessed value.

**NOTE 5 – TAXES (Continued)**

**B. Income Tax**

The City levies a tax of 2.0% on all salaries, wages, commissions and other earned 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 2.0% of taxable salaries, wages, commissions and other compensation.

Employers within the City are required to withhold income tax on employee's 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 effective with the 2004 income tax billing season, collected in 2005.

**NOTE 6 – RECEIVABLES**

Receivables at December 31, 2004 consisted of taxes, accounts receivable, accrued interest, inter-fund receivables, notes receivable (see Note 7) and intergovernmental receivables arising from shared revenues. These receivables result from both exchange and non-exchange transactions.

Business-type receivables at December 31, 2004, 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, 2004 as follows:

|   | <b>Gas</b>         | <b>Electric</b>    | <b>Water</b>       | <b>Wastewater</b>  | <b>Business-Type<br/>Activities</b> |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------------------|
| Earned and unbilled consumer accounts     | \$2,660,625        | \$2,034,847        | \$409,422          | \$390,379          | \$5,495,273                         |
| Earned and billed consumer accounts       | 5,500,725          | 7,323,066          | 1,657,158          | 2,367,117          | 16,848,066                          |
| Other                                     | 6,762              | 332,972            | 59,280             | 9,558              | 408,572                             |
| Less allowance for uncollectible accounts | (3,553,743)        | (4,747,240)        | (903,871)          | (1,272,007)        | (10,476,862)                        |
| Accounts Receivable                       | 4,614,369          | 4,943,645          | 1,221,989          | 1,495,047          | 12,275,050                          |
| Accrued Interest Receivable               | 14,585             | 23,413             | 56,708             | 41,807             | 136,513                             |
| <b>Total Receivables :</b>                | <b>\$4,628,954</b> | <b>\$4,967,058</b> | <b>\$1,278,697</b> | <b>\$1,536,854</b> | <b>\$12,411,563</b>                 |

**NOTE 7 – NOTES RECEIVABLE**

In 1985, the City and the Hamiltonian, LTD, (the "Hamiltonian"), a hotel development limited partnership, entered into an agreement whereby the City loaned the Hamiltonian \$650,000 under the Community Development Block Grant Loan Program (the loan) and a \$375,000 Ground Mortgage Note (the mortgage). The loan and the mortgage were granted to stimulate the development of a downtown hotel project.

**NOTE 7 – NOTES RECEIVABLE (Continued)**

The loan and the mortgage notes bear an interest rate of 5%. The payments by the Hamiltonian on the loan and the mortgage were deferred for the first five years of the repayment period. Interest was accrued at the 5% rate since the inception of the loan and mortgage. The principal balance remaining to be paid on the loan was \$409,886 at December 31, 2004. The monthly payment required from the Hamiltonian is \$4,849 including interest. Additional payments of up to \$20,000 a year are required based upon earnings levels, as defined in the agreement, of the Hamiltonian. The loan is secured by an open ended second mortgage and security agreement on the property and the hotel project.

The mortgage has been amortized in equal monthly installments over a 25-year term beginning in 1990 and maturing in 2015. The monthly mortgage payment due is \$2,798. Additional interest payments are due when the hotel achieves a level of operating cash flow which affords a return of greater than 15% return on the limited partners original capital. The payment is 50% of the “excess cash flow” over the 15% return for the limited partners. Payment of the additional interest based upon operating cash flow is due on April 30 for each year ending December 31st. The mortgage had a remaining balance to be paid of \$330,538 at December 31, 2004 and was collateralized by a third mortgage on the property. No additional interest payment was received for the year ended December 31, 2004.

The loss of major employers in Hamilton in 2000 and 2001, the state of the economy and the travel business in general including increased competition, coupled with the ramifications of terrorist attacks on September 11, 2001 has had a negative impact on the fiscal operations of the Hamiltonian. Since September 2001, the Hamiltonian has failed to make any regularly scheduled debt payment on either the mortgage or note owed to the City. The City has attempted to renegotiate the existing debts and ongoing discussions are occurring; the Hamiltonian has requested that the City consider forgiveness of the entire debt owed to it. A forbearance of debt service due on outstanding primary revenue bonds in December 2004 (for which the City is not a part) was provided by existing bondholders. The entire note receivable balance has had an allowance for doubtful accounts accrued against it in a prior fiscal year and the City has chosen not to accrue interest receivable on the remaining balance. Regardless, the City will continue negotiation with the Hamiltonian to seek a mutually satisfactory conclusion. The account balances, with valuation, are as follows:

|                       |                  |
|-----------------------|------------------|
| Hamiltonian Loan      | \$409,886        |
| Hamiltonian Note      | <u>330,538</u>   |
| Total Note Receivable | 740,424          |
| Allowance for         |                  |
| Doubtful Accounts     | <u>(740,424)</u> |
| Net Note Receivable   | <u>\$ 0</u>      |

**NOTE 8 – TRANSFERS**

Following is a summary of transfers in and out for all funds for 2004:

| Fund                         | Transfers In           | Transfers Out          |
|------------------------------|------------------------|------------------------|
| <b>MAJOR FUNDS</b>           |                        |                        |
| General                      | \$45,549               | \$217,750              |
| Non-Major Governmental Funds | 4,351,778              | 4,179,577              |
| <br>Total All Funds          | <br><u>\$4,397,327</u> | <br><u>\$4,397,327</u> |

The City makes transfers between various governmental 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 the obligations. The remaining transfers relate to payments due from the special assessment capital projects fund for debt service payment and some transfers made from the general fund at year-end to eliminate deficit balances.

**NOTE 9 – INTERFUND TRANSACTIONS**

The composition of inter-fund balances as of December 31, 2004, is as follows:

| Fund                        | Interfund<br>Receivable | Interfund<br>Payable | Due from<br>Other Funds | Due to<br>Other Funds |
|-----------------------------|-------------------------|----------------------|-------------------------|-----------------------|
| <b>Major Funds</b>          |                         |                      |                         |                       |
| General Fund                | \$379,404               | \$0                  | \$9,621                 | \$0                   |
| Total Major Funds           | <u>379,404</u>          | <u>0</u>             | <u>9,621</u>            | <u>0</u>              |
| Nonmajor Governmental Funds | <u>0</u>                | <u>379,404</u>       | <u>0</u>                | <u>9,621</u>          |
| Total All Funds             | <u>\$379,404</u>        | <u>\$379,404</u>     | <u>\$9,621</u>          | <u>\$9,621</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.

**NOTE 10 – CAPITAL ASSETS**

|  | Balance<br>12/31/03 | Increases   | Decreases   | Balance<br>12/31/04 |
|--|---------------------|-------------|-------------|---------------------|
| <b>Governmental Activities:</b>              |                     |             |             |                     |
| Capital Assets, not being depreciated:       |                     |             |             |                     |
| Land   | \$22,636,458        | \$0         | \$659,646   | \$21,976,812        |
| Construction in Progress                     | 6,428,189           | 2,647,809   | 861,368     | 8,214,630           |
| Total capital assets, not being depreciated  | 29,064,647          | 2,647,809   | 1,521,014   | 30,191,442          |
| Capital Assets, being depreciated:           |                     |             |             |                     |
| Buildings and Improvements                   | 38,121,457          | 446,326     | 30,348      | 38,537,435          |
| Machinery and Equipment                      | 17,709,431          | 1,189,805   | 374,450     | 18,524,786          |
| Infrastructure                               | 137,335,466         | 1,845,900   | 148,617     | 139,032,749         |
| Total capital assets being depreciated       | 193,166,354         | 3,482,031   | 553,415     | 196,094,970         |
| Less Accumulated Depreciation For:           |                     |             |             |                     |
| Buildings and Improvements                   | 9,945,933           | 538,120     | 0           | 10,484,053          |
| Machinery and Equipment                      | 11,369,699          | 1,511,033   | 74,618      | 12,806,114          |
| Infrastructure                               | 110,730,790         | 1,674,552   | 0           | 112,405,342         |
| Total Accumulated Depreciation               | 132,046,422         | 3,723,705   | 74,618      | 135,695,509         |
| Total capital assets, being depreciated, net | 61,119,932          | (241,674)   | 478,797     | 60,399,461          |
| Governmental Activities Capital Assets, Net  | 90,184,579          | 2,406,135   | 1,999,811   | 90,590,903          |
| <b>Business Type Activities</b>              |                     |             |             |                     |
| Capital Assets, not being depreciated        |                     |             |             |                     |
| Land   | 6,306,566           | 25,759      | 0           | 6,332,325           |
| Construction in Progress                     | 10,864,875          | 2,750,557   | 4,170,673   | 9,444,759           |
| Total capital assets, not being depreciated  | 17,171,441          | 2,776,316   | 4,170,673   | 15,777,084          |
| Capital Assets, being depreciated            |                     |             |             |                     |
| Buildings and Improvements                   | 88,726,707          | 2,633,996   | 0           | 91,360,703          |
| Machinery and Equipment                      | 486,181,232         | 9,914,955   | 535,757     | 495,560,430         |
| Total capital assets, being depreciated      | 574,907,939         | 12,548,951  | 535,757     | 586,921,133         |
| Less Accumulated Depreciation For:           |                     |             |             |                     |
| Buildings and Improvements                   | 43,996,468          | 1,706,657   | 0           | 45,703,125          |
| Machinery and Equipment                      | 241,560,443         | 14,458,624  | 401,006     | 255,618,061         |
| Total Accumulated Depreciation               | 285,556,911         | 16,165,281  | 401,006     | 301,321,186         |
| Total capital assets, being depreciated, net | 289,351,028         | (3,616,330) | 134,751     | 285,599,947         |
| Business Type Activities Capital Assets, Net | \$306,522,469       | (\$840,014) | \$4,305,425 | \$301,377,031       |

**NOTE 10 – CAPITAL ASSETS (Continued)**

**Governmental Activities**

|   |           |
|---|-----------|
| Security of Persons and Property  | \$796,806 |
| Public Health and Welfare   | 20,805    |
| Leisure Time Activities   | 314,497   |
| Community Environment   | 4,548     |
| Basic Utility   | 4,947     |
| Transportation, including depreciation of general infrastructure assets | 1,881,432 |
| General Government  | 700,670   |

|  |                  |
|--|------------------|
| Total Depreciation Expense - governmental activities | <u>3,723,705</u> |
|--|------------------|

**Business Type Activities:**

|   |                     |
|---|---------------------|
| Gas   | 1,829,937           |
| Electric  | 9,805,932           |
| Water   | 2,172,749           |
| Wastewater  | 2,356,663           |
| Total Depreciation Expense - business-type activities | <u>\$16,165,281</u> |

**NOTE 11 – DEFINED BENEFIT PENSION PLANS**

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

**A. Public Employees Retirement System (the "PERS of Ohio")**

The following information was provided by the PERS of Ohio to assist the City in complying with GASB Statement No. 27, "Accounting for Pensions by State and Local Government Employers."

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in the PERS of Ohio, a cost sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6701 or 1-800-222-7377 (PERS).

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

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

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees other than law enforcement and public safety. The 2004 employer contribution rate for local government employer units was 13.55%, of covered payroll, 9.55% to fund the pension and 4.00% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 2004, 2003 and 2002 were \$3,466,738, \$3,329,941, and \$3,225,602, respectively, which were equal to the required contributions for each year.

The PERS of Ohio provides post-employment health care benefits to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund post-employment health care through their contributions to the PERS of Ohio. The portion of the 2004 employer contribution rate (identified above) that was used to fund health care for the year 2004 was 4.00% of covered payroll, which amounted to \$1,023,391.

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

The significant actuarial assumptions and calculations relating to post-employment health care benefits were based on the PERS of Ohio's latest actuarial review performed as of December 31, 2003. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2003 was 8.00%. An annual increase of 4.00% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.00% base increase, were assumed to range from 0.50% to 6.30%. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4% (the projected wage inflation rate).

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants in the traditional and combined plans were 369,885. The actuarial value of the PERS of Ohio net assets available for OPEB at December 31, 2003 is \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City’s contributions to the OP&F Fund for the years ending December 31, 2004, 2003, and 2002 and were \$1,371,060, \$1,281,447, and \$1,249,040, for police and \$1,620,257, \$1,554,804, and \$1,438,519, for firefighters, respectively, which were equal to the required contributions for each year. Of the contribution amount, 79% and 79% have been contributed for police and fire; respectively, in 2004 and equal to the required contribution for 2003.

The OP&F Fund provides post-employment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer’s contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund’s Board of Trustees to provide post-employment health care coverage to all eligible individuals from the employer’s contributions to the OP&F Fund.

The total police employer contribution is 19.5 percent of covered payroll, of which 7.5 percent of covered payroll is applied to the postemployment health care program. The total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll is applied to the postemployment health care program. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 2003, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 13,662 for police and 10,474 for firefighters. The OP&F Fund does not provide separate data on the funded status and funding progress of post-employment health care benefits. The Fund’s total health care expenses for the year ended December 31, 2003 were \$150,853,148, which was net of member contributions of \$17,207,506. The portion of the City’s contributions that were used to pay post-employment benefits were \$544,310 for police and \$523,343 for firefighters.

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**NOTE 12 – OTHER EMPLOYEE BENEFITS**

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” vacation and compensatory time are accrued as liabilities when an employee’s right to receive compensation is attributable to services already rendered and it is probable the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the end of the fiscal year, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

**NOTE 13 – 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 required if the bonds had been issued at the expiration of the initial five year period.

**NOTE 13 – NOTES PAYABLE (Continued)**

|  | December 31,<br>2003 | Issued              | (Retired)            | December 31,<br>2004 |
|--|----------------------|---------------------|----------------------|----------------------|
| <b>Governmental Activities :</b>         |                      |                     |                      |                      |
| Special Revenue Notes Payable:           |                      |                     |                      |                      |
| 3.00% Various Purpose Technology Improv. | \$ 3,300,000         | \$ 3,350,000        | \$ (3,300,000)       | \$ 3,350,000         |
| 3.00% Vehicle Acquisition Notes          | 0                    | 250,000             | 0                    | 250,000              |
| Total Special Revenue Notes Payable      | <u>3,300,000</u>     | <u>3,600,000</u>    | <u>(3,300,000)</u>   | <u>3,600,000</u>     |
| Capital Projects Notes Payable:          |                      |                     |                      |                      |
| 2.00% Roadway Improvement T.I.F. II      | 160,000              | 110,000             | (160,000)            | 110,000              |
| 1.80% Hamilton Enterprise Park R.E.Acq.  | 2,540,000            | 2,130,000           | (2,540,000)          | 2,130,000            |
| 3.00% South Hamilton Crossing            | 0                    | 450,000             | 0                    | 450,000              |
| 3.00% Criminal Justice Facility          | 0                    | 300,000             | 0                    | 300,000              |
| Total Capital Projects Notes Payable     | <u>2,700,000</u>     | <u>2,990,000</u>    | <u>(2,700,000)</u>   | <u>2,990,000</u>     |
| <b>Business Type Activities :</b>        |                      |                     |                      |                      |
| Enterprise Notes Payable:                |                      |                     |                      |                      |
| 2.00% Gas System Improvement 2004        | 0                    | 800,000             | 0                    | 800,000              |
| 3.00% Electric System Improvement 2004   | 0                    | 2,000,000           | 0                    | 2,000,000            |
| 1.40% Wastewater Series A 2003           | 1,550,000            | 1,550,000           | (1,550,000)          | 1,550,000            |
| 1.40% Wastewater Series B 2003           | 1,200,000            | 1,200,000           | (1,200,000)          | 1,200,000            |
| Total Enterprise Notes Payable           | <u>2,750,000</u>     | <u>5,550,000</u>    | <u>(2,750,000)</u>   | <u>5,550,000</u>     |
| Total Notes Payable                      | <u>\$8,750,000</u>   | <u>\$12,140,000</u> | <u>(\$8,750,000)</u> | <u>\$12,140,000</u>  |

**NOTE 14 – LONG-TERM DEBT AND CHANGES IN LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2004 were as follows:

| Issue Date                                    | Interest Rate | Description                        | Maturity Date | Balance December 31, 2003 | Additions          | Reductions           | Balance December 31, 2004 | Due Within One Year |
|---|---------------|------------------------------------|---------------|---------------------------|--------------------|----------------------|---------------------------|---------------------|
| <b>Governmental activities:</b>               |               |                                    |               |                           |                    |                      |                           |                     |
| Bonds payable:                                |               |                                    |               |                           |                    |                      |                           |                     |
| General Obligation Bonds:                     |               |                                    |               |                           |                    |                      |                           |                     |
| 2003  | 2% - 3.75%    | Road Improvement                   | 2016          | \$3,480,000               | \$ -               | (\$225,000)          | \$ 3,255,000              | \$ 230,000          |
| 2002  | 2.25% - 4.70% | Various Purpose Series A           | 2017          | 6,265,000                 | -                  | (355,000)            | 5,910,000                 | 365,000             |
| 2002  | 2.25% - 4.70% | Various Purpose Series B           | 2012          | 785,000                   | -                  | (25,000)             | 760,000                   | 25,000              |
| 1997  | 4.99%         | Golf                               | 2012          | 1,555,000                 | -                  | (140,000)            | 1,415,000                 | 150,000             |
| 2001  | 5.00%         | One Renaissance Center             | 2026          | 21,435,000                | -                  | (565,000)            | 20,870,000                | 580,000             |
| 1999  | 4.96%         | Police & Fire Pension Refunding    | 2021          | 2,970,000                 | -                  | (110,000)            | 2,860,000                 | 115,000             |
| Total General Obligation Bonds                |               |                                    |               | 36,490,000                | -                  | (1,420,000)          | 35,070,000                | 1,465,000           |
| Special Assessment Bonds:                     |               |                                    |               |                           |                    |                      |                           |                     |
| 2002  | 2.25% - 4.70% | Various Purpose Series B           | 2012          | 420,000                   | -                  | (100,000)            | 320,000                   | 105,000             |
| 2003  | 3.15% - 3.50% | Various Purpose 2000/2001 Sidewalk | 2008          | 73,925                    | -                  | (13,925)             | 60,000                    | 15,000              |
| 2003  | 3.15% - 3.50% | Various Purpose 2001 Resurfacing   | 2008          | 49,710                    | -                  | (9,710)              | 40,000                    | 10,000              |
| 2003  | 3.15% - 3.50% | Various Purpose 2002 Resurfacing   | 2008          | 9,235                     | -                  | (1,235)              | 8,000                     | 2,000               |
| 2003  | 3.15% - 5.25% | Shaffer's Creek Sanitary Sewer     | 2023          | 193,900                   | -                  | (3,900)              | 190,000                   | 5,000               |
| 1998  | 4.67%         | Various Purpose Series 1998        | 2018          | 825,000                   | -                  | (40,000)             | 785,000                   | 40,000              |
| 2000  | 5.34%         | Various Purpose Series 2000        | 2020          | 455,000                   | -                  | (90,000)             | 365,000                   | 95,000              |
| 2001  | 4.95%         | Various Purpose Series 2001        | 2021          | 1,075,000                 | -                  | (120,000)            | 955,000                   | 120,000             |
| Total Special Assessment Bonds                |               |                                    |               |                           |                    |                      |                           |                     |
| (with Governmental Commitment)                |               |                                    |               | 3,101,770                 | -                  | (378,770)            | 2,723,000                 | 392,000             |
| Less deferred amounts:                        |               | For issuance discounts             |               | (238,210)                 | -                  | 26,673               | (211,537)                 | -                   |
| Total Bonds Payable                           |               |                                    |               | 39,353,560                | -                  | (1,772,097)          | 37,581,463                | 1,857,000           |
| Compensated absences                          |               |                                    |               | 6,331,232                 | 1,725,603          | (1,438,073)          | 6,508,733                 | 1,660,482           |
| Governmental Activities Long-term liabilities |               |                                    |               | <u>\$45,684,792</u>       | <u>\$1,725,603</u> | <u>(\$3,210,170)</u> | <u>\$44,090,196</u>       | <u>\$3,517,482</u>  |

The principal amount of the City's special assessment bonds outstanding was \$2,723,000. Special assessment bonds are general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of \$551,344 in the Debt Service Fund at December 31, 2004 is reserved for the retirement of outstanding special assessment bonds.

**NOTE 14 – LONG-TERM DEBT AND CHANGES IN LONG-TERM OBLIGATIONS (Continued)**

Outstanding general obligation bonds are direct obligations of the City for which the full faith and credit of the city resources are pledged. Outstanding revenue bonds totaled \$224,470,000 at December 31, 2004.

| Issue Date                                   | Interest Rate | Description                       | Maturity Date | Balance December 31, 2003 | Additions   | Reductions    | Balance December 31, 2004 | Due Within One Year |
|--|---------------|-----------------------------------|---------------|---------------------------|-------------|---------------|---------------------------|---------------------|
| Mortgage Revenue Bonds:                      |               |                                   |               |                           |             |               |                           |                     |
| 2003   | 2.0% - 5.00%  | Gas Refunding                     | 2015          | \$13,680,000              | \$-         | (955,000)     | 12,725,000                | 970,000             |
| 2002   | 2.95%         | Electric Variable Refunding A & B | 2025          | 178,935,000               | -           | (5,605,000)   | 173,330,000               | 5,785,000           |
| 2002   | 4.39%         | Water Revenue Refunding           | 2021          | 12,440,000                | -           | (510,000)     | 11,930,000                | 520,000             |
| 1996   | 4% - 6%       | 1996 Wastewater Series            | 2021          | 7,855,000                 | -           | (260,000)     | 7,595,000                 | 275,000             |
| 1998   | 5.10%         | 1998 Wastewater Series            | 2023          | 19,495,000                | -           | (605,000)     | 18,890,000                | 630,000             |
| Total Revenue Bonds                          |               |                                   |               | 232,405,000               | -           | (7,935,000)   | 224,470,000               | 8,180,000           |
| Less deferred amounts:                       |               | For deferred charge - refunding   |               | (13,328,157)              | -           | 1,122,918     | (12,205,239)              | -                   |
|  |               | For issuance discounts/premium    |               | (236,354)                 | -           | (15,593)      | (251,947)                 | -                   |
| Total Bonds Payable                          |               |                                   |               | 218,840,489               | -           | (6,827,675)   | 212,012,814               | 8,180,000           |
| Compensated Absences Payable                 |               |                                   |               | 4,607,867                 | 1,556,130   | (1,319,979)   | 4,844,018                 | 1,246,957           |
| Business-type activity Long-term liabilities |               |                                   |               | \$223,448,356             | \$1,556,130 | (\$8,147,654) | \$216,856,832             | \$9,426,957         |

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.

As of December 31, 2004, the City had a total and unvoted debt margin of \$84,674,569 and \$39,954,462 respectively.

**A. Future Long-Term Financing Requirements**

A summary of the City's long-term debt funding requirements as of December 31, 2004 is represented in the following schedules. Principal, interest and total debt service is provided for General Obligation Bonds, Special Assessment Bonds, and Revenue Bonds.

**NOTE 14 – LONG-TERM DEBT AND CHANGES IN LONG-TERM OBLIGATIONS (Continued)**

Annual debt service requirements to maturity for general obligation bonds are as follows:

| <b>GOVERNMENTAL ACTIVITIES</b> |                     |                     |                     |
|--------------------------------|---------------------|---------------------|---------------------|
| General                        |                     |                     |                     |
| Obligation Bonds               |                     |                     |                     |
| Years                          | Principal           | Interest            | Total               |
| 2005                           | \$1,465,000         | \$1,569,751         | \$3,034,751         |
| 2006                           | 1,515,000           | 1,524,976           | 3,039,976           |
| 2007                           | 1,565,000           | 1,476,001           | 3,041,001           |
| 2008                           | 1,710,000           | 1,420,869           | 3,130,869           |
| 2009                           | 1,775,000           | 1,358,112           | 3,133,112           |
| 2010-2014                      | 9,305,000           | 5,677,816           | 14,982,816          |
| 2015-2019                      | 8,110,000           | 3,580,450           | 11,690,450          |
| 2020-2024                      | 6,680,000           | 1,743,305           | 8,423,305           |
| 2025-2029                      | 2,945,000           | 222,750             | 3,167,750           |
| Totals                         | <u>\$35,070,000</u> | <u>\$18,574,030</u> | <u>\$53,644,030</u> |

Annual debt service requirements to maturity for special assessment bonds are as follows:

| <b>GOVERNMENTAL ACTIVITIES</b> |                    |                    |                    |
|--------------------------------|--------------------|--------------------|--------------------|
| Special                        |                    |                    |                    |
| Assessment Bonds               |                    |                    |                    |
| Years                          | Principal          | Interest           | Total              |
| 2005                           | \$392,000          | \$124,994          | \$516,994          |
| 2006                           | 312,000            | 111,290            | 423,290            |
| 2007                           | 237,000            | 100,611            | 337,611            |
| 2008                           | 137,000            | 92,345             | 229,345            |
| 2009                           | 110,000            | 86,683             | 196,683            |
| 2010-2014                      | 620,000            | 352,570            | 972,570            |
| 2015-2019                      | 705,000            | 173,525            | 878,525            |
| 2020-2024                      | 210,000            | 20,838             | 230,838            |
| Totals                         | <u>\$2,723,000</u> | <u>\$1,062,856</u> | <u>\$3,785,856</u> |

**NOTE 14 – LONG-TERM DEBT AND CHANGES IN LONG-TERM OBLIGATIONS (Continued)**

Annual debt service requirements to maturity for revenue bonds are as follows:

| Years     | BUSINESS-TYPE ACTIVITIES |                        |                      |
|-----------|--------------------------|------------------------|----------------------|
|           | Principal                | Revenue Bonds Interest | Total                |
| 2005      | \$8,180,000              | \$7,688,680            | \$15,868,680         |
| 2006      | 8,455,000                | 7,426,036              | 15,881,036           |
| 2007      | 8,740,000                | 7,174,598              | 15,914,598           |
| 2008      | 9,035,000                | 6,904,501              | 15,939,501           |
| 2009      | 9,340,000                | 6,634,485              | 15,974,485           |
| 2010-2014 | 52,080,000               | 28,177,744             | 80,257,744           |
| 2015-2019 | 56,360,000               | 18,751,236             | 75,111,236           |
| 2020-2024 | 60,155,000               | 8,625,036              | 68,780,036           |
| 2025-2029 | 12,125,000               | 357,688                | 12,482,688           |
| Totals    | <u>\$224,470,000</u>     | <u>\$91,740,004</u>    | <u>\$316,210,004</u> |

Interest on the variable rate electric system revenue refunding bonds is paid at the current swap rate of 2.95%. The bonds re-price every seven days but the City has only a requirement to fund the 2.95% interest rate on all outstanding electric system bonds. The 2.95% rate is employed throughout the future long-term financing requirements until maturity within the schedule of annual debt service requirements for revenue bonds. The swap rate is guaranteed for a period of four years until November 2006. The rate may vary only if the actual re-pricing rate of the variable rate bonds exceeds the BMHA rate. The City's interest rate in effect since the variable rate bonds were issued has not exceeded 2.28%. As described in Note 21 – Subsequent Events, the City legally broke their swap agreement with Morgan Stanley and re-marketed the Electric System Variable Rate Refunding bonds converting from a variable rate to a fixed rate of interest for the remaining term of the bonds in May 2005.

**B. 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, 2004, there were seven series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$6,528,464.

**NOTE 15 – INITIATION OF AUTOMATED METER READING (AMR) SYSTEM**

In December 2004, the City entered into a contract with the Municipal Energy Services Agency (MESA), a joint venture of Ohio Municipalities and an affiliate of American Municipal Power of Ohio (AMPO), to negotiate, manage, acquire, and perform general contracting work on Hamilton’s behalf to acquire, install, and implement an Automated Meter Reading (AMR) System. The AMR System includes the meter change-out or update to an existing meter to allow the City to remotely read the meter through radio signal and provides such a reading individually for metered utilities (Gas, Electric and Water). The authorization to enter into this contract included an ordinance to issue bond anticipation notes in the amount of \$9,800,000. The City did not issue this debt until March 2005 (see Subsequent Events – Note #21). This contract further provided that MESA, through its contractor, would read all meters in the City beginning on March 1, 2005.

**NOTE 16 – 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:

|                                    |                      |                 |
|------------------------------------|----------------------|-----------------|
| <b>Property Insurance</b>          | <b>\$127,707,466</b> | <b>Limit</b>    |
| Earthquake                         | 75,000,000           |                 |
| Flood                              | 25,000,000           |                 |
| Ordinance or Law Coverage          | 2,500,000            |                 |
| Extra Expense                      | 1,500,000            |                 |
| Valuable Papers Restoration        | 1,250,000            |                 |
| <b>Electric Property Insurance</b> | <b>\$337,008,241</b> | <b>Limit</b>    |
| Earthquake                         | 100,000,000          |                 |
| Flood                              | 100,000,000          |                 |
| Demolition and Increased Cost      |                      |                 |
| Construction                       | 5,000,000            |                 |
| Misc. & Unnamed Locations          | 3,000,000            |                 |
| <b>Boiler and Machinery</b>        | <b>\$15,000,000</b>  | <b>Limit</b>    |
| <b>Auto</b>                        | <b>\$ 1,000,000</b>  | <b>Limit</b>    |
| Comprehensive & Collision          |                      |                 |
| Physical Damage                    |                      |                 |
| Garage Keepers Liability           |                      |                 |
|                                    | <b>\$10,000,000</b>  | <b>Umbrella</b> |
| <b>Crime</b>                       | <b>\$ 100,000</b>    | <b>Limit</b>    |
| Burglary & Robbery                 |                      |                 |

**NOTE 16 – RISK MANAGEMENT (Continued)**

|  |                     |                 |
|--|---------------------|-----------------|
| <b>Forgery &amp; Alteration Coverage</b>           | <b>\$100,000</b>    | <b>Limit</b>    |
| <b>Public Officials Bond</b>                       |                     |                 |
| Various Limits to Named Positions                  |                     |                 |
| Blanket Limit (for police officers)                | \$1,000             |                 |
| Blanket minimum for all other employees            | \$ 2,500            |                 |
| <b>Underground Petroleum Storage Tank</b>          | <b>\$1,000,000</b>  | <b>Limit</b>    |
| <b>Police Professional Liability</b>               | <b>\$1,000,000</b>  | <b>Limit</b>    |
|  | <b>\$10,000,000</b> | <b>Umbrella</b> |
| <b>Public Officials Liability</b>                  | <b>\$2,000,000</b>  | <b>Limit</b>    |
| Employment Practices                               |                     |                 |
| Claims Made – Full Prior Acts                      |                     |                 |
|  | <b>10,000,000</b>   | <b>Umbrella</b> |
| <b>Public Utilities Excess Liability</b>           | <b>\$75,000,000</b> | <b>Limit</b>    |
| Claims made Retroactive 4/86                       |                     |                 |
| Combined Products Liability                        |                     |                 |
| Completed Operations Liability                     |                     |                 |
| Failure to Supply Liability                        |                     |                 |
| Pollution Liability                                |                     |                 |
| Medical Malpractice Liability                      |                     |                 |
| <b>General Liability</b>                           | <b>\$5,000,000</b>  | <b>Limit</b>    |
|  | <b>10,000,000</b>   | <b>Umbrella</b> |
| Per Occurrence                                     |                     |                 |
| Products, Personal Injury, Stop Gap Liability      |                     |                 |
| <b>Ambulance Attendants Errors &amp; Omissions</b> | <b>\$5,000,000</b>  | <b>Limit</b>    |
| (included in G.L.)                                 |                     |                 |
| <b>Pollution Legal Liability</b>                   | <b>\$5,000,000</b>  | <b>Limit</b>    |
| Named Brownsfield Location – Leshner               |                     |                 |
| 10 Year Term                                       |                     |                 |
| <b>Pollution Legal Liability</b>                   | <b>\$3,000,000</b>  | <b>Limit</b>    |
| Named Brownsfield Location – Mercy Hospital        |                     |                 |
| 5 Year Term  |                     |                 |

Settled claims have not exceeded coverage in any of the last three years. The City has had no reduction in coverage in 2004.

**NOTE 16 – RISK MANAGEMENT (Continued)**

The City has a group health insurance program for employees. The City maintained a contract to provide a premium based health insurance plan to covered employees through United Health Care during 2004. The City also maintains premium based insurance coverage through the Ohio Bureau of Worker’s Compensation to mitigate job related illness and injury.

**NOTE 17 – CONTRACTUAL COMMITMENTS**

As of December 31, 2004, 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, 2004:

| <u>Vendor</u>                  | <u>Remaining<br/>Contractual<br/>Commitment</u> |
|--------------------------------|---|
| Municipal Energy Services Agc. | \$11,197,179                                    |
| Proliance Energy LLC           | 3,983,294                                       |
| Black Hills Coal Network Inc.  | 2,015,348                                       |
| Don S. Cisle Contractor Inc.   | 1,579,221                                       |
| United Conveyor Corporation    | 985,200   |
| Cinergy Services Inc.          | 851,276   |
| Cincinnati Bulk Terminals      | 695,000   |
| Carmeuse Line & Stone Inc.     | 544,408   |
| Jurgensen John R. Company      | 543,978   |
| Brock & Sons Inc.              | 538,150   |
| Curry Plumbing Inc.            | 459,617   |
| Miller R A Construction Co     | 417,952   |
| Smith Larry Contractors Inc.   | 312,575   |
| Miner & Miner Consulting       | 308,336   |
| CTS Construction Inc.          | 291,908   |
| Total                          | <u>\$24,723,442</u>                             |

**NOTE 18 – CONTINGENCIES**

**A. Litigation**

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

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**NOTE 18 – CONTINGENCIES (Continued)**

In October 1988, the Ohio EPA commenced litigation against the City alleging violation of discharge and disposal standards. The City and the Ohio EPA settled the litigation by entering into the Consent Order. The City believes it is in compliance with the provisions of the Consent Order except those relating to the elimination of discharges from overflows from its sanitary sewer system. The City has proposed to the Ohio EPA that the Consent Order be modified to delete those matters which have been corrected, including the related penalties, to extend the schedule for mitigating the remaining discharges and to revise the monitoring and reporting requirements accordingly.

After conversations with the Assistant Attorney General for the State, the City believes the Ohio EPA will insist on inclusion of a provision in any Modified Consent Decree that the City either (1) eliminate the “bypass” at the wastewater treatment plant or (2) justify that bypass as a permissible one for which there are “no feasible alternatives” and that the Ohio EPA will continue to insist upon the implementation of a Capacity, Management and Operation and Maintenance (“CMOM”) program with respect to the Wastewater System along the lines proposed previously. The City does not believe that, as a matter of law, the City’s blending operation is a bypass within the meaning of 40 CFR Section 122.42 (m), and when discharged, the blended flow meets all NPDES permit requirements. In lieu of inclusion of the improvements the City has proposed in the Modified Consent Order, the Ohio EPA would like the City to further study what improvements are needed (considering the effect of further inflow and infiltration of storm water into the Wastewater system work). In this regard, the City believes that the Ohio EPA will insist on the City’s performance of a System Evaluation and Capacity Assurance Plan (“SECAP”) to evaluate the City’s ability to provide adequate capacity to convey and treat base flows and peak flows for all parts of the treatment and collection system. It appears as though the SECAP closely resembles the capacity analysis component of the CMOM program.

The City disagrees with the Ohio EPA’s demands for modification of the Consent Order. As of this date, the City cannot effectively predict the outcome of these negotiations; however in the event that no modification of the Consent Order is agreed upon by the parties, litigation may be imminent.

**B. Federal and State Grants**

For the period January 1, 2004 to December 31, 2004, 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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**NOTE 19 – JOINT VENTURES/JOINTLY GOVERNED ORGANIZATIONS**

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

**A. Amp Ohio, Inc.**

The City of Hamilton is a member of American Municipal Power Ohio, Inc (AMP-OHIO). AMP-OHIO 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-OHIO, 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-OHIO, Inc., 2600 Airport Drive, Columbus, Ohio 43219.

**B. Amp Ohio, Inc. – 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-OHIO, 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 owner or purchasing participant, for which the City qualifies as a financing, purchasing participant. As a financing participant, the City makes payments to OMEGA JV2.

The following amounts were expended by the Electric Fund and recorded within the Purchase of Electric expense account to the OMEGA JV2 and Amp-Ohio in 2004:

|                            | <u>2004</u>        |
|----------------------------|--------------------|
| Annual Capacity            | \$1,204,587        |
| Power Purchases            | <u>965,000</u>     |
| Total Payments – OMEGA JV2 | <u>\$2,169,587</u> |

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**NOTE 19 – JOINT VENTURES/JOINTLY GOVERNED ORGANIZATIONS (Continued)**

The continued existence of OMEGA JV2 is dependent upon the City's continued participation but the City, as a purchaser participant, does not have an equity interest in OMEGA JV2. Complete financial statements may be obtained from AMP-OHIO, Inc., 2600 Airport Drive, Columbus, Ohio 43219.

**C. Economic Development Association of Butler County, Inc.**

The Economic Development Association of Butler County (EDABC) was created by resolution of the County Commissioners and organized as a non-profit corporation under Internal Revenue Code Section 501(c)(6). The EDABC is a jointly governed organization and was created to promote economic development in the County. Membership in the EDABC consists of Butler County, five cities including the City of Hamilton, two townships and all five chambers of commerce in Butler County. The Board of Trustees oversees the operation of the Association. The continued existence of the EDABC is not dependent upon the City's continued participation and the City of Hamilton has no equity interest in the EDABC. Complete financial statements can be obtained from the EDABC, 130 High Street, Hamilton, Ohio 45011.

**D. 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, five cities and two 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, 315 High Street, Hamilton, Ohio 45011.

**E. 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.

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**NOTE 19 – JOINT VENTURES/JOINTLY GOVERNED ORGANIZATIONS (Continued)**

**F. Hamilton-Indian Springs Joint Economic Development Districts**

The Hamilton-Indian Springs Joint Economic Development District (JEDD) is a joint venture between the City of Hamilton and Fairfield Township and was formed under the auspices of Ohio Revised Code Section 715. The JEDD was formed to create or preserve jobs and employment opportunities, improve the economic welfare of the people and facilitate commercial and economic development within a specific territory completely located within the boundaries of 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. The Board of Directors of the JEDD is comprised of five members including the City, the Township, one selected by unanimous decision of the Board (Board Designee), one representing the owners of businesses located within the District (Business Designee) and one representing the persons working within the District (Employee Designee). The degree of control exercised by any one entity is limited to its representation on the Board. The District has no outstanding debt and is not experiencing fiscal stress or accumulating significant financial resources, which could cause additional financial burden or benefit to the City of Hamilton.

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 75% to Hamilton and 25% to Fairfield Township for the JEDD. A distribution of years 2002 and 2003 tax collections occurred in March 2004 in the amount of \$154,472. During 2004, one distribution of 2004 tax collections occurred in the amount of \$25,010. Total distributions made from the JEDD in 2004 was \$179,482.

The JEDD was increased in size during 2004 to include certain land being developed for a retail site. The additional acreage maintains the same governing structure and income tax provisions except that the City of Hamilton receives 25% and Fairfield Township receiving 75% of collections. There were no distributions of 2004 taxes during the year.

The City of Hamilton contributed no funds to the JEDD in the year 2004. The contract creating the JEDD ends in 2026 and allows for two extensions of thirty years each. To the extent beyond this contract, the continued existence of the JEDD is dependent upon the City's continued participation. However, the City of Hamilton has no equity interest in the JEDD. Complete financial statements can be obtained from the Joint Economic Development District, 345 High Street, Hamilton, Ohio 45011.

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**NOTE 19 – JOINT VENTURES/JOINTLY GOVERNED ORGANIZATIONS (Continued)**

**G. 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.

**H. 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, 345 High Street, Hamilton, Ohio 45011.

**I. The Center for Local Governments**

The Center for Local Governments, a jointly governed organization, was established to improve public service delivery by the cities, townships and villages in the Greater Cincinnati metropolitan area, especially among its member jurisdictions, through improved information exchange, cost reductions, shared resources, interjurisdictional collaboration, and new approaches to capital equipment and skills acquisition. The Board of Trustees consists of eight members made up of elected representatives from the participating governments. The City does not have any financial interest in or responsibility for the Center. The City made no financial contribution during 2004. Information can be obtained from the Center by writing to Director of the Center for Local Governments, 9600 Colerain Avenue, Cincinnati, OH 45251.

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**NOTE 19 – JOINT VENTURES/JOINTLY GOVERNED ORGANIZATIONS (Continued)**

**J. Ohio-Kentucky-Indiana Regional Council of Governments**

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

OKI contracts periodically 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 be effective two years after receipt of the notice by OKI. The City made no payments to OKI during 2004. 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 20 – ENTERPRISE INTER-FUND REVENUES & ADMINISTRATIVE CHARGES**

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

During 2004, the Electric Fund purchased \$547,000 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 and eliminated on government wide statements.

The Water and Wastewater Funds purchased electric services from the Electric Fund in the amount of \$863,000 and \$525,000 respectively during 2004. These amounts are recorded in the Water and Wastewater Fund as contractual services and as Charges for Services in the Electric Fund and eliminated on government wide statements.

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 10,132,000 kilowatt-hours of electrical energy in 2004, and the estimated operating cost of supplying these free services was \$1,130,040 for the year ending December 31, 2004.

**NOTE 20 – ENTERPRISE INTER-FUND REVENUES & 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 for each Utility Fund by type of charge or activity for 2004.

|                                 | Gas                | Electric           | Water              | Wastewater         |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| Administrative cost (Gen. Fund) | \$831,000          | \$933,000          | \$836,000          | \$827,000          |
| Central Service charges         | 1,371,000          | 1,543,000          | 1,490,000          | 1,351,000          |
| Fleet Maintenance Chargebacks   | 141,000            | 141,000            | 137,000            | -0-                |
| <b>Total</b>                    | <b>\$2,343,000</b> | <b>\$2,617,000</b> | <b>\$2,463,000</b> | <b>\$2,178,000</b> |

**NOTE 21 – SUBSEQUENT EVENTS**

A. Bond Anticipation Note Activity

In January 2005, the City issued a combined \$2,750,000 in bond anticipation notes that provided funding to rollover a \$2,750,000 bond anticipation issued in January, 2004. Interest expense on the rollover of the notes was funded by the City and not capitalized into the financing. The purpose of the original proceeds was to provide funding for construction, acquisition and improvements to the Wastewater System in accordance with the Council authorized 2002 Wastewater Rate Mitigation Program.

In March 2005, the City issued \$9,800,000 in bond anticipation notes that were authorized by Council in December 2004 for the purpose of acquiring, installing and paying all related costs for a new automated meter reading (AMR) system. The installation of meters began in March 2005 and is expected to be completed and functioning by September 2006.

In May 2005, the City issued \$6,350,000 in bond anticipation notes that provided funding to retire a series of six month bond anticipation notes issued in November 2004. Interest expense on the rollover of the notes was funded by the city and not capitalized into the financing. The purpose of the original proceeds was to provide funding as follows:

|                               |                    |
|-------------------------------|--------------------|
| Electric – Ash Removal System | \$2,000,000        |
| Fiber Optic System            | \$1,825,000        |
| GIST Project                  | \$1,525,000        |
| South Hamilton Crossing       | \$ 450,000         |
| Criminal Justice Building     | \$ 300,000         |
| Public Works Equipment        | <u>\$ 250,000</u>  |
| Total Combined BANs           | <u>\$6,350,000</u> |

**NOTE 21 – SUBSEQUENT EVENTS (Continued)**

In June 2005, the City issued \$6,775,000 in bond anticipation notes providing for the renewal of \$800,000 in Gas system BANs coupled with \$75,000 of TIF II Roadway Improvement BANs after \$35,000 in principal redemption. The remaining \$5,900,000 in bond anticipation notes was issued to finance a variety of projects and a reconciliation of the combined bond anticipation notes is as follows:

|                                |                           |
|--------------------------------|---------------------------|
| Electric – Unit #9 Overhaul    | \$3,000,000               |
| Gas System – Main Replacements | \$1,300,000               |
| Road Projects – Matching Funds | \$1,100,000               |
| 2005 Special Assessment BAN    | <u>\$ 500,000</u>         |
| Subtotal – New BANs            | <u>\$5,900,000</u>        |
| Gas System – Renewal           | \$ 800,000                |
| TIF II Roadway BAN – Renewal   | <u>\$ 75,000</u>          |
| Total Combined BANS            | <u><b>\$6,775,000</b></u> |

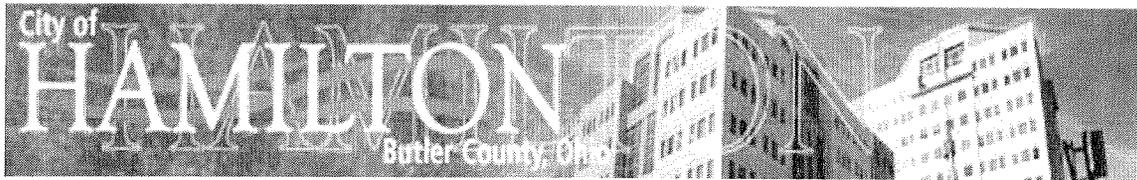
Also in June 2005, the City issued a \$1,650,000 callable bond anticipation note that coupled with a \$480,000 principal payment was sufficient to renew the 2004 Hamilton Enterprise Park BAN. Interest expense on the rollover of the notes was funded by the City and not capitalized. The purpose of the original issue (this is the 11<sup>th</sup> renewal of the BAN) was to provide funds for the acquisition of land known as the Lewis Farm and was renamed the Hamilton Enterprise Park.

**B. Issuance of Wastewater System Revenue Refunding Bonds**

Dated March 15, 2005, the City issued \$25,070,000 of Wastewater System Revenue Refunding Bonds to provide resources to purchase United States Government Securities that was placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the outstanding 1996 Wastewater System Revenue Bonds totaling \$7,595,000 and 1998 Wastewater System Revenue Bonds totaling \$18,890,000 for a combined total outstanding of \$26,485,000. The City used the proceeds of the new bonds, premium on the issue coupled with \$2,306,000 in the revenue bond debt service reserve account to defease the outstanding liability.

**C. Conversion of Electric System Revenue Refunding Bonds**

In May 2005, the City converted its 2002 series A and B Variable Rate Revenue Refunding Bonds totaling \$173,330,000 from a seven-day floating interest rate to a term fixed rate for the remaining years of the outstanding bonds.



*COMBINING AND INDIVIDUAL  
STATEMENTS AND SCHEDULES*



**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**GENERAL FUND**

|   | Budget       |              | Actual       | Variance<br>Positive<br>(Negative) |
|---|--------------|--------------|--------------|------------------------------------|
|   | Initial      | Final        |              |                                    |
| <b>Revenues:</b>                              |              |              |              |                                    |
| Property and Other Local Taxes                | \$ 5,550,000 | \$ 5,550,000 | \$ 5,083,204 | \$ (466,796)                       |
| Income Taxes                                  | 15,422,500   | 15,770,951   | 16,284,048   | 513,097                            |
| Intergovernmental                             | 3,982,468    | 4,500,495    | 4,240,805    | (259,690)                          |
| Charges for Services                          | 2,687,862    | 2,651,412    | 2,534,858    | (116,554)                          |
| Licenses and Permits                          | 1,236,350    | 1,314,300    | 1,331,322    | 17,022                             |
| Investment Earnings                           | 400,000      | 260,000      | 245,287      | (14,713)                           |
| Fines and Forfeitures                         | 1,120,388    | 1,058,338    | 1,038,045    | (20,293)                           |
| Other All Revenue                             | 85,662       | 431,303      | 437,912      | 6,609                              |
| Total Revenue                                 | 30,485,230   | 31,536,799   | 31,195,481   | (341,318)                          |
| <b>Expenditures:</b>                          |              |              |              |                                    |
| Current:                                      |              |              |              |                                    |
| Security of Persons and Property:             |              |              |              |                                    |
| Municipal Court                               |              |              |              |                                    |
| Personal Services                             | 1,082,622    | 1,069,622    | 982,305      | 87,317                             |
| Other   | 311,894      | 372,994      | 365,490      | 7,504                              |
| Total Municipal Court                         | 1,394,516    | 1,442,616    | 1,347,795    | 94,821                             |
| Police  |              |              |              |                                    |
| Personal Services                             | 7,376,449    | 7,812,326    | 7,810,176    | 2,150                              |
| Other   | 451,375      | 477,864      | 461,374      | 16,490                             |
| Total Police                                  | 7,827,824    | 8,290,190    | 8,271,550    | 18,640                             |
| Civilian Dispatch                             |              |              |              |                                    |
| Personal Services                             | 960,314      | 960,313      | 892,587      | 67,726                             |
| Other   | 51,564       | 51,564       | 47,239       | 4,325                              |
| Total Civilian Dispatch                       | 1,011,878    | 1,011,877    | 939,826      | 72,051                             |
| School Crossing Guards                        |              |              |              |                                    |
| Other   | 500          | 500          | 100          | 400                                |
| Total School Crossing Guards                  | 500          | 500          | 100          | 400                                |
| Building Maintenance - Criminal Justice       |              |              |              |                                    |
| Other   | 192,845      | 192,844      | 195,730      | (2,886)                            |
| Total Building Maintenance - Criminal Justice | 192,845      | 192,844      | 195,730      | (2,886)                            |
| Corrections                                   |              |              |              |                                    |
| Personal Services                             | 236,396      | 236,396      | 235,757      | 639                                |
| Other   | 814,030      | 244,030      | 229,874      | 14,156                             |
| Total Corrections                             | 1,050,426    | 480,426      | 465,631      | 14,795                             |
| Police - Citizens                             |              |              |              |                                    |
| Other   | 3,250        | 3,250        | 999          | 2,251                              |
| Total Police - Citizens                       | 3,250        | 3,250        | 999          | 2,251                              |
| Police - Levy                                 |              |              |              |                                    |
| Other   | 53           | -            | -            | -                                  |
| Total Police - Levy                           | 53           | -            | -            | -                                  |
| Police - Safe Neighborhood                    |              |              |              |                                    |
| Personal Services                             | -            | 76,774       | 24,098       | 52,676                             |
| Other   | -            | 3,930        | -            | 3,930                              |
| Capital Outlay                                | -            | 2,500        | 2,500        | -                                  |
| Total Police - Safe Neighborhood              | -            | 83,204       | 26,598       | 56,606                             |

(Continued)

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**GENERAL FUND**

|   | Budget       |              | Actual       | Variance<br>Positive<br>(Negative) |
|---|--------------|--------------|--------------|------------------------------------|
|   | Initial      | Final        |              |                                    |
| Fire  |              |              |              |                                    |
| Personal Services                           | \$ 7,092,634 | \$ 6,657,388 | \$ 6,637,788 | \$ 19,600                          |
| Other                                       | 288,882      | 270,248      | 230,366      | 39,882                             |
| Total Fire                                  | 7,381,516    | 6,927,636    | 6,868,154    | 59,482                             |
| Fire - Building                             |              |              |              |                                    |
| Other                                       | 242,317      | 227,317      | 215,457      | 11,860                             |
| Total Fire - Building                       | 242,317      | 227,317      | 215,457      | 11,860                             |
| Fire - Paramedics                           |              |              |              |                                    |
| Personal Services                           | 1,775,833    | 1,775,833    | 1,743,659    | 32,174                             |
| Other                                       | 98,734       | 208,734      | 194,846      | 13,888                             |
| Total Fire - Paramedics                     | 1,874,567    | 1,984,567    | 1,938,505    | 46,062                             |
| Total Security of Persons and Property      | 20,979,692   | 20,644,427   | 20,270,345   | 374,082                            |
| Public Health and Welfare Services:         |              |              |              |                                    |
| Health                                      |              |              |              |                                    |
| Personal Services                           | 1,408,341    | 1,401,463    | 1,320,362    | 81,101                             |
| Other                                       | 392,354      | 397,651      | 296,911      | 100,740                            |
| Total Public Health and Welfare             | 1,800,695    | 1,799,114    | 1,617,273    | 181,841                            |
| Leisure Time Activities                     |              |              |              |                                    |
| Parks and Recreation - Administration       |              |              |              |                                    |
| Personal Services                           | 209,322      | 184,322      | 164,108      | 20,214                             |
| Other                                       | 18,750       | 18,750       | 18,186       | 564                                |
| Total Parks and Recreation - Administration | 228,072      | 203,072      | 182,294      | 20,778                             |
| Playground Programs                         |              |              |              |                                    |
| Personal Services                           | 5,117        | 5,117        | 4,331        | 786                                |
| Other                                       | 765          | 765          | 607          | 158                                |
| Total Playground Programs                   | 5,882        | 5,882        | 4,938        | 944                                |
| Outdoor Athletic Program                    |              |              |              |                                    |
| Personal Services                           | 307,566      | 282,566      | 250,631      | 31,935                             |
| Other                                       | 33,649       | 33,649       | 32,046       | 1,603                              |
| Total Outdoor Athletic Program              | 341,215      | 316,215      | 282,677      | 33,538                             |
| Swimming Pools                              |              |              |              |                                    |
| Personal Services                           | 5,315        | 845          | -            | 845                                |
| Other                                       | 72,076       | 102,759      | 102,435      | 324                                |
| Total Swimming Pools                        | 77,391       | 103,604      | 102,435      | 1,169                              |
| Parks and Playgrounds Maintenance           |              |              |              |                                    |
| Personal Services                           | 578,997      | 524,635      | 507,550      | 17,085                             |
| Other                                       | 254,998      | 188,874      | 162,786      | 26,088                             |
| Total Parks and Playgrounds Maintenance     | 833,995      | 713,509      | 670,336      | 43,173                             |

(Continued)

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**GENERAL FUND**

|                                     | Budget    |            | Actual     | Variance<br>Positive<br>(Negative) |
|-------------------------------------|-----------|------------|------------|------------------------------------|
|                                     | Initial   | Final      |            |                                    |
| Community Center                    |           |            |            |                                    |
| Personal Services                   | \$ 98,000 | \$ 117,041 | \$ 111,531 | \$ 5,510                           |
| Other                               | 203       | 1,162      | 1,162      | -                                  |
| Total Community Center              | 98,203    | 118,203    | 112,693    | 5,510                              |
| Colligan                            |           |            |            |                                    |
| Personal Services                   | 8,901     | 8,901      | 7,161      | 1,740                              |
| Other                               | 18,543    | 18,543     | 15,789     | 2,754                              |
| Total Colligan                      | 27,444    | 27,444     | 22,950     | 4,494                              |
| Total Leisure Time Activities       | 1,612,202 | 1,487,929  | 1,378,323  | 109,606                            |
| Community Environment               |           |            |            |                                    |
| Construction Services               |           |            |            |                                    |
| Personal Services                   | 450,240   | 416,801    | 354,700    | 62,101                             |
| Other                               | 52,368    | 101,507    | 98,831     | 2,676                              |
| Total Construction Services         | 502,608   | 518,308    | 453,531    | 64,777                             |
| Department of Planning              |           |            |            |                                    |
| Personal Services                   | 88,303    | 98,303     | 89,712     | 8,591                              |
| Other                               | 16,082    | 16,082     | 19,067     | (2,985)                            |
| Total Department of Planning        | 104,385   | 114,385    | 108,779    | 5,606                              |
| Department of Human Relations       |           |            |            |                                    |
| Personal Services                   | 158,559   | 158,559    | 157,537    | 1,022                              |
| Other                               | 4,799     | 157,799    | 151,037    | 6,762                              |
| Total Department of Human Relations | 163,358   | 316,358    | 308,574    | 7,784                              |
| Total Community Environment         | 770,351   | 949,051    | 870,884    | 78,167                             |
| Basic Utility Services              |           |            |            |                                    |
| Public Works - Administration       |           |            |            |                                    |
| Personal Services                   | 71,794    | 71,094     | 58,511     | 12,583                             |
| Other                               | 7,565     | 8,265      | 8,354      | (89)                               |
| Total Public Works - Administration | 79,359    | 79,359     | 66,865     | 12,494                             |
| Engineering                         |           |            |            |                                    |
| Personal Services                   | 667,764   | 483,007    | 408,793    | 74,214                             |
| Other                               | 68,237    | 56,597     | 54,054     | 2,543                              |
| Capital Outlay                      | 2,489     | 2,489      | 2,489      | -                                  |
| Total Engineering                   | 738,490   | 542,093    | 465,336    | 76,757                             |
| Maintenance of Storm Sewers         |           |            |            |                                    |
| Other                               | 252,000   | 21,505     | 15,229     | 6,276                              |
| Capital Outlay                      | 110,510   | 344,006    | 345,713    | (1,707)                            |
| Total Maintenance of Storm Sewers   | 362,510   | 365,511    | 360,942    | 4,569                              |

(Continued)

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**GENERAL FUND**

|                                   | Budget     |            | Actual    | Variance<br>Positive<br>(Negative) |
|-----------------------------------|------------|------------|-----------|------------------------------------|
|                                   | Initial    | Final      |           |                                    |
| Public Works - Maintenance        |            |            |           |                                    |
| Personal Services                 | \$ 178,392 | \$ 123,977 | \$ 92,365 | \$ 31,612                          |
| Other                             | 120,265    | 115,265    | 99,811    | 15,454                             |
| Capital Outlay                    | 1,214      | 1,214      | 1,214     | -                                  |
| Total Public Works - Maintenance  | 299,871    | 240,456    | 193,390   | 47,066                             |
| Total Basic Utility Services      | 1,480,230  | 1,227,419  | 1,086,533 | 140,886                            |
| General Government                |            |            |           |                                    |
| City Council                      |            |            |           |                                    |
| Personal Services                 | 31,603     | 31,603     | 10,895    | 20,708                             |
| Other                             | 18,042     | 18,082     | 7,087     | 10,995                             |
| Total City Council                | 49,645     | 49,685     | 17,982    | 31,703                             |
| City Clerk                        |            |            |           |                                    |
| Personal Services                 | 12,757     | 12,757     | 9,217     | 3,540                              |
| Other                             | 19,700     | 19,700     | 11,827    | 7,873                              |
| Total City Clerk                  | 32,457     | 32,457     | 21,044    | 11,413                             |
| Team Hamilton                     |            |            |           |                                    |
| Other                             | 10,151     | 276        | 56        | 220                                |
| Total Team Hamilton               | 10,151     | 276        | 56        | 220                                |
| City Manager                      |            |            |           |                                    |
| Personal Services                 | 87,793     | 82,918     | 42,753    | 40,165                             |
| Other                             | 21,069     | 28,669     | 21,331    | 7,338                              |
| Total City Manager                | 108,862    | 111,587    | 64,084    | 47,503                             |
| Department of Law                 |            |            |           |                                    |
| Personal Services                 | 88,248     | 88,248     | 79,323    | 8,925                              |
| Other                             | 32,321     | 50,595     | 31,470    | 19,125                             |
| Total Department of Law           | 120,569    | 138,843    | 110,793   | 28,050                             |
| Department of Civil Service       |            |            |           |                                    |
| Personal Services                 | 47,813     | 47,813     | 46,535    | 1,278                              |
| Other                             | 28,000     | 28,000     | 15,613    | 12,387                             |
| Total Department of Civil Service | 75,813     | 75,813     | 62,148    | 13,665                             |
| Finance - Administration          |            |            |           |                                    |
| Personal Services                 | 135,017    | 135,017    | 133,788   | 1,229                              |
| Other                             | 62,520     | 62,205     | 48,902    | 13,303                             |
| Total Finance - Administration    | 197,537    | 197,222    | 182,690   | 14,532                             |
| Finance - Purchasing              |            |            |           |                                    |
| Personal Services                 | 58,653     | 58,653     | 42,853    | 15,800                             |
| Other                             | 10,010     | 10,010     | 17,232    | (7,222)                            |
| Total Finance - Purchasing        | 68,663     | 68,663     | 60,085    | 8,578                              |
| Finance - Building Services       |            |            |           |                                    |
| Personal Services                 | 9,870      | 9,870      | 7,475     | 2,395                              |
| Other                             | 37,160     | 37,160     | 27,067    | 10,093                             |
| Total Finance - Building Services | 47,030     | 47,030     | 34,542    | 12,488                             |

(Continued)

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**GENERAL FUND**

|  | Budget       |              | Actual       | Variance<br>Positive<br>(Negative) |
|--|--------------|--------------|--------------|------------------------------------|
|  | Initial      | Final        |              |                                    |
| Finance - Income Tax   |              |              |              |                                    |
| Personal Services  | \$ 905,600   | \$ 782,417   | \$ 755,378   | \$ 27,039                          |
| Other  | 291,102      | 194,501      | 181,258      | 13,243                             |
| Capital Outlay   | 5,000        | 5,000        | 5,000        | -                                  |
| Total Finance - Income Tax   | 1,201,702    | 981,918      | 941,636      | 40,282                             |
| Total General Government   | 1,912,429    | 1,703,494    | 1,495,060    | 208,434                            |
| Other Expenditures   |              |              |              |                                    |
| Special Appropriations - Kilowatts   |              |              |              |                                    |
| Capital Outlay   | 2,617,423    | 2,617,423    | 2,594,045    | 23,378                             |
| Total Special Appropriations - Kilowatts   | 2,617,423    | 2,617,423    | 2,594,045    | 23,378                             |
| Special Appropriations - General   |              |              |              |                                    |
| Personal Services  | 101,500      | 162,211      | 162,047      | 164                                |
| Other  | 2,337,795    | 2,394,117    | 2,321,823    | 72,294                             |
| Total Special Appropriations - General   | 2,439,295    | 2,556,328    | 2,483,870    | 72,458                             |
| Special Appropriations   |              |              |              |                                    |
| Personal Services  | 63,750       | 63,750       | 75,226       | (11,476)                           |
| Other  | 205,596      | 152,709      | 98,676       | 54,033                             |
| Total Special Appropriations   | 269,346      | 216,459      | 173,902      | 42,557                             |
| Total Other Expenditures   | 5,326,064    | 5,390,210    | 5,251,817    | 138,393                            |
| Total Expenditures   | 33,881,663   | 33,201,644   | 31,970,235   | 1,231,409                          |
| Excess of Revenues<br>(Under) Expenditures   | (3,396,433)  | (1,664,845)  | (774,754)    | 890,091                            |
| <u>Other Financing Sources (Uses):</u>   |              |              |              |                                    |
| Sale of Capital Assets   | 21,000       | 21,000       | 11,927       | (9,073)                            |
| Transfers - In   | 394,984      | 572,409      | 45,551       | (526,858)                          |
| Transfers - Out  | (30,145)     | (333,750)    | (217,750)    | 116,000                            |
| Total Other Financing Sources (Uses)   | 385,839      | 259,659      | (160,272)    | (419,931)                          |
| Deficiency of Revenues and Other<br>Financing Sources (Under)<br>Expenditures and Other Financing Uses | (3,010,594)  | (1,405,186)  | (935,026)    | 470,160                            |
| Fund Balances at Beginning of Year   | 6,110,461    | 6,110,461    | 6,110,461    | -                                  |
| Prior Year Encumbrances  | 921,492      | 921,492      | 921,492      | -                                  |
| Fund Balances at End of Year   | \$ 4,021,359 | \$ 5,626,767 | \$ 6,096,927 | \$ 470,160                         |

## **Nonmajor Governmental Funds**

### **SPECIAL REVENUE FUNDS**

#### **One Renaissance Center Fund**

To account for revenues and expenditures related to the city-owned office tower known as One Renaissance Center.

#### **Federal Emergency Management Grant Fund**

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

#### **Youth Build Grant Fund**

To account for federal monies to aid fifteen disadvantaged youth adults to complete their high school education and further opportunities for placement in programs and employment in living wage jobs.

#### **Public Safety/Health Income Tax Fund**

To account for revenue from 0.5% of the City's income tax and designated expenditures for health and public safety.

#### **Municipal Court Improvement Fund**

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

#### **Municipal Income Tax TIF Aggregation/Verification Fund**

To account for revenue from income tax collected within a Tax Increment Financing (TIF) project area.

#### **Brownfield Improvement Fund**

To account for receipts and disbursements associated with the administration of a grant from the Federal government which is to be used for Brownfield redevelopment within the City of Hamilton.

#### **Weed and Seed Grant Fund**

To account for federal grant monies to be used for comprehensive restoration of neighborhoods and to reduce crimes involving drugs, guns, drug trafficking and prostitution.

#### **Dispute Resolution Proceeds Fund**

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

#### **Department of Justice (DOJ) Forfeiture Program Fund**

To account for the City's share of forfeited property as a participant of the Cincinnati Drug Enforcement Agency task force.

#### **Safety Services Fund**

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

**SPECIAL REVENUE FUNDS (continued)**

**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 received from the one-mill levy to provide additional police personnel, motor vehicles and equipment of the police division.

**Firemen's Pension Fund**

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

**Emergency Medical Services Grant Fund**

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

**Fire EMS Levy Fund**

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

**Technology Initiative Fund**

To properly account for a series of technology related improvements and projects.

**Public Health Care Services Fund**

To account for funds designated for public health care services.

**Street and Parks Beautification Fund**

To account for designated for the beautification of the City's parks and streetscapes.

**Refuse Fund**

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

**Stormwater Management Fund**

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

**Street Maintenance Fund**

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

**Transit System Fund**

To account for revenues collected to help fund the transit system of the City. The transit system is not intended to be self-supporting but the revenue collected is designated to defray the cost of providing transit services.

**Miami Conservancy Fund**

To account for property tax receipts designated for conservancy district expenditures.

## **SPECIAL REVENUE FUNDS (continued)**

### **Parking Fund**

To account for revenues and expenses associated with the operation of city-owned parking facilities.

### **Golf Course Fund**

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

### **Central Park Sports Arena Fund**

To account for revenues and expenses associated with the operation of a city-owned ice skating arena.

### **Community Development Block Grant Fund**

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

### **Home Program Fund**

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

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

## **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 to be used for capital acquisition for Police, Fire, Public Works, Parks and Recreation and Public Health. Funds may also be used to retire outstanding General Obligation Bonds and Notes issued for capital acquisition.

### **Capital Projects Fund**

To account for revenues and expenses on large capital projects which are funded by the General fund.

### **Special Assessment Fund**

To account for revenues and expenses associated with the levy of special assessment 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 & for their related costs. To account for the deposit of any income tax revenue that has been dedicated to finance the aforementioned improvements.

## **CAPITAL PROJECTS FUNDS (continued)**

### **Hamilton Enterprise Park Fund**

To account for the receiving and disbursing of monies for the development of the Hamilton Enterprise Park.

### **Central Business District Streetscape Improvements Fund**

To account for revenues and expenses associated with a major streetscape project in the Central Business District.

### **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.

### **Clean Ohio Grants Fund**

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

### **Infrastructure Renewal Program Fund**

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

## **PERMANENT FUND**

### **Benninghoffen Trust Fund**

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

**THE CITY OF HAMILTON! OHIO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2004**

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Funds | Nonmajor<br>Capital<br>Projects<br>Funds | Permanent<br>Fund | Totals<br>Nonmajor<br>Governmental<br>Funds |
|--|---|--------------------------------------|--|-------------------|---|
| <b>Assets:</b>   |   |                                      |  |                   |   |
| Cash and Cash Equivalents                                | \$ 8,503,705                            | \$ 550,284                           | \$ 5,578,562                             | \$ 75,474         | \$ 14,708,025                               |
| Receivables (net of allowance<br>for doubtful accounts): |   |                                      |  |                   |   |
| Taxes-Real & Personal Property                           | 3,268,586                               | 674,515                              | 296,246                                  | -                 | 4,239,347                                   |
| Taxes-Municipal Income                                   | 571,509                                 | -                                    | 457,207                                  | -                 | 1,028,716                                   |
| Accounts   | 855,237                                 | -                                    | -  | -                 | 855,237                                     |
| Accrued Interest   | 4,085                                   | 1,060                                | -  | 509               | 5,654                                       |
| Notes  | 489,578                                 | -                                    | -  | -                 | 489,578                                     |
| Due from Other Governments                               | 1,386,294                               | -                                    | -  | -                 | 1,386,294                                   |
| Inventory of Supplies at Cost                            | 43,786                                  | -                                    | -  | -                 | 43,786                                      |
| Prepaid Items  | 48,541                                  | -                                    | -  | -                 | 48,541                                      |
|  | <u>15,171,321</u>                       | <u>1,225,859</u>                     | <u>6,332,015</u>                         | <u>75,983</u>     | <u>22,805,178</u>                           |
| <b>Total Assets and Other Debits</b>                     |   |                                      |  |                   |   |
| <b>Liabilities:</b>                                      |   |                                      |  |                   |   |
| Accounts Payable   | 1,230,879                               | -                                    | 287,168                                  | -                 | 1,518,047                                   |
| Accrued Wages and Benefits                               | 57,576                                  | -                                    | -  | -                 | 57,576                                      |
| Accrued Liabilities                                      | 57,375                                  | -                                    | 45,900                                   | -                 | 103,275                                     |
| Due to Other Funds                                       | 9,621                                   | -                                    | -  | -                 | 9,621                                       |
| Intergovernmental Payable                                | 59,187                                  | -                                    | -  | -                 | 59,187                                      |
| Interfund Payable  | -                                       | -                                    | 379,404                                  | -                 | 379,404                                     |
| Accrued Interest Payable                                 | 15,301                                  | -                                    | 26,956                                   | -                 | 42,257                                      |
| Customer Deposits Payable                                | 7,192                                   | -                                    | -  | -                 | 7,192                                       |
| Deferred Revenue   | 4,585,656                               | 674,515                              | 526,641                                  | -                 | 5,786,812                                   |
| General Obligation Notes Payable                         | 3,600,000                               | -                                    | 2,990,000                                | -                 | 6,590,000                                   |
|  | <u>9,622,787</u>                        | <u>674,515</u>                       | <u>4,256,069</u>                         | <u>-</u>          | <u>14,553,371</u>                           |
| <b>Total Liabilities</b>                                 |   |                                      |  |                   |   |
| <b>Equity and Other Credits:</b>                         |   |                                      |  |                   |   |
| <b>Fund Balance:</b>                                     |   |                                      |  |                   |   |
| Reserved for Encumbrances                                | 2,518,821                               | -                                    | 2,010,958                                | -                 | 4,529,779                                   |
| Reserved for Supplies Inventory                          | 43,786                                  | -                                    | -  | -                 | 43,786                                      |
| Reserved for Prepaid Items                               | 48,541                                  | -                                    | -  | -                 | 48,541                                      |
| Reserved for Debt Service                                | -                                       | 551,344                              | -  | -                 | 551,344                                     |
| Reserved for Endowments                                  | -                                       | -                                    | -  | 75,983            | 75,983                                      |
| Unreserved, reported in:                                 |   |                                      |  |                   |   |
| Special Revenue Funds                                    | 2,937,386                               | -                                    | -  | -                 | 2,937,386                                   |
| Capital Projects Funds                                   | -                                       | -                                    | 64,988                                   | -                 | 64,988                                      |
|  | <u>5,548,534</u>                        | <u>551,344</u>                       | <u>2,075,946</u>                         | <u>75,983</u>     | <u>8,251,807</u>                            |
| <b>Total Fund Balances</b>                               |   |                                      |  |                   |   |
| <b>Total Liabilities and Fund Balances</b>               | <u>\$ 15,171,321</u>                    | <u>\$ 1,225,859</u>                  | <u>\$ 6,332,015</u>                      | <u>\$ 75,983</u>  | <u>\$ 22,805,178</u>                        |

**THE CITY OF HAMILTON, OHIO**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Funds | Permanent<br>Fund | Totals<br>Nonmajor<br>Governmental<br>Funds |
|--|---|-------------------------------------|--|-------------------|---|
| <b>Revenues:</b>   |   |                                     |  |                   |   |
| Income Taxes   | \$ 2,833,425                            | \$ -                                | \$ 2,157,679                             | \$ -              | \$ 4,991,104                                |
| Property and Other Taxes   | 1,526,006                               | -                                   | 191,603                                  | -                 | 1,717,609                                   |
| Intergovernmental  | 8,272,839                               | -                                   | 2,140,421                                | -                 | 10,413,260                                  |
| Charges for Services   | 6,749,271                               | -                                   | -  | -                 | 6,749,271                                   |
| Licenses and Permits   | 360,806                                 | -                                   | -  | -                 | 360,806                                     |
| Investment Earnings  | 63,861                                  | 13,640                              | 26,676                                   | 1,884             | 106,061                                     |
| Fines and Forfeitures  | 271,010                                 | -                                   | -  | -                 | 271,010                                     |
| Special Assessments  | -                                       | 440,827                             | 83,508                                   | -                 | 524,335                                     |
| All Other Revenues   | 835,315                                 | 9,933                               | 1,168,206                                | -                 | 2,013,454                                   |
| <b>Total Revenues</b>  | <b>20,912,533</b>                       | <b>464,400</b>                      | <b>5,768,093</b>                         | <b>1,884</b>      | <b>27,146,910</b>                           |
| <b>Expenditures:</b>   |   |                                     |  |                   |   |
| Current:   |   |                                     |  |                   |   |
| Security of Persons and Property   | 6,280,484                               | -                                   | -  | -                 | 6,280,484                                   |
| Public Health and Welfare  | 693,296                                 | -                                   | -  | -                 | 693,296                                     |
| Leisure Time Activities  | 909,701                                 | -                                   | -  | -                 | 909,701                                     |
| Community Environment  | 6,128,801                               | -                                   | -  | -                 | 6,128,801                                   |
| Basic Utility Services   | 2,382,816                               | -                                   | -  | -                 | 2,382,816                                   |
| Transportation   | 3,288,729                               | -                                   | -  | -                 | 3,288,729                                   |
| General Government   | 10,329                                  | -                                   | -  | -                 | 10,329                                      |
| Other Expenditures   | 555,811                                 | -                                   | -  | 1,902             | 557,713                                     |
| Capital Outlay   | -                                       | -                                   | 5,757,861                                | -                 | 5,757,861                                   |
| Debt Service:  |   |                                     |  |                   |   |
| Principal Retirement   | 165,000                                 | 1,633,770                           | -  | -                 | 1,798,770                                   |
| Interest and Fiscal Charges  | 151,786                                 | 1,660,301                           | 40,151                                   | -                 | 1,852,238                                   |
| <b>Total Expenditures</b>  | <b>20,566,753</b>                       | <b>3,294,071</b>                    | <b>5,798,012</b>                         | <b>1,902</b>      | <b>29,660,738</b>                           |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures   | 345,780                                 | (2,829,671)                         | (29,919)                                 | (18)              | (2,513,828)                                 |
| <b>Other Financing Sources (Uses):</b>   |   |                                     |  |                   |   |
| Sale of Capital Assets   | -                                       | -                                   | 345,116                                  | -                 | 345,116                                     |
| Transfers - In   | 607,359                                 | 3,140,010                           | 604,409                                  | -                 | 4,351,778                                   |
| Transfers - Out  | (2,273,462)                             | (80,532)                            | (1,825,583)                              | -                 | (4,179,577)                                 |
| <b>Total Other Financing Sources (Uses)</b>  | <b>(1,666,103)</b>                      | <b>3,059,478</b>                    | <b>(876,058)</b>                         | <b>-</b>          | <b>517,317</b>                              |
| Excess (Deficiency) of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | (1,320,323)                             | 229,807                             | (905,977)                                | (18)              | (1,996,511)                                 |
| Fund Balances at Beginning of Year   | 6,853,513                               | 321,537                             | 2,981,923                                | 76,001            | 10,232,974                                  |
| Increase in Inventory  | 15,344                                  | -                                   | -  | -                 | 15,344                                      |
| <b>Fund Balances at End of Year</b>  | <b>\$ 5,548,534</b>                     | <b>\$ 551,344</b>                   | <b>\$ 2,075,946</b>                      | <b>\$ 75,983</b>  | <b>\$ 8,251,807</b>                         |

**THE CITY OF HAMILTON, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2004**

|  | One<br>Renaissance<br>Center | Federal<br>Emergency<br>Management Grant | Youth<br>Build<br>Grant | Public<br>Safety/Health<br>Income Tax | Municipal<br>Court<br>Improvement | Municipal<br>Income Tax TIF<br>Aggregation/<br>Verification | Brownfield<br>Improvement |
|--|------------------------------|--|-------------------------|---------------------------------------|-----------------------------------|---|---------------------------|
| <b>Assets:</b>   |                              |  |                         |                                       |                                   |   |                           |
| Cash and Cash Equivalents                                | \$ 24,497                    | \$ 67,060                                | \$ 938                  | \$ 363,119                            | \$ 203,319                        | \$ 179,317  | \$ 1,977                  |
| Investments  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Receivables (net of allowances<br>for doubtful accounts) | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Taxes-Real & Personal Property                           | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Taxes-Municipal Income                                   | -                            | -  | -                       | 571,509                               | -                                 | -   | -                         |
| Accounts   | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Accrued Interest   | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Notes  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Intergovernmental  | -                            | 137,082                                  | -                       | -                                     | -                                 | -   | -                         |
| Inventory of Supplies at Cost                            | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Prepaid Items  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| <b>Total Assets</b>                                      | <b>\$ 24,497</b>             | <b>\$ 204,132</b>                        | <b>\$ 938</b>           | <b>\$ 934,628</b>                     | <b>\$ 203,319</b>                 | <b>\$ 179,317</b>   | <b>\$ 1,977</b>           |
| <b>Liabilities and Fund Equity:</b>                      |                              |  |                         |                                       |                                   |   |                           |
| <b>Liabilities:</b>                                      |                              |  |                         |                                       |                                   |   |                           |
| Accounts Payable   | \$ 10,329                    | \$ 35,307                                | \$ -                    | \$ 48                                 | \$ 20                             | \$ -  | \$ -                      |
| Accrued Wages and Benefits                               | -                            | -  | -                       | -                                     | 1,346                             | -   | -                         |
| Accrued Liabilities                                      | -                            | -  | -                       | 57,375                                | -                                 | -   | -                         |
| Due to Other Funds                                       | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Intergovernmental Payable                                | -                            | -  | -                       | -                                     | 1,743                             | -   | -                         |
| Accrued Interest Payable                                 | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Customer Deposits Payable                                | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Deferred Revenue   | -                            | 137,082                                  | -                       | 287,994                               | -                                 | -   | -                         |
| General Obligation Notes Payable                         | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| <b>Total Liabilities</b>                                 | <b>10,329</b>                | <b>172,389</b>                           | <b>-</b>                | <b>345,417</b>                        | <b>3,109</b>                      | <b>-</b>  | <b>-</b>                  |
| <b>Fund Equity:</b>                                      |                              |  |                         |                                       |                                   |   |                           |
| <b>Fund Balance:</b>                                     |                              |  |                         |                                       |                                   |   |                           |
| Reserved for Encumbrances                                | 2,162                        | 25,578                                   | -                       | 24,059                                | -                                 | -   | -                         |
| Reserved for Supplies Inventory                          | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Reserved for Prepaid Items                               | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| <b>Unreserved:</b>                                       |                              |  |                         |                                       |                                   |   |                           |
| Undesignated (Deficit)                                   | 12,006                       | 6,165                                    | 938                     | 565,152                               | 200,210                           | 179,317   | 1,977                     |
| <b>Total Fund Equity (Deficit)</b>                       | <b>14,168</b>                | <b>31,743</b>                            | <b>938</b>              | <b>589,211</b>                        | <b>200,210</b>                    | <b>179,317</b>  | <b>1,977</b>              |
| <b>Total Liabilities and Fund Equity</b>                 | <b>\$ 24,497</b>             | <b>\$ 204,132</b>                        | <b>\$ 938</b>           | <b>\$ 934,628</b>                     | <b>\$ 203,319</b>                 | <b>\$ 179,317</b>   | <b>\$ 1,977</b>           |

THE CITY OF HAMILTON, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2004

| Weed and Seed Grant | Dispute Resolution Proceeds | DOJ Forfeiture Program | Safety Services     | Police Pension    | Police Levy         | Firemen's Pension | Emergency Medical Services Grant |
|---------------------|-----------------------------|------------------------|---------------------|-------------------|---------------------|-------------------|----------------------------------|
| \$ 26,705           | \$ 37,388                   | \$ -                   | \$ 500,225          | \$ 40,372         | \$ 579,393          | \$ 38,831         | \$ 12,109                        |
| -                   | -                           | -                      | 881,906             | 264,620           | 776,112             | 264,620           | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | 10,462              | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| <u>\$ 26,705</u>    | <u>\$ 37,388</u>            | <u>\$ -</u>            | <u>\$ 1,392,593</u> | <u>\$ 304,992</u> | <u>\$ 1,355,505</u> | <u>\$ 303,451</u> | <u>\$ 12,109</u>                 |
| \$ 1,213            | \$ -                        | \$ -                   | \$ 6,425            | \$ -              | \$ -                | \$ -              | \$ -                             |
| -                   | -                           | -                      | 1,830               | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | 2,307               | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | 999,954             | 264,620           | 776,112             | 264,620           | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| <u>1,213</u>        | <u>-</u>                    | <u>-</u>               | <u>1,010,516</u>    | <u>264,620</u>    | <u>776,112</u>      | <u>264,620</u>    | <u>-</u>                         |
| 24,792              | -                           | -                      | 81,304              | -                 | -                   | -                 | -                                |
| -                   | -                           | -                      | -                   | -                 | -                   | -                 | -                                |
| 700                 | 37,388                      | -                      | 300,773             | 40,372            | 579,393             | 38,831            | 12,109                           |
| <u>25,492</u>       | <u>37,388</u>               | <u>-</u>               | <u>382,077</u>      | <u>40,372</u>     | <u>579,393</u>      | <u>38,831</u>     | <u>12,109</u>                    |
| <u>\$ 26,705</u>    | <u>\$ 37,388</u>            | <u>\$ -</u>            | <u>\$ 1,392,593</u> | <u>\$ 304,992</u> | <u>\$ 1,355,505</u> | <u>\$ 303,451</u> | <u>\$ 12,109</u>                 |

(continued)

THE CITY OF HAMILTON, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2004  
 (Continued)

|  | Fire EMS<br>Levy  | Technology<br>Initiative | Public Health<br>Care Services | Street<br>And Parks<br>Beautification | Refuse            | Stormwater<br>Management | Street<br>Maintenance |
|--|-------------------|--------------------------|--------------------------------|---------------------------------------|-------------------|--------------------------|-----------------------|
| <b>Assets:</b>   |                   |                          |                                |                                       |                   |                          |                       |
| Cash and Cash Equivalents                                | \$ 100,416        | \$ 1,054,125             | \$ 100,314                     | \$ 73,119                             | \$ 338,261        | \$ 412,817               | \$ 2,120,369          |
| Investments  | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Receivables (net of allowances<br>for doubtful accounts) | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Taxes-Real & Personal Property                           | 776,112           | -                        | -                              | -                                     | -                 | -                        | -                     |
| Taxes-Municipal Income                                   | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Accounts   | -                 | -                        | -                              | -                                     | 617,268           | 235,822                  | -                     |
| Accrued Interest   | -                 | -                        | -                              | -                                     | -                 | -                        | 4,085                 |
| Notes  | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Intergovernmental  | -                 | -                        | -                              | -                                     | -                 | -                        | 1,171,381             |
| Inventory of Supplies at Cost                            | -                 | -                        | -                              | -                                     | -                 | -                        | 37,147                |
| Prepaid Items  | -                 | -                        | -                              | -                                     | 5,357             | -                        | 22,633                |
| <b>Total Assets</b>                                      | <b>\$ 876,528</b> | <b>\$ 1,054,125</b>      | <b>\$ 100,314</b>              | <b>\$ 73,119</b>                      | <b>\$ 960,886</b> | <b>\$ 648,639</b>        | <b>\$ 3,355,615</b>   |
| <b>Liabilities and Fund Equity:</b>                      |                   |                          |                                |                                       |                   |                          |                       |
| <b>Liabilities:</b>                                      |                   |                          |                                |                                       |                   |                          |                       |
| Accounts Payable   | \$ -              | \$ 322,634               | \$ 7,926                       | \$ -                                  | \$ 180,239        | \$ 2,155                 | \$ 248,125            |
| Accrued Wages and Benefits                               | -                 | -                        | 144                            | -                                     | 1,701             | -                        | 34,636                |
| Accrued Liabilities                                      | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Due to Other Funds                                       | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Intergovernmental Payable                                | -                 | -                        | 226                            | -                                     | 2,149             | -                        | 26,450                |
| Accrued Interest Payable                                 | -                 | 14,238                   | -                              | -                                     | -                 | 1,063                    | -                     |
| Customer Deposits Payable                                | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Deferred Revenue   | 776,112           | -                        | -                              | -                                     | -                 | -                        | 767,415               |
| General Obligation Notes Payable                         | -                 | 3,350,000                | -                              | -                                     | -                 | 250,000                  | -                     |
| <b>Total Liabilities</b>                                 | <b>776,112</b>    | <b>3,686,872</b>         | <b>8,296</b>                   | <b>-</b>                              | <b>184,089</b>    | <b>253,218</b>           | <b>1,076,626</b>      |
| <b>Fund Equity:</b>                                      |                   |                          |                                |                                       |                   |                          |                       |
| <b>Fund Balance:</b>                                     |                   |                          |                                |                                       |                   |                          |                       |
| Reserved for Encumbrances                                | -                 | 629,567                  | 15,678                         | 3,750                                 | 381               | 49,355                   | 398,192               |
| Reserved for Supplies Inventory                          | -                 | -                        | -                              | -                                     | -                 | -                        | 37,147                |
| Reserved for Prepaid Items                               | -                 | -                        | -                              | -                                     | 5,357             | -                        | 22,633                |
| Unreserved:  |                   |                          |                                |                                       |                   |                          |                       |
| Undesignated (Deficit)                                   | 100,416           | (3,262,314)              | 76,340                         | 69,369                                | 771,059           | 346,066                  | 1,821,017             |
| <b>Total Fund Equity (Deficit)</b>                       | <b>100,416</b>    | <b>(2,632,747)</b>       | <b>92,018</b>                  | <b>73,119</b>                         | <b>776,797</b>    | <b>395,421</b>           | <b>2,278,989</b>      |
| <b>Total Liabilities and Fund Equity</b>                 | <b>\$ 876,528</b> | <b>\$ 1,054,125</b>      | <b>\$ 100,314</b>              | <b>\$ 73,119</b>                      | <b>\$ 960,886</b> | <b>\$ 648,639</b>        | <b>\$ 3,355,615</b>   |

THE CITY OF HAMILTON, OHIO  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2004  
 (Continued)

| Transit Authority | Miami Conservancy | Parking           | Golf Course      | Central Park Sports Arena | Community Development Block Grant | Home Program        | Totals               |
|-------------------|-------------------|-------------------|------------------|---------------------------|-----------------------------------|---------------------|----------------------|
| \$ 74,718         | \$ 46,193         | \$ 249,686        | \$ 53,787        | \$ 124,580                | \$ 867,480                        | \$ 812,600          | \$ 8,503,705         |
| -                 | 305,216           | -                 | -                | -                         | -                                 | -                   | 3,268,586            |
| -                 | -                 | -                 | -                | -                         | -                                 | -                   | 571,509              |
| -                 | -                 | 482               | 1,665            | -                         | -                                 | -                   | 855,237              |
| -                 | -                 | -                 | -                | -                         | -                                 | -                   | 4,085                |
| -                 | -                 | -                 | -                | -                         | 302,569                           | 187,009             | 489,578              |
| -                 | -                 | -                 | -                | -                         | -                                 | 67,369              | 1,386,294            |
| -                 | -                 | -                 | 6,639            | -                         | -                                 | -                   | 43,786               |
| -                 | -                 | 10,384            | 7,861            | 2,306                     | -                                 | -                   | 48,541               |
| <u>\$ 74,718</u>  | <u>\$ 351,409</u> | <u>\$ 260,552</u> | <u>\$ 69,952</u> | <u>\$ 126,886</u>         | <u>\$ 1,170,049</u>               | <u>\$ 1,066,978</u> | <u>\$ 15,171,321</u> |
| \$ -              | \$ 332,372        | \$ 14,251         | \$ 2,466         | \$ -                      | \$ 59,185                         | \$ 8,184            | \$ 1,230,879         |
| -                 | -                 | 5,429             | 4,152            | -                         | 8,338                             | -                   | 57,576               |
| -                 | -                 | -                 | -                | -                         | -                                 | -                   | 57,375               |
| -                 | -                 | -                 | -                | -                         | 9,621                             | -                   | 9,621                |
| -                 | -                 | 7,191             | 8,484            | -                         | 10,637                            | -                   | 59,187               |
| -                 | -                 | -                 | -                | -                         | -                                 | -                   | 15,301               |
| -                 | -                 | 7,192             | -                | -                         | -                                 | -                   | 7,192                |
| -                 | 305,216           | -                 | 6,531            | -                         | -                                 | -                   | 4,585,656            |
| -                 | -                 | -                 | -                | -                         | -                                 | -                   | 3,600,000            |
| -                 | 637,588           | 34,063            | 21,633           | -                         | 87,781                            | 8,184               | 9,622,787            |
| 75,000            | -                 | 56,981            | 3,669            | -                         | 807,318                           | 321,035             | 2,518,821            |
| -                 | -                 | -                 | 6,639            | -                         | -                                 | -                   | 43,786               |
| -                 | -                 | 10,384            | 7,861            | 2,306                     | -                                 | -                   | 48,541               |
| (282)             | (286,179)         | 159,124           | 30,150           | 124,580                   | 274,950                           | 737,759             | 2,937,386            |
| <u>74,718</u>     | <u>(286,179)</u>  | <u>226,489</u>    | <u>48,319</u>    | <u>126,886</u>            | <u>1,082,268</u>                  | <u>1,058,794</u>    | <u>5,548,534</u>     |
| <u>\$ 74,718</u>  | <u>\$ 351,409</u> | <u>\$ 260,552</u> | <u>\$ 69,952</u> | <u>\$ 126,886</u>         | <u>\$ 1,170,049</u>               | <u>\$ 1,066,978</u> | <u>\$ 15,171,321</u> |

**THE CITY OF HAMILTON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | One<br>Renaissance<br>Center | Federal<br>Emergency<br>Management Grant | Youth<br>Build<br>Grant | Public<br>Safety/Health<br>Income Tax | Municipal<br>Court<br>Improvement | Municipal<br>Income Tax TIF<br>Aggregation/<br>Verification | Brownfield<br>Improvement |
|---|------------------------------|--|-------------------------|---------------------------------------|-----------------------------------|---|---------------------------|
| <b>Revenues:</b>  |                              |  |                         |                                       |                                   |   |                           |
| Municipal Income Tax  | \$ -                         | \$ -                                     | \$ -                    | \$ 2,697,111                          | \$ -                              | \$ 136,314  | \$ -                      |
| Property and Other Taxes  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Intergovernmental   | -                            | 383,898                                  | 4,500                   | -                                     | -                                 | -   | 500,000                   |
| Charges for Services  | 2,267,908                    | -  | -                       | -                                     | 120,205                           | -   | -                         |
| Licenses and Permits  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Investment Income   | 507                          | (253)                                    | -                       | (367)                                 | (39)                              | (83)  | 2                         |
| Fines and Forfeitures   | -                            | -  | -                       | -                                     | 78,995                            | -   | -                         |
| Other   | 5,510                        | 143,120                                  | 14                      | -                                     | 27                                | -   | -                         |
| <b>Total Revenue</b>  | <b>2,273,925</b>             | <b>526,765</b>                           | <b>4,514</b>            | <b>2,696,744</b>                      | <b>199,188</b>                    | <b>136,231</b>  | <b>500,002</b>            |
| <b>Expenditures:</b>  |                              |  |                         |                                       |                                   |   |                           |
| <b>Current:</b>   |                              |  |                         |                                       |                                   |   |                           |
| Security of Persons and Property  | -                            | -  | -                       | 2,527,119                             | 147,765                           | -   | -                         |
| Public Health and Welfare   | -                            | 495,022                                  | -                       | -                                     | -                                 | -   | -                         |
| Leisure Time Activities   | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Community Environment   | -                            | -  | (873)                   | -                                     | -                                 | 45,118  | 500,000                   |
| Basic Utility Services  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Transportation  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| General Government  | 10,329                       | -  | -                       | -                                     | -                                 | -   | -                         |
| Other Expenditures  | 555,811                      | -  | -                       | -                                     | -                                 | -   | -                         |
| <b>Debt Service:</b>  |                              |  |                         |                                       |                                   |   |                           |
| Principal Retirement  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Interest and Fiscal Charges   | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| <b>Total Expenditures</b>   | <b>566,140</b>               | <b>495,022</b>                           | <b>(873)</b>            | <b>2,527,119</b>                      | <b>147,765</b>                    | <b>45,118</b>   | <b>500,000</b>            |
| Excess of Revenues Over<br>(Under) Expenditures   | 1,707,785                    | 31,743                                   | 5,387                   | 169,625                               | 51,423                            | 91,113  | 2                         |
| <b>Other Financing Sources (Uses):</b>  |                              |  |                         |                                       |                                   |   |                           |
| Transfers - In  | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| Transfers - Out   | (1,849,688)                  | -  | -                       | (10,071)                              | -                                 | (44,302)  | -                         |
| <b>Total Other Sources (Uses)</b>   | <b>(1,849,688)</b>           | <b>-</b>                                 | <b>-</b>                | <b>(10,071)</b>                       | <b>-</b>                          | <b>(44,302)</b>   | <b>-</b>                  |
| Excess of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Uses | (141,903)                    | 31,743                                   | 5,387                   | 159,554                               | 51,423                            | 46,811  | 2                         |
| Fund Balances (Deficit) at Beginning of Year  | 156,071                      | -  | (4,449)                 | 429,657                               | 148,787                           | 132,506   | 1,975                     |
| Change in Inventory   | -                            | -  | -                       | -                                     | -                                 | -   | -                         |
| <b>Fund Balance (Deficit) at End of the Year</b>  | <b>\$ 14,168</b>             | <b>\$ 31,743</b>                         | <b>\$ 938</b>           | <b>\$ 589,211</b>                     | <b>\$ 200,210</b>                 | <b>\$ 179,317</b>   | <b>\$ 1,977</b>           |

**THE CITY OF HAMILTON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

| Weed and Seed Grant | Dispute Resolution Proceeds | DOJ Forfeiture Program | Safety Services   | Police Pension   | Police Levy       | Firemen's Pension | Emergency Medical Services Grant |
|---------------------|-----------------------------|------------------------|-------------------|------------------|-------------------|-------------------|----------------------------------|
| \$ -                | \$ -                        | \$ -                   | \$ -              | \$ -             | \$ -              | \$ -              | \$ -                             |
| 183,953             | -                           | -                      | 1,083,169         | 260,518          | 763,001           | 260,518           | 11,025                           |
| -                   | 13,115                      | -                      | 29,674            | -                | -                 | -                 | -                                |
| (25)                | (32)                        | -                      | 3,238             | (18)             | 347               | (19)              | (24)                             |
| -                   | -                           | -                      | 192,015           | -                | -                 | -                 | -                                |
| <u>183,928</u>      | <u>13,083</u>               | <u>-</u>               | <u>1,308,096</u>  | <u>260,500</u>   | <u>763,348</u>    | <u>260,499</u>    | <u>11,001</u>                    |
| 184,864             | -                           | -                      | 1,420,736         | 250,000          | 750,000           | 250,000           | -                                |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| <u>184,864</u>      | <u>-</u>                    | <u>-</u>               | <u>1,420,736</u>  | <u>250,000</u>   | <u>750,000</u>    | <u>250,000</u>    | <u>-</u>                         |
| (936)               | 13,083                      | -                      | (112,640)         | 10,500           | 13,348            | 10,499            | 11,001                           |
| 14,000              | -                           | -                      | 203,661           | -                | -                 | -                 | -                                |
| -                   | -                           | -                      | (217,293)         | -                | -                 | -                 | -                                |
| <u>14,000</u>       | <u>-</u>                    | <u>-</u>               | <u>(13,632)</u>   | <u>-</u>         | <u>-</u>          | <u>-</u>          | <u>-</u>                         |
| 13,064              | 13,083                      | -                      | (126,272)         | 10,500           | 13,348            | 10,499            | 11,001                           |
| 12,428              | 24,305                      | -                      | 508,349           | 29,872           | 566,045           | 28,332            | 1,108                            |
| -                   | -                           | -                      | -                 | -                | -                 | -                 | -                                |
| <u>\$ 25,492</u>    | <u>\$ 37,388</u>            | <u>\$ -</u>            | <u>\$ 382,077</u> | <u>\$ 40,372</u> | <u>\$ 579,393</u> | <u>\$ 38,831</u>  | <u>\$ 12,109</u>                 |

(continued)

**THE CITY OF HAMILTON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**  
(Continued)

|   | Fire EMS<br>Levy  | Technology<br>Initiative | Public Health<br>Care Services | Street<br>And Parks<br>Beautification | Refuse            | Stormwater<br>Management | Street<br>Maintenance |
|---|-------------------|--------------------------|--------------------------------|---------------------------------------|-------------------|--------------------------|-----------------------|
| <b>Revenues:</b>  |                   |                          |                                |                                       |                   |                          |                       |
| Municipal Income Tax  | \$ -              | \$ -                     | \$ -                           | \$ -                                  | \$ -              | \$ -                     | \$ -                  |
| Property and Other Taxes  | 763,005           | -                        | -                              | -                                     | -                 | -                        | -                     |
| Intergovernmental   | -                 | -                        | 142,404                        | -                                     | -                 | -                        | 2,692,604             |
| Charges for Services  | -                 | -                        | -                              | -                                     | 2,319,149         | 424,750                  | -                     |
| Licenses and Permits  | -                 | -                        | -                              | -                                     | -                 | -                        | 360,806               |
| Investment Income   | (379)             | 23,708                   | 374                            | 993                                   | 635               | (187)                    | 18,228                |
| Fines and Forfeitures   | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Other   | -                 | 150                      | -                              | 11,749                                | -                 | 753                      | 209,311               |
| <b>Total Revenue</b>  | <b>762,626</b>    | <b>23,858</b>            | <b>142,778</b>                 | <b>12,742</b>                         | <b>2,319,784</b>  | <b>425,316</b>           | <b>3,280,949</b>      |
| <b>Expenditures:</b>  |                   |                          |                                |                                       |                   |                          |                       |
| Current:  |                   |                          |                                |                                       |                   |                          |                       |
| Security of Persons and Property  | 750,000           | -                        | -                              | -                                     | -                 | -                        | -                     |
| Public Health and Welfare   | -                 | -                        | 198,274                        | -                                     | -                 | -                        | -                     |
| Leisure Time Activities   | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Community Environment   | -                 | 2,313,342                | 56                             | 12,138                                | -                 | -                        | -                     |
| Basic Utility Services  | -                 | -                        | -                              | -                                     | 2,353,984         | 28,832                   | -                     |
| Transportation  | -                 | -                        | -                              | -                                     | -                 | -                        | 2,651,591             |
| General Government  | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Other Expenditures  | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Debt Service:   |                   |                          |                                |                                       |                   |                          |                       |
| Principal Retirement  | -                 | -                        | -                              | -                                     | -                 | -                        | -                     |
| Interest and Fiscal Charges   | -                 | 47,605                   | -                              | -                                     | -                 | 1,063                    | -                     |
| <b>Total Expenditures</b>   | <b>750,000</b>    | <b>2,360,947</b>         | <b>198,330</b>                 | <b>12,138</b>                         | <b>2,353,984</b>  | <b>29,895</b>            | <b>2,651,591</b>      |
| Excess of Revenues Over<br>(Under) Expenditures   | 12,626            | (2,337,089)              | (55,552)                       | 604                                   | (34,200)          | 395,421                  | 629,358               |
| <b>Other Financing Sources (Uses):</b>  |                   |                          |                                |                                       |                   |                          |                       |
| Transfers - In  | -                 | 39,600                   | -                              | 28,750                                | -                 | -                        | 94,230                |
| Transfers - Out   | -                 | (44,631)                 | -                              | -                                     | -                 | -                        | (94,230)              |
| <b>Total Other Sources (Uses)</b>   | <b>-</b>          | <b>(5,031)</b>           | <b>-</b>                       | <b>28,750</b>                         | <b>-</b>          | <b>-</b>                 | <b>-</b>              |
| Excess of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Uses | 12,626            | (2,342,120)              | (55,552)                       | 29,354                                | (34,200)          | 395,421                  | 629,358               |
| Fund Balances (Deficit) at Beginning of Year  | 87,790            | (290,627)                | 147,570                        | 43,765                                | 810,997           | -                        | 1,639,481             |
| Change in Inventory   | -                 | -                        | -                              | -                                     | -                 | -                        | 10,150                |
| <b>Fund Balance (Deficit) at End of the Year</b>  | <b>\$ 100,416</b> | <b>\$ (2,632,747)</b>    | <b>\$ 92,018</b>               | <b>\$ 73,119</b>                      | <b>\$ 776,797</b> | <b>\$ 395,421</b>        | <b>\$ 2,278,989</b>   |

**THE CITY OF HAMILTON! OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**  
*(Continued)*

| Transit Authority | Miami Conservancy   | Parking           | Golf Course      | Central Park Sports Arena | Community Development Block Grant | Home Program        | Totals              |
|-------------------|---------------------|-------------------|------------------|---------------------------|-----------------------------------|---------------------|---------------------|
| \$ -              | \$ -                | \$ -              | \$ -             | \$ -                      | \$ -                              | \$ -                | \$ 2,833,425        |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 1,526,006           |
| -                 | 269,097             | -                 | -                | -                         | 1,653,950                         | 827,203             | 8,272,839           |
| -                 | -                   | 626,212           | 897,501          | 50,757                    | -                                 | -                   | 6,749,271           |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 360,806             |
| 51                | 233                 | 4,158             | 2,375            | 87                        | 10,351                            | -                   | 63,861              |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 271,010             |
| -                 | -                   | 6,407             | 6,874            | 396                       | 245,104                           | 205,900             | 835,315             |
| <u>51</u>         | <u>269,330</u>      | <u>636,777</u>    | <u>906,750</u>   | <u>51,240</u>             | <u>1,909,405</u>                  | <u>1,033,103</u>    | <u>20,912,533</u>   |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 6,280,484           |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 693,296             |
| -                 | -                   | -                 | 871,391          | 38,310                    | -                                 | -                   | 909,701             |
| -                 | 350,889             | -                 | -                | -                         | 2,091,300                         | 816,831             | 6,128,801           |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 2,382,816           |
| 90,500            | -                   | 546,638           | -                | -                         | -                                 | -                   | 3,288,729           |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 10,329              |
| -                 | -                   | -                 | -                | -                         | -                                 | -                   | 555,811             |
| -                 | -                   | 25,000            | 140,000          | -                         | -                                 | -                   | 165,000             |
| -                 | -                   | 27,013            | 76,105           | -                         | -                                 | -                   | 151,786             |
| <u>90,500</u>     | <u>350,889</u>      | <u>598,651</u>    | <u>1,087,496</u> | <u>38,310</u>             | <u>2,091,300</u>                  | <u>816,831</u>      | <u>20,566,753</u>   |
| (90,449)          | (81,559)            | 38,126            | (180,746)        | 12,930                    | (181,895)                         | 216,272             | 345,780             |
| 92,000            | -                   | 27,013            | 96,105           | -                         | 12,000                            | -                   | 607,359             |
| (1,247)           | -                   | -                 | -                | -                         | -                                 | (12,000)            | (2,273,462)         |
| <u>90,753</u>     | <u>-</u>            | <u>27,013</u>     | <u>96,105</u>    | <u>-</u>                  | <u>12,000</u>                     | <u>(12,000)</u>     | <u>(1,666,103)</u>  |
| 304               | (81,559)            | 65,139            | (84,641)         | 12,930                    | (169,895)                         | 204,272             | (1,320,323)         |
| 74,414            | (204,620)           | 161,350           | 127,766          | 113,956                   | 1,252,163                         | 854,522             | 6,853,513           |
| -                 | -                   | -                 | 5,194            | -                         | -                                 | -                   | 15,344              |
| <u>\$ 74,718</u>  | <u>\$ (286,179)</u> | <u>\$ 226,489</u> | <u>\$ 48,319</u> | <u>\$ 126,886</u>         | <u>\$ 1,082,268</u>               | <u>\$ 1,058,794</u> | <u>\$ 5,548,534</u> |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**ONE RENAISSANCE CENTER FUND**

|   | Budget       |              | Actual       | Variance<br>Positive<br>(Negative) |
|---|--------------|--------------|--------------|------------------------------------|
|   | Initial      | Final        |              |                                    |
| <u>Revenues:</u>  |              |              |              |                                    |
| Charges for Services  | \$ 2,190,000 | \$ 2,265,900 | \$ 2,267,908 | \$ 2,008                           |
| Investment Earnings   | 100          | 100          | 16           | (84)                               |
| Other All Revenue   | -            | -            | 5,510        | 5,510                              |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Total Revenue   | 2,190,100    | 2,266,000    | 2,273,434    | 7,434                              |
| <u>Expenditures:</u>  |              |              |              |                                    |
| Current:  |              |              |              |                                    |
| Other Expenditures  |              |              |              |                                    |
| Special Appropriations - General                                  |              |              |              |                                    |
| Other   | 622,006      | 622,005      | 623,471      | (1,466)                            |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Total Expenditures  | 622,006      | 622,005      | 623,471      | (1,466)                            |
|   |              |              |              |                                    |
| Excess of Revenues<br>Over Expenditures                           | 1,568,094    | 1,643,995    | 1,649,963    | 5,968                              |
| <u>Other Financing Uses:</u>                                      |              |              |              |                                    |
| Transfers - Out   | (1,585,650)  | (1,849,695)  | (1,849,688)  | 7                                  |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Total Other Financing Uses  | (1,585,650)  | (1,849,695)  | (1,849,688)  | 7                                  |
|   |              |              |              |                                    |
| Excess of Revenues Under<br>Expenditures and Other Financing Uses | (17,556)     | (205,700)    | (199,725)    | 5,975                              |
|   |              |              |              |                                    |
| Fund Balances at Beginning of Year                                | 204,596      | 204,596      | 204,596      | -                                  |
| Prior Year Encumbrances Appropriated                              | 17,556       | 17,556       | 17,556       | -                                  |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Fund Balances at End of Year                                      | \$ 204,596   | \$ 16,452    | \$ 22,427    | \$ 5,975                           |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**FEDERAL EMERGENCY MANAGEMENT GRANT FUND**

|   | Budget  |            | Actual     | Variance<br>Positive<br>(Negative) |
|---|---------|------------|------------|------------------------------------|
|   | Initial | Final      |            |                                    |
| <u>Revenues:</u>                        |         |            |            |                                    |
| Intergovernmental                       | \$ -    | \$ 489,337 | \$ 383,898 | \$ (105,439)                       |
| Other All Revenue                       | -       | 143,120    | 143,120    | -                                  |
| Total Revenue                           | -       | 632,457    | 527,018    | (105,439)                          |
| <u>Expenditures:</u>                    |         |            |            |                                    |
| Current:                                |         |            |            |                                    |
| Public Health and Welfare Services:     |         |            |            |                                    |
| Health                                  |         |            |            |                                    |
| Other                                   | -       | 299,319    | 197,884    | 101,435                            |
| Capital Outlay                          | -       | 333,138    | 322,716    | 10,422                             |
| Total Expenditures                      | -       | 632,457    | 520,600    | 111,857                            |
| Excess of Revenues<br>Over Expenditures | -       | -          | 6,418      | 6,418                              |
| Fund Balances at Beginning of Year      | -       | -          | -          | -                                  |
| Fund Balances at End of Year            | \$ -    | \$ -       | \$ 6,418   | \$ 6,418                           |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**YOUTH BUILD GRANT**

|   | Budget             |                   | Actual        | Variance<br>Positive<br>(Negative) |
|---|--------------------|-------------------|---------------|------------------------------------|
|   | Initial            | Final             |               |                                    |
| <u>Revenues:</u>                              |                    |                   |               |                                    |
| Intergovernmental                             | \$ -               | \$ 4,501          | \$ 4,500      | \$ (1)                             |
| Other All Revenue                             | -                  | 14                | 14            | -                                  |
| <b>Total Revenue</b>                          | <b>-</b>           | <b>4,515</b>      | <b>4,514</b>  | <b>(1)</b>                         |
| <u>Expenditures:</u>                          |                    |                   |               |                                    |
| Current:                                      |                    |                   |               |                                    |
| Community Environment                         |                    |                   |               |                                    |
| Department of Human Relations                 |                    |                   |               |                                    |
| Other   | 13,687             | 13,687            | 4,500         | 9,187                              |
| Capital Outlay                                | -                  | -                 | 48            | (48)                               |
| <b>Total Expenditures</b>                     | <b>13,687</b>      | <b>13,687</b>     | <b>4,548</b>  | <b>9,139</b>                       |
| Excess of Revenues<br>Under Expenditures      | (13,687)           | (9,172)           | (34)          | 9,138                              |
| Fund Balances (Deficit) at Beginning of Year  | (12,711)           | (12,711)          | (12,711)      | -                                  |
| Prior Year Encumbrances Appropriated          | 13,687             | 13,687            | 13,687        | -                                  |
| <b>Fund Balances (Deficit) at End of Year</b> | <b>\$ (12,711)</b> | <b>\$ (8,196)</b> | <b>\$ 942</b> | <b>\$ 9,138</b>                    |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**PUBLIC SAFETY/HEALTH INCOME TAX FUND**

|  | Budget       |              | Actual       | Variance<br>Positive<br>(Negative) |
|--|--------------|--------------|--------------|------------------------------------|
|  | Initial      | Final        |              |                                    |
| <u>Revenues:</u>   |              |              |              |                                    |
| Income Taxes   | \$ 2,562,500 | \$ 2,712,500 | \$ 2,676,808 | \$ (35,692)                        |
| Total Revenue  | 2,562,500    | 2,712,500    | 2,676,808    | (35,692)                           |
| <u>Expenditures:</u>   |              |              |              |                                    |
| Current:   |              |              |              |                                    |
| Security of Persons and Property:  |              |              |              |                                    |
| Police   |              |              |              |                                    |
| Other  | 2,545,000    | 2,559,677    | 2,541,908    | 17,769                             |
| Capital Outlay   | 9,429        | 18,858       | 9,429        | 9,429                              |
| Total Expenditures   | 2,554,429    | 2,578,535    | 2,551,337    | 27,198                             |
| Excess of Revenues<br>Over Expenditures                                  | 8,071        | 133,965      | 125,471      | (8,494)                            |
| <u>Other Financing Uses:</u>   |              |              |              |                                    |
| Transfers - Out  | (10,071)     | (10,071)     | (10,071)     | -                                  |
| Total Other Financing Sources  | (10,071)     | (10,071)     | (10,071)     | -                                  |
| Excess of Revenues Over (Under)<br>Expenditures and Other Financing Uses | (2,000)      | 123,894      | 115,400      | (8,494)                            |
| Fund Balances at Beginning of Year                                       | 222,982      | 222,982      | 222,982      | -                                  |
| Prior Year Encumbrances  | 2,000        | 2,000        | 2,000        | -                                  |
| Fund Balances at End of Year   | \$ 222,982   | \$ 348,876   | \$ 340,382   | \$ (8,494)                         |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**MUNICIPAL COURT IMPROVEMENT FUND**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>                        |                   |                   |                   |                                    |
| Charges for Services                    | \$ 150,000        | \$ 110,903        | \$ 120,205        | \$ 9,302                           |
| Fines and Forfeitures                   | 76,000            | 76,000            | 78,995            | 2,995                              |
| Other All Revenue                       | -                 | 27                | 27                | -                                  |
|   | <hr/>             | <hr/>             | <hr/>             | <hr/>                              |
| Total Revenue                           | 226,000           | 186,930           | 199,227           | 12,297                             |
|   | <hr/>             | <hr/>             | <hr/>             | <hr/>                              |
| <u>Expenditures:</u>                    |                   |                   |                   |                                    |
| Current:                                |                   |                   |                   |                                    |
| Security of Persons and Property:       |                   |                   |                   |                                    |
| Police                                  |                   |                   |                   |                                    |
| Personal Services                       | 52,013            | 52,013            | 52,720            | (707)                              |
| Other                                   | 106,877           | 100,600           | 68,363            | 32,237                             |
| Capital Outlay                          | -                 | 33,855            | 37,479            | (3,624)                            |
|   | <hr/>             | <hr/>             | <hr/>             | <hr/>                              |
| Total Expenditures                      | 158,890           | 186,468           | 158,562           | 27,906                             |
|   | <hr/>             | <hr/>             | <hr/>             | <hr/>                              |
| Excess of Revenues<br>Over Expenditures | 67,110            | 462               | 40,665            | 40,203                             |
|   | <hr/>             | <hr/>             | <hr/>             | <hr/>                              |
| Fund Balances at Beginning of Year      | 148,744           | 148,744           | 148,744           | -                                  |
| Prior Year Encumbrances                 | 14,677            | 14,677            | 14,677            | -                                  |
|   | <hr/>             | <hr/>             | <hr/>             | <hr/>                              |
| Fund Balances at End of Year            | <u>\$ 230,531</u> | <u>\$ 163,883</u> | <u>\$ 204,086</u> | <u>\$ 40,203</u>                   |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**MUNICIPAL INCOME TAX TIF AGGREGATION/VERIFICATION FUND**

|  | Budget     |            | Actual     | Variance<br>Postive<br>(Negative) |
|--|------------|------------|------------|-----------------------------------|
|  | Initial    | Final      |            |                                   |
| <u>Revenues:</u>   |            |            |            |                                   |
| Income Taxes   | \$ 101,700 | \$ 137,700 | \$ 136,314 | \$ (1,386)                        |
| Total Revenue  | 101,700    | 137,700    | 136,314    | (1,386)                           |
| <u>Expenditures:</u>   |            |            |            |                                   |
| Current:   |            |            |            |                                   |
| Community Environment  |            |            |            |                                   |
| Construction Services  |            |            |            |                                   |
| Other  | 66,035     | 66,035     | 45,118     | 20,917                            |
| Total Expenditures   | 66,035     | 66,035     | 45,118     | 20,917                            |
| Excess of Revenues Over<br>Expenditures                          | 35,665     | 71,665     | 91,196     | 19,531                            |
| <u>Other Financing Uses:</u>                                     |            |            |            |                                   |
| Transfers - Out  | (33,060)   | (33,060)   | (44,302)   | (11,242)                          |
| Total Other Financing Uses                                       | (33,060)   | (33,060)   | (44,302)   | (11,242)                          |
| Excess of Revenues Over<br>Expenditures and Other Financing Uses | 2,605      | 38,605     | 46,894     | 8,289                             |
| Fund Balances at Beginning of Year                               | 133,099    | 133,099    | 133,099    | -                                 |
| Fund Balances at End of Year                                     | \$ 135,704 | \$ 171,704 | \$ 179,993 | \$ 8,289                          |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**BROWNFIELD IMPROVEMENT FUND**

|  | Budget          |                 | Actual          | Variance<br>Positive<br>(Negative) |
|--|-----------------|-----------------|-----------------|------------------------------------|
|  | Initial         | Final           |                 |                                    |
| <u>Revenues:</u>                         |                 |                 |                 |                                    |
| Intergovernmental                        | \$ 500,000      | \$ 500,000      | \$ 500,000      | \$ -                               |
| Total Revenue                            | <u>500,000</u>  | <u>500,000</u>  | <u>500,000</u>  | <u>-</u>                           |
| <u>Expenditures:</u>                     |                 |                 |                 |                                    |
| Current:                                 |                 |                 |                 |                                    |
| Community Environment                    |                 |                 |                 |                                    |
| Department of Human Relations            |                 |                 |                 |                                    |
| Other                                    | <u>500,000</u>  | <u>500,000</u>  | <u>500,000</u>  | <u>-</u>                           |
| Total Expenditures                       | <u>500,000</u>  | <u>500,000</u>  | <u>500,000</u>  | <u>-</u>                           |
| Excess of Revenues<br>Under Expenditures | -               | -               | -               | -                                  |
| Fund Balances at Beginning of Year       | <u>1,984</u>    | <u>1,984</u>    | <u>1,984</u>    | <u>-</u>                           |
| Fund Balances at End of Year             | <u>\$ 1,984</u> | <u>\$ 1,984</u> | <u>\$ 1,984</u> | <u>\$ -</u>                        |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**WEED AND SEED GRANT FUND**

|   | Budget    |            | Actual     | Variance<br>Positive<br>(Negative) |
|---|-----------|------------|------------|------------------------------------|
|   | Initial   | Final      |            |                                    |
| <u>Revenues:</u>  |           |            |            |                                    |
| Intergovernmental   | \$ -      | \$ 216,331 | \$ 183,953 | \$ (32,378)                        |
| Total Revenue   | -         | 216,331    | 183,953    | (32,378)                           |
| <u>Expenditures:</u>  |           |            |            |                                    |
| Current:  |           |            |            |                                    |
| Security of Persons and Property:   |           |            |            |                                    |
| Police  |           |            |            |                                    |
| Other   | 5,532     | 172,020    | 185,185    | (13,165)                           |
| Capital Outlay  | -         | 44,310     | 28,949     | 15,361                             |
| Total Expenditures  | 5,532     | 216,330    | 214,134    | 2,196                              |
| Excess of Revenues<br>Over (Under) Expenditures                             | (5,532)   | 1          | (30,181)   | (30,182)                           |
| <u>Other Financing Sources:</u>   |           |            |            |                                    |
| Transfers - In  | 14,000    | 41,000     | 14,000     | (27,000)                           |
| Total Other Financing Sources   | 14,000    | 41,000     | 14,000     | (27,000)                           |
| Excess of Revenues and Other<br>Financing Sources Over (Under) Expenditures | 8,468     | 41,001     | (16,181)   | (57,182)                           |
| Fund Balances at Beginning of Year  | 11,450    | 11,450     | 11,450     | -                                  |
| Prior Year Encumbrances Appropriated  | 5,532     | 5,532      | 5,532      | -                                  |
| Fund Balances at End of Year  | \$ 25,450 | \$ 57,983  | \$ 801     | \$ (57,182)                        |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**DISPUTE RESOLUTION PROCEEDS FUND**

|                                      | Budget           |                  | Actual           | Variance<br>Positive<br>(Negative) |
|--------------------------------------|------------------|------------------|------------------|------------------------------------|
|                                      | Initial          | Final            |                  |                                    |
| <u>Revenues:</u>                     |                  |                  |                  |                                    |
| Charges for Services                 | \$ 13,140        | \$ 13,140        | \$ 13,115        | \$ (25)                            |
| Total Revenue                        | 13,140           | 13,140           | 13,115           | (25)                               |
| <u>Expenditures:</u>                 |                  |                  |                  |                                    |
| Current:                             |                  |                  |                  |                                    |
| General Government                   |                  |                  |                  |                                    |
| City Council                         |                  |                  |                  |                                    |
| Personal Services                    | 3,000            | 3,000            | -                | 3,000                              |
| Total Expenditures                   | 3,000            | 3,000            | -                | 3,000                              |
| Excess of Revenues Over Expenditures | 10,140           | 10,140           | 13,115           | 2,975                              |
| Fund Balances at Beginning of Year   | 24,414           | 24,414           | 24,414           | -                                  |
| Fund Balances at End of Year         | <u>\$ 34,554</u> | <u>\$ 34,554</u> | <u>\$ 37,529</u> | <u>\$ 2,975</u>                    |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**DEPARTMENT OF JUSTICE FORFEITURE PROGRAM FUND**

|                                       | Budget      |             | Actual      | Variance<br>Positive<br>(Negative) |
|---------------------------------------|-------------|-------------|-------------|------------------------------------|
|                                       | Initial     | Final       |             |                                    |
| <u>Revenues:</u>                      |             |             |             |                                    |
| Fines and Forfeitures                 | \$ 36,000   | \$ -        | \$ -        | \$ -                               |
| Total Revenue                         | 36,000      | -           | -           | -                                  |
| <u>Expenditures:</u>                  |             |             |             |                                    |
| Current:                              |             |             |             |                                    |
| Security of Persons and Property:     |             |             |             |                                    |
| Police                                |             |             |             |                                    |
| Personal Services                     | 2,000       | -           | -           | -                                  |
| Other                                 | 34,000      | -           | -           | -                                  |
| Total Expenditures                    | 36,000      | -           | -           | -                                  |
| Excess of Revenues Under Expenditures | -           | -           | -           | -                                  |
| Fund Balances at Beginning of Year    | -           | -           | -           | -                                  |
| Prior Year Encumbrances Appropriated  | -           | -           | -           | -                                  |
| Fund Balances at End of Year          | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u>                        |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**SAFETY SERVICES FUND**

|  | Budget       |              | Actual       | Variance<br>Positive<br>(Negative) |
|--|--------------|--------------|--------------|------------------------------------|
|  | Initial      | Final        |              |                                    |
| <u>Revenues:</u>   |              |              |              |                                    |
| Intergovernmental  | \$ 1,136,265 | \$ 1,026,404 | \$ 1,024,004 | \$ (2,400)                         |
| Charges for Services   | 31,100       | 25,494       | 29,674       | 4,180                              |
| Investment Earnings  | -            | 2,120        | 2,082        | (38)                               |
| Fines and Forfeitures  | 168,000      | 195,915      | 203,873      | 7,958                              |
| Other All Revenue  | -            | 323          | 323          | -                                  |
|  | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Total Revenue  | 1,335,365    | 1,250,256    | 1,259,956    | 9,700                              |
| <u>Expenditures:</u>   |              |              |              |                                    |
| Current:   |              |              |              |                                    |
| Security of Persons and Property:  |              |              |              |                                    |
| Police   |              |              |              |                                    |
| Personal Services  | 135,323      | 139,522      | 136,902      | 2,620                              |
| Other  | 1,217,824    | 1,163,945    | 1,168,107    | (4,162)                            |
| Capital Outlay   | 68,635       | 218,758      | 217,010      | 1,748                              |
|  | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Total Expenditures   | 1,421,782    | 1,522,225    | 1,522,019    | 206                                |
| Excess of Revenues<br>(Under) Expenditures   | (86,417)     | (271,969)    | (262,063)    | 9,906                              |
| <u>Other Financing Sources (Uses):</u>   |              |              |              |                                    |
| Transfers - In   | 203,806      | 203,661      | 203,661      | -                                  |
| Transfers - Out  | (188,590)    | (217,390)    | (217,293)    | (97)                               |
|  | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Total Other Financing Source (Uses)  | 15,216       | (13,729)     | (13,632)     | 97                                 |
| Excess of Revenues and Other Financing<br>Sources (Under) Expenditures<br>and Other Financing Uses | (71,201)     | (285,698)    | (275,695)    | 10,003                             |
| Fund Balances at Beginning of Year   | 616,910      | 616,910      | 616,910      | -                                  |
| Prior Year Encumbrances  | 73,738       | 73,738       | 73,738       | -                                  |
|  | <hr/>        | <hr/>        | <hr/>        | <hr/>                              |
| Fund Balances at End of Year   | \$ 619,447   | \$ 404,950   | \$ 414,953   | \$ 10,003                          |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**POLICE PENSION FUND**

|   | Budget           |                  | Actual           | Variance<br>Positive<br>(Negative) |
|---|------------------|------------------|------------------|------------------------------------|
|   | Initial          | Final            |                  |                                    |
| <u>Revenues:</u>                        |                  |                  |                  |                                    |
| Intergovernmental                       | \$ 250,000       | \$ 260,519       | \$ 260,518       | \$ (1)                             |
| Total Revenue                           | 250,000          | 260,519          | 260,518          | (1)                                |
| <u>Expenditures:</u>                    |                  |                  |                  |                                    |
| Current:                                |                  |                  |                  |                                    |
| Security of Persons and Property:       |                  |                  |                  |                                    |
| Police                                  |                  |                  |                  |                                    |
| Other                                   | 250,000          | 250,000          | 250,000          | -                                  |
| Total Expenditures                      | 250,000          | 250,000          | 250,000          | -                                  |
| Excess of Revenues over<br>Expenditures | -                | 10,519           | 10,518           | (1)                                |
| Fund Balances at Beginning of Year      | 30,005           | 30,005           | 30,005           | -                                  |
| Fund Balances at End of Year            | <u>\$ 30,005</u> | <u>\$ 40,524</u> | <u>\$ 40,523</u> | <u>\$ (1)</u>                      |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**POLICE LEVY FUND**

|                                      | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|--------------------------------------|-------------------|-------------------|-------------------|------------------------------------|
|                                      | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>                     |                   |                   |                   |                                    |
| Property and Other Local Taxes       | \$ 750,000        | \$ 763,002        | \$ 763,001        | \$ (1)                             |
| Total Revenue                        | 750,000           | 763,002           | 763,001           | (1)                                |
| <u>Expenditures:</u>                 |                   |                   |                   |                                    |
| Current:                             |                   |                   |                   |                                    |
| Security of Persons and Property:    |                   |                   |                   |                                    |
| Police                               |                   |                   |                   |                                    |
| Other                                | 750,000           | 750,000           | 750,000           | -                                  |
| Total Expenditures                   | 750,000           | 750,000           | 750,000           | -                                  |
| Excess of Revenues Over Expenditures | -                 | 13,002            | 13,001            | (1)                                |
| Fund Balances at Beginning of Year   | 568,577           | 568,577           | 568,577           | -                                  |
| Fund Balances at End of Year         | <u>\$ 568,577</u> | <u>\$ 581,579</u> | <u>\$ 581,578</u> | <u>\$ (1)</u>                      |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**FIREMEN'S PENSION FUND**

|   | Budget           |                  | Actual           | Variance<br>Positive<br>(Negative) |
|---|------------------|------------------|------------------|------------------------------------|
|   | Initial          | Final            |                  |                                    |
| <u>Revenues:</u>                        |                  |                  |                  |                                    |
| Intergovernmental                       | \$ 250,000       | \$ 260,519       | \$ 260,518       | \$ (1)                             |
| Total Revenue                           | <u>250,000</u>   | <u>260,519</u>   | <u>260,518</u>   | <u>(1)</u>                         |
| <u>Expenditures:</u>                    |                  |                  |                  |                                    |
| Current:                                |                  |                  |                  |                                    |
| Security of Persons and Property:       |                  |                  |                  |                                    |
| Fire                                    |                  |                  |                  |                                    |
| Other                                   | <u>250,000</u>   | <u>250,000</u>   | <u>250,000</u>   | <u>-</u>                           |
| Total Expenditures                      | <u>250,000</u>   | <u>250,000</u>   | <u>250,000</u>   | <u>-</u>                           |
| Excess of Revenues Over<br>Expenditures | -                | 10,519           | 10,518           | (1)                                |
| Fund Balances at Beginning of Year      | <u>28,459</u>    | <u>28,459</u>    | <u>28,459</u>    | <u>-</u>                           |
| Fund Balances at End of Year            | <u>\$ 28,459</u> | <u>\$ 38,978</u> | <u>\$ 38,977</u> | <u>\$ (1)</u>                      |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**EMERGENCY MEDICAL SERVICES GRANT FUND**

|   | Budget          |                  | Actual           | Variance<br>Positive<br>(Negative) |
|---|-----------------|------------------|------------------|------------------------------------|
|   | Initial         | Final            |                  |                                    |
| <u>Revenues:</u>                                |                 |                  |                  |                                    |
| Intergovernmental                               | \$ -            | \$ 11,024        | \$ 11,025        | \$ 1                               |
| Total Revenue                                   | -               | 11,024           | 11,025           | 1                                  |
| <u>Expenditures:</u>                            |                 |                  |                  |                                    |
| Current:  |                 |                  |                  |                                    |
| Security of Persons and Property:               |                 |                  |                  |                                    |
| Fire - Paramedics                               |                 |                  |                  |                                    |
| Capital Outlay                                  | 3,790           | 3,790            | 3,770            | 20                                 |
| Total Expenditures                              | 3,790           | 3,790            | 3,770            | 20                                 |
| Excess of Revenues Over<br>(Under) Expenditures | (3,790)         | 7,234            | 7,255            | 21                                 |
| Fund Balances at Beginning of Year              | 1,110           | 1,110            | 1,110            | -                                  |
| Prior Year Encumbrances Appropriated            | 3,790           | 3,790            | 3,790            | -                                  |
| Fund Balances at End of Year                    | <u>\$ 1,110</u> | <u>\$ 12,134</u> | <u>\$ 12,155</u> | <u>\$ 21</u>                       |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**FIRE EMS LEVY FUND**

|   | Budget      |                  | Actual           | Variance<br>Positive<br>(Negative) |
|---|-------------|------------------|------------------|------------------------------------|
|   | Initial     | Final            |                  |                                    |
| <u>Revenues:</u>                        |             |                  |                  |                                    |
| Property and Other Local Taxes          | \$ 750,000  | \$ 763,006       | \$ 763,005       | \$ (1)                             |
| Total Revenue                           | 750,000     | 763,006          | 763,005          | (1)                                |
| <u>Expenditures:</u>                    |             |                  |                  |                                    |
| Current:                                |             |                  |                  |                                    |
| Security of Persons and Property:       |             |                  |                  |                                    |
| Fire                                    |             |                  |                  |                                    |
| Other                                   | 750,000     | 750,000          | 750,000          | -                                  |
| Total Security of Persons and Property  | 750,000     | 750,000          | 750,000          | -                                  |
| Excess of Revenues<br>Over Expenditures | -           | 13,006           | 13,005           | (1)                                |
| Fund Balances at Beginning of Year      | -           | -                | -                | -                                  |
| Fund Balances at End of Year            | <u>\$ -</u> | <u>\$ 13,006</u> | <u>\$ 13,005</u> | <u>\$ (1)</u>                      |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**TECHNOLOGY INITIATIVE FUND**

|  | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|--|-------------------|-------------------|-------------------|------------------------------------|
|  | Initial           | Final             |                   |                                    |
| <b>Revenues:</b>   |                   |                   |                   |                                    |
| Investment Earnings  | \$ -              | \$ 21,799         | \$ 23,708         | \$ 1,909                           |
| Other All Revenue  | -                 | 150               | 150               | -                                  |
| <b>Total Revenue</b>   | <b>-</b>          | <b>21,949</b>     | <b>23,858</b>     | <b>1,909</b>                       |
| <b>Expenditures:</b>   |                   |                   |                   |                                    |
| Current:   |                   |                   |                   |                                    |
| Community Environment  |                   |                   |                   |                                    |
| Construction Services  |                   |                   |                   |                                    |
| Other  | 1,316,180         | 1,358,395         | 1,358,387         | 8                                  |
| Capital Outlay   | 1,141,108         | 1,873,436         | 1,873,438         | (2)                                |
| <b>Total Expenditures</b>  | <b>2,457,288</b>  | <b>3,231,831</b>  | <b>3,231,825</b>  | <b>6</b>                           |
| Excess of Revenues<br>(Under) Expenditures   | (2,457,288)       | (3,209,882)       | (3,207,967)       | 1,915                              |
| <b>Other Financing Sources (Uses):</b>   |                   |                   |                   |                                    |
| Face Value from the Sale of Notes  | -                 | 50,000            | 50,000            | -                                  |
| Transfers - Out  | -                 | (44,631)          | (44,631)          | -                                  |
| <b>Total Other Financing Sources (Uses)</b>  | <b>-</b>          | <b>5,369</b>      | <b>5,369</b>      | <b>-</b>                           |
| Excess of Revenues and Other<br>Financing Sources Under Expenditures<br>and Other Financing Uses | (2,457,288)       | (3,204,513)       | (3,202,598)       | 1,915                              |
| Fund Balances at Beginning of Year   | 847,234           | 847,234           | 847,234           | -                                  |
| Prior Year Encumbrances  | 2,457,288         | 2,457,288         | 2,457,288         | -                                  |
| <b>Fund Balances at End of Year</b>  | <b>\$ 847,234</b> | <b>\$ 100,009</b> | <b>\$ 101,924</b> | <b>\$ 1,915</b>                    |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**PUBLIC HEALTH CARE SERVICES FUND**

|  | Budget            |                  | Actual           | Variance<br>Positive<br>(Negative) |
|--|-------------------|------------------|------------------|------------------------------------|
|  | Initial           | Final            |                  |                                    |
| <u>Revenues:</u>                           |                   |                  |                  |                                    |
| Intergovernmental                          | \$ 154,139        | \$ 142,404       | \$ 142,404       | \$ -                               |
| Investment Earnings                        | -                 | 7                | 9                | 2                                  |
| Total Revenue                              | <u>154,139</u>    | <u>142,411</u>   | <u>142,413</u>   | <u>2</u>                           |
| <u>Expenditures:</u>                       |                   |                  |                  |                                    |
| Current:                                   |                   |                  |                  |                                    |
| Public Health and Welfare Services:        |                   |                  |                  |                                    |
| Health                                     |                   |                  |                  |                                    |
| Personal Services                          | 12,564            | 12,564           | 11,251           | 1,313                              |
| Other                                      | 151,893           | 225,154          | 221,003          | 4,151                              |
| Total Expenditures                         | <u>164,457</u>    | <u>237,718</u>   | <u>232,254</u>   | <u>5,464</u>                       |
| Excess of Revenues<br>(Under) Expenditures | (10,318)          | (95,307)         | (89,841)         | 5,466                              |
| Fund Balances at Beginning of Year         | 156,611           | 156,611          | 156,611          | -                                  |
| Prior Year Encumbrances                    | 10,318            | 10,318           | 10,318           | -                                  |
| Fund Balances at End of Year               | <u>\$ 156,611</u> | <u>\$ 71,622</u> | <u>\$ 77,088</u> | <u>\$ 5,466</u>                    |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**STREET AND PARKS BEAUTIFICATION FUND**

|   | Budget           |                  | Actual           | Variance<br>Positive<br>(Negative) |
|---|------------------|------------------|------------------|------------------------------------|
|   | Initial          | Final            |                  |                                    |
| <u>Revenues:</u>  |                  |                  |                  |                                    |
| Investment Earnings   | \$ -             | \$ 788           | \$ 1,073         | \$ 285                             |
| Other All Revenue   | 8,000            | 11,748           | 11,749           | 1                                  |
| <b>Total Revenue</b>  | <b>8,000</b>     | <b>12,536</b>    | <b>12,822</b>    | <b>286</b>                         |
| <u>Expenditures:</u>  |                  |                  |                  |                                    |
| Current:  |                  |                  |                  |                                    |
| Community Environment   |                  |                  |                  |                                    |
| Construction Services   |                  |                  |                  |                                    |
| Other   | 58,000           | 33,000           | 12,138           | 20,862                             |
| Capital Outlay  | -                | 3,750            | 3,750            | -                                  |
| <b>Total Expenditures</b>   | <b>58,000</b>    | <b>36,750</b>    | <b>15,888</b>    | <b>20,862</b>                      |
| Excess of Revenues<br>(Under) Expenditures                                  | (50,000)         | (24,214)         | (3,066)          | 21,148                             |
| <u>Other Financing Sources:</u>   |                  |                  |                  |                                    |
| Transfers - In  | 25,000           | 28,750           | 28,750           | -                                  |
| <b>Total Other Financing Sources</b>  | <b>25,000</b>    | <b>28,750</b>    | <b>28,750</b>    | <b>-</b>                           |
| Excess of Revenues and Other<br>Financing Sources Over (Under) Expenditures | (25,000)         | 4,536            | 25,684           | 21,148                             |
| Fund Balances at Beginning of Year  | 18,961           | 18,961           | 18,961           | -                                  |
| Prior Year Encumbrances   | 25,000           | 25,000           | 25,000           | -                                  |
| <b>Fund Balances at End of Year</b>   | <b>\$ 18,961</b> | <b>\$ 48,497</b> | <b>\$ 69,645</b> | <b>\$ 21,148</b>                   |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**STORMWATER MANAGEMENT FUND**

|   | Budget           |                  | Actual            | Variance<br>Positive<br>(Negative) |
|---|------------------|------------------|-------------------|------------------------------------|
|   | Initial          | Final            |                   |                                    |
| <u>Revenues:</u>  |                  |                  |                   |                                    |
| Charges for Services  | \$ 1,000,000     | \$ 301,500       | \$ 188,928        | \$ (112,572)                       |
| Investment Earnings   | -                | -                | 1,370             | 1,370                              |
| Other All Revenue   | -                | 752              | 753               | 1                                  |
| Total Revenue   | <u>1,000,000</u> | <u>302,252</u>   | <u>191,051</u>    | <u>(111,201)</u>                   |
| <u>Expenditures:</u>  |                  |                  |                   |                                    |
| Current:  |                  |                  |                   |                                    |
| Basic Utility Services  |                  |                  |                   |                                    |
| Maintenance of Storm Sewers   |                  |                  |                   |                                    |
| Other   | 1,000,000        | 199,643          | 26,677            | 172,966                            |
| Capital Outlay  | <u>-</u>         | <u>301,510</u>   | <u>51,510</u>     | <u>250,000</u>                     |
| Total Expenditures  | <u>1,000,000</u> | <u>501,153</u>   | <u>78,187</u>     | <u>422,966</u>                     |
| Excess of Revenues<br>Over Expenditures                             | -                | (198,901)        | 112,864           | 311,765                            |
| Other Financing Sources:  |                  |                  |                   |                                    |
| Face Value from the Sale of Notes                                   | <u>-</u>         | <u>250,000</u>   | <u>250,000</u>    | <u>-</u>                           |
| Total Other Financing Sources                                       | -                | 250,000          | 250,000           | -                                  |
| Excess of Revenues and Other<br>Financing Sources Over Expenditures | -                | 51,099           | 362,864           | 311,765                            |
| Fund Balances at Beginning of Year                                  | <u>-</u>         | <u>-</u>         | <u>-</u>          | <u>-</u>                           |
| Fund Balances at End of Year  | <u>\$ -</u>      | <u>\$ 51,099</u> | <u>\$ 362,864</u> | <u>\$ 311,765</u>                  |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**REFUSE FUND**

|  | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|--|-------------------|-------------------|-------------------|------------------------------------|
|  | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>                           |                   |                   |                   |                                    |
| Charges for Services                       | \$ 2,368,368      | \$ 2,273,253      | \$ 2,262,273      | \$ (10,980)                        |
| Total Revenue                              | <u>2,368,368</u>  | <u>2,273,253</u>  | <u>2,262,273</u>  | <u>(10,980)</u>                    |
| <u>Expenditures:</u>                       |                   |                   |                   |                                    |
| Current:                                   |                   |                   |                   |                                    |
| Basic Utility Services                     |                   |                   |                   |                                    |
| Public Works - Administration              |                   |                   |                   |                                    |
| Personal Services                          | 115,287           | 115,287           | 109,197           | 6,090                              |
| Other                                      | 2,408,430         | 2,408,430         | 2,243,139         | 165,291                            |
| Total Expenditures                         | <u>2,523,717</u>  | <u>2,523,717</u>  | <u>2,352,336</u>  | <u>171,381</u>                     |
| Excess of Revenues<br>(Under) Expenditures | (155,349)         | (250,464)         | (90,063)          | 160,401                            |
| Fund Balances at Beginning of Year         | 255,837           | 255,837           | 255,837           | -                                  |
| Prior Year Encumbrances                    | <u>173,382</u>    | <u>173,382</u>    | <u>173,382</u>    | <u>-</u>                           |
| Fund Balances at End of Year               | <u>\$ 273,870</u> | <u>\$ 178,755</u> | <u>\$ 339,156</u> | <u>\$ 160,401</u>                  |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**STREET MAINTENANCE FUND**

|   | Budget       |              | Actual       | Variance<br>Postive<br>(Negative) |
|---|--------------|--------------|--------------|-----------------------------------|
|   | Initial      | Final        |              |                                   |
| <u>Revenues:</u>  |              |              |              |                                   |
| Intergovernmental   | \$ 2,069,000 | \$ 2,364,487 | \$ 2,629,905 | \$ 265,418                        |
| Licenses and Permits  | 392,500      | 392,500      | 360,806      | (31,694)                          |
| Investment Earnings   | 50,000       | 50,000       | 21,328       | (28,672)                          |
| Other All Revenue   | 12,500       | 13,181       | 209,311      | 196,130                           |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                             |
| Total Revenue   | 2,524,000    | 2,820,168    | 3,221,350    | 401,182                           |
| <u>Expenditures:</u>  |              |              |              |                                   |
| Current:  |              |              |              |                                   |
| Transportation  |              |              |              |                                   |
| Traffic Engineering   |              |              |              |                                   |
| Personal Services   | 1,747,550    | 1,747,550    | 1,462,663    | 284,887                           |
| Other   | 1,011,329    | 1,039,183    | 724,629      | 314,554                           |
| Capital Outlay  | 582,779      | 916,848      | 969,634      | (52,786)                          |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                             |
| Total Expenditures  | 3,341,658    | 3,703,581    | 3,156,926    | 546,655                           |
| Excess of Revenues Over<br>(Under) Expenditures   | (817,658)    | (883,413)    | 64,424       | 947,837                           |
| <u>Other Financing Sources (Uses):</u>  |              |              |              |                                   |
| Transfers - In  | 94,230       | 94,230       | 94,230       | -                                 |
| Transfers - Out   | (94,230)     | (94,230)     | (94,230)     | -                                 |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                             |
| Total Other Financing Sources (Uses)  | -            | -            | -            | -                                 |
| Excess of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | (817,658)    | (883,413)    | 64,424       | 947,837                           |
| Fund Balances at Beginning of Year  | 999,370      | 999,370      | 999,370      | -                                 |
| Prior Year Encumbrances   | 418,254      | 418,254      | 418,254      | -                                 |
|   | <hr/>        | <hr/>        | <hr/>        | <hr/>                             |
| Fund Balances at End of Year  | \$ 599,966   | \$ 534,211   | \$ 1,482,048 | \$ 947,837                        |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**TRANSIT SYSTEM FUND**

|   | Initial  | Budget<br>Final | Actual    | Variance<br>Positive<br>(Negative) |
|---|----------|-----------------|-----------|------------------------------------|
| <u>Revenues:</u>  |          |                 |           |                                    |
| Total Revenue   | \$ -     | \$ -            | \$ -      | \$ -                               |
| <u>Expenditures:</u>  |          |                 |           |                                    |
| Current:  |          |                 |           |                                    |
| Transportation  |          |                 |           |                                    |
| Traffic Engineering   |          |                 |           |                                    |
| Other   | 73,500   | 165,500         | 165,500   | -                                  |
| Total Expenditures  | 73,500   | 165,500         | 165,500   | -                                  |
| Excess of Revenues<br>(Under) Expenditures  | (73,500) | (165,500)       | (165,500) | -                                  |
| <u>Other Financing Sources (Uses):</u>  |          |                 |           |                                    |
| Transfers - In  | -        | 92,000          | 92,000    | -                                  |
| Transfers - Out   | -        | (1,247)         | (1,247)   | -                                  |
| Total Other Financing Sources (Uses)  | -        | 90,753          | 90,753    | -                                  |
| Excess of Revenues and Other<br>Financing Over (Under) Sources<br>Expenditures and Other Financing Uses | (73,500) | (74,747)        | (74,747)  | -                                  |
| Fund Balances at Beginning of Year  | 1,247    | 1,247           | 1,247     | -                                  |
| Prior Year Encumbrances Appropriated  | 73,500   | 73,500          | 73,500    | -                                  |
| Fund Balances at End of Year  | \$ 1,247 | \$ -            | \$ -      | \$ -                               |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**MIAMI CONSERVANCY FUND**

|   | Budget            |                  | Actual           | Variance<br>Positive<br>(Negative) |
|---|-------------------|------------------|------------------|------------------------------------|
|   | Initial           | Final            |                  |                                    |
| <u>Revenues:</u>                                |                   |                  |                  |                                    |
| Intergovernmental                               | \$ 280,000        | \$ 280,000       | \$ 269,097       | \$ (10,903)                        |
| Total Revenue                                   | <u>280,000</u>    | <u>280,000</u>   | <u>269,097</u>   | <u>(10,903)</u>                    |
| <u>Expenditures:</u>                            |                   |                  |                  |                                    |
| Current:  |                   |                  |                  |                                    |
| Community Environment                           |                   |                  |                  |                                    |
| Construction Services                           |                   |                  |                  |                                    |
| Other   | 268,000           | 314,121          | 314,120          | 1                                  |
| Total Expenditures                              | <u>268,000</u>    | <u>314,121</u>   | <u>314,120</u>   | <u>1</u>                           |
| Excess of Revenues Over<br>(Under) Expenditures | 12,000            | (34,121)         | (45,023)         | (10,902)                           |
| Fund Balances at Beginning of Year              | <u>91,390</u>     | <u>91,390</u>    | <u>91,390</u>    | <u>-</u>                           |
| Fund Balances at End of Year                    | <u>\$ 103,390</u> | <u>\$ 57,269</u> | <u>\$ 46,367</u> | <u>\$ (10,902)</u>                 |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**PARKING FUND**

|  | Budget     |            | Actual     | Variance<br>Postive<br>(Negative) |
|--|------------|------------|------------|-----------------------------------|
|  | Initial    | Final      |            |                                   |
| <u>Revenues:</u>   |            |            |            |                                   |
| Charges for Services   | \$ 667,890 | \$ 667,890 | \$ 626,212 | \$ (41,678)                       |
| Investment Earnings  | 2,000      | 2,000      | 4,177      | 2,177                             |
| Other All Revenue  | 7,700      | 7,700      | 6,576      | (1,124)                           |
|  | <hr/>      | <hr/>      | <hr/>      | <hr/>                             |
| Total Revenue  | 677,590    | 677,590    | 636,965    | (40,625)                          |
| <u>Expenditures:</u>   |            |            |            |                                   |
| Current:   |            |            |            |                                   |
| Transportation   |            |            |            |                                   |
| Traffic Engineering  |            |            |            |                                   |
| Personal Services  | 327,967    | 327,967    | 384,141    | (56,174)                          |
| Other  | 308,398    | 308,398    | 175,591    | 132,807                           |
| Capital Outlay   | -          | -          | 65,971     | (65,971)                          |
| Debt Service:  |            |            |            |                                   |
| Principal  | 40,000     | 40,000     | 40,000     | -                                 |
| Interest and Fiscal Charges  | 12,013     | 12,013     | 12,013     | -                                 |
|  | <hr/>      | <hr/>      | <hr/>      | <hr/>                             |
| Total Expenditures   | 688,378    | 688,378    | 677,716    | 10,662                            |
| Excess of Revenues<br>Under Expenditures                                       | (10,788)   | (10,788)   | (40,751)   | (29,963)                          |
| <u>Other Financing Sources:</u>  |            |            |            |                                   |
| Transfers - In   | 27,013     | 27,013     | 27,013     | -                                 |
|  | <hr/>      | <hr/>      | <hr/>      | <hr/>                             |
| Total Other Financing Sources  | 27,013     | 27,013     | 27,013     | -                                 |
| Excess of Revenues and Other<br>Financing Sources Over<br>(Under) Expenditures | 16,225     | 16,225     | (13,738)   | (29,963)                          |
| Fund Balances at Beginning of Year   | 167,114    | 167,114    | 167,114    | -                                 |
| Prior Year Encumbrances Appropriated   | 39,818     | 39,818     | 39,818     | -                                 |
|  | <hr/>      | <hr/>      | <hr/>      | <hr/>                             |
| Fund Balances at End of Year   | \$ 223,157 | \$ 223,157 | \$ 193,194 | \$ (29,963)                       |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**GOLF COURSE FUND**

|  | Budget            |                   | Actual           | Variance               |
|--|-------------------|-------------------|------------------|------------------------|
|  | Initial           | Final             |                  | Positive<br>(Negative) |
| <u>Revenues:</u>   |                   |                   |                  |                        |
| Intergovernmental  | \$ 1,013,100      | \$ 1,013,100      | \$ 902,363       | \$ (110,737)           |
| Licenses and Permits   | 15,000            | 15,000            | 1,905            | (13,095)               |
| Fines and Forfeitures  | 4,000             | 4,000             | 6,134            | 2,134                  |
| <br>   |                   |                   |                  |                        |
| Total Revenue  | <u>1,032,100</u>  | <u>1,032,100</u>  | <u>910,402</u>   | <u>(121,698)</u>       |
| <u>Expenditures:</u>   |                   |                   |                  |                        |
| Current:   |                   |                   |                  |                        |
| Leisure Time Activities  |                   |                   |                  |                        |
| Parks and Recreation - Administration  |                   |                   |                  |                        |
| Personal Services  | 470,966           | 470,966           | 449,992          | 20,974                 |
| Other  | 442,613           | 442,614           | 443,752          | (1,138)                |
| Debt Service:  |                   |                   |                  |                        |
| Principal  | 140,000           | 140,000           | 140,000          | -                      |
| Interest and Fiscal Charges  | 76,105            | 76,105            | 76,105           | -                      |
| <br>   |                   |                   |                  |                        |
| Total Expenditures   | <u>1,129,684</u>  | <u>1,129,685</u>  | <u>1,109,849</u> | <u>19,836</u>          |
| <br>   |                   |                   |                  |                        |
| Excess of Revenues<br>(Under) Expenditures                                     | (97,584)          | (97,585)          | (199,447)        | (101,862)              |
| <u>Other Financing Sources:</u>  |                   |                   |                  |                        |
| Transfers - In   | 96,105            | 96,105            | 96,105           | -                      |
| <br>   |                   |                   |                  |                        |
| Total Other Financing Sources  | <u>96,105</u>     | <u>96,105</u>     | <u>96,105</u>    | <u>-</u>               |
| <br>   |                   |                   |                  |                        |
| Excess of Revenues and Other<br>Financing Sources Over<br>(Under) Expenditures | (1,479)           | (1,480)           | (103,342)        | (101,862)              |
| <br>   |                   |                   |                  |                        |
| Fund Balances at Beginning of Year   | 148,574           | 148,574           | 148,574          | -                      |
| Prior Year Encumbrances Appropriated   | 2,623             | 2,623             | 2,623            | -                      |
| <br>   |                   |                   |                  |                        |
| Fund Balances at End of Year   | <u>\$ 149,718</u> | <u>\$ 149,717</u> | <u>\$ 47,855</u> | <u>\$ (101,862)</u>    |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**CENTRAL PARK SPORTS ARENA FUND**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>                                |                   |                   |                   |                                    |
| Intergovernmental                               | \$ 67,630         | \$ 67,630         | \$ 50,757         | \$ (16,873)                        |
| Fines and Forfeitures                           | -                 | -                 | 396               | 396                                |
| Total Revenue                                   | <u>67,630</u>     | <u>67,630</u>     | <u>51,153</u>     | <u>(16,477)</u>                    |
| <u>Expenditures:</u>                            |                   |                   |                   |                                    |
| Current:  |                   |                   |                   |                                    |
| Leisure Time Activities                         |                   |                   |                   |                                    |
| Parks and Recreation - Administration           |                   |                   |                   |                                    |
| Other   | <u>47,565</u>     | <u>47,565</u>     | <u>51,222</u>     | <u>(3,657)</u>                     |
| Total Expenditures                              | <u>47,565</u>     | <u>47,565</u>     | <u>51,222</u>     | <u>(3,657)</u>                     |
| Excess of Revenues<br>Over (Under) Expenditures | 20,065            | 20,065            | (69)              | (20,134)                           |
| Fund Balances at Beginning of Year              | 124,979           | 124,979           | 124,979           | -                                  |
| Prior Year Encumbrances Appropriated            | <u>140</u>        | <u>140</u>        | <u>140</u>        | -                                  |
| Fund Balances at End of Year                    | <u>\$ 145,184</u> | <u>\$ 145,184</u> | <u>\$ 125,050</u> | <u>\$ (20,134)</u>                 |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

|  | Budget              |                     | Actual           | Variance<br>Positive<br>(Negative) |
|--|---------------------|---------------------|------------------|------------------------------------|
|  | Initial             | Final               |                  |                                    |
| <u>Revenues:</u>   |                     |                     |                  |                                    |
| Intergovernmental  | \$ 3,163,159        | \$ 4,353,242        | \$ 1,843,335     | \$ (2,509,907)                     |
| Investment Earnings  | -                   | -                   | 10,351           | 10,351                             |
| Other All Revenue  | -                   | 242,606             | 245,104          | 2,498                              |
| <b>Total Revenue</b>   | <b>3,163,159</b>    | <b>4,595,848</b>    | <b>2,098,790</b> | <b>(2,497,058)</b>                 |
| <u>Expenditures:</u>   |                     |                     |                  |                                    |
| Current:   |                     |                     |                  |                                    |
| Community Environment  |                     |                     |                  |                                    |
| Construction Services  |                     |                     |                  |                                    |
| Personal Services  | 585,295             | 920,699             | 561,354          | 359,345                            |
| Other  | 3,572,331           | 4,666,589           | 2,450,034        | 2,216,555                          |
| Capital Outlay   | 9,500               | 12,500              | 35               | 12,465                             |
| <b>Total Expenditures</b>  | <b>4,167,126</b>    | <b>5,599,788</b>    | <b>3,011,423</b> | <b>2,588,365</b>                   |
| Excess of Revenues<br>(Under) Expenditures                           | (1,003,967)         | (1,003,940)         | (912,633)        | 91,307                             |
| <u>Other Financing Source:</u>                                       |                     |                     |                  |                                    |
| Transfers - In   | -                   | -                   | 12,000           | 12,000                             |
| <b>Total Other Financing Source</b>                                  | <b>-</b>            | <b>-</b>            | <b>12,000</b>    | <b>12,000</b>                      |
| Excess of Revenues and Other<br>Financing Sources Under Expenditures | (1,003,967)         | (1,003,940)         | (900,633)        | 103,307                            |
| Fund Balances (Deficit) at Beginning of Year                         | (102,364)           | (102,364)           | (102,364)        | -                                  |
| Prior Year Encumbrances  | 1,003,973           | 1,003,973           | 1,003,973        | -                                  |
| <b>Fund Balances (Deficit) at End of Year</b>                        | <b>\$ (102,358)</b> | <b>\$ (102,331)</b> | <b>\$ 976</b>    | <b>\$ 103,307</b>                  |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**HOME PROGRAM FUND**

|   | Budget              |                  | Actual            | Variance<br>Positive<br>(Negative) |
|---|---------------------|------------------|-------------------|------------------------------------|
|   | Initial             | Final            |                   |                                    |
| <u>Revenues:</u>  |                     |                  |                   |                                    |
| Intergovernmental   | \$ 1,372,889        | \$ 1,800,984     | \$ 734,943        | \$ (1,066,041)                     |
| Other All Revenue   | -                   | 205,059          | 205,900           | 841                                |
| Total Revenue   | <u>1,372,889</u>    | <u>2,006,043</u> | <u>940,843</u>    | <u>(1,065,200)</u>                 |
| <u>Expenditures:</u>  |                     |                  |                   |                                    |
| Current:  |                     |                  |                   |                                    |
| Community Environment   |                     |                  |                   |                                    |
| Construction Services   |                     |                  |                   |                                    |
| Other   | 2,211,500           | 2,654,237        | 1,137,865         | 1,516,372                          |
| Total Expenditures  | <u>2,211,500</u>    | <u>2,654,237</u> | <u>1,137,865</u>  | <u>1,516,372</u>                   |
| Excess of Revenues<br>(Under) Expenditures                        | (838,611)           | (648,194)        | (197,022)         | 451,172                            |
| <u>Other Financing Uses:</u>                                      |                     |                  |                   |                                    |
| Transfers - Out   | -                   | -                | (12,000)          | (12,000)                           |
| Total Other Financing Uses  | <u>-</u>            | <u>-</u>         | <u>(12,000)</u>   | <u>(12,000)</u>                    |
| Excess of Revenues Under<br>Expenditures and Other Financing Uses | (838,611)           | (648,194)        | (209,022)         | 439,172                            |
| Fund Balances at Beginning of Year                                | 32,624              | 32,624           | 32,624            | -                                  |
| Prior Year Encumbrances   | 659,780             | 659,780          | 659,780           | -                                  |
| Fund Balances (Deficit) at End of Year                            | <u>\$ (146,207)</u> | <u>\$ 44,210</u> | <u>\$ 483,382</u> | <u>\$ 439,172</u>                  |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**ALL SPECIAL REVENUE FUNDS**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <b>Revenues:</b>                              |                   |                   |                   |                                    |
| Property and Other Local Taxes                | \$ 1,500,000      | \$ 1,526,008      | \$ 1,526,006      | \$ (2)                             |
| Income Taxes                                  | 2,664,200         | 2,850,200         | 2,813,122         | (37,078)                           |
| Intergovernmental                             | 9,175,452         | 11,709,752        | 8,248,100         | (3,461,652)                        |
| Charges for Services                          | 7,501,228         | 6,738,810         | 6,461,435         | (277,375)                          |
| Licenses and Permits                          | 392,500           | 392,500           | 360,806           | (31,694)                           |
| Investment Earnings                           | 67,100            | 91,814            | 66,019            | (25,795)                           |
| Fines and Forfeitures                         | 280,000           | 271,915           | 282,868           | 10,953                             |
| Other All Revenue                             | 32,200            | 628,680           | 835,067           | 206,387                            |
| <b>Total Revenue</b>                          | <b>21,612,680</b> | <b>24,209,679</b> | <b>20,593,423</b> | <b>(3,616,256)</b>                 |
| <b>Expenditures:</b>                          |                   |                   |                   |                                    |
| <b>Current:</b>                               |                   |                   |                   |                                    |
| <b>Security of Persons and Property:</b>      |                   |                   |                   |                                    |
| <b>Police</b>                                 |                   |                   |                   |                                    |
| Personal Services                             | 189,336           | 191,535           | 189,622           | 1,913                              |
| Other   | 4,909,233         | 4,996,242         | 4,963,563         | 32,679                             |
| Capital Outlay                                | 78,064            | 315,781           | 292,867           | 22,914                             |
| <b>Total Police</b>                           | <b>5,176,633</b>  | <b>5,503,558</b>  | <b>5,446,052</b>  | <b>57,506</b>                      |
| <b>Fire</b>                                   |                   |                   |                   |                                    |
| Other   | 1,000,000         | 1,000,000         | 1,000,000         | -                                  |
| Capital Outlay                                | 3,790             | 3,790             | 3,770             | 20                                 |
| <b>Total Fire</b>                             | <b>1,003,790</b>  | <b>1,003,790</b>  | <b>1,003,770</b>  | <b>20</b>                          |
| <b>Total Security of Persons and Property</b> | <b>6,180,423</b>  | <b>6,507,348</b>  | <b>6,449,822</b>  | <b>57,526</b>                      |
| <b>Public Health and Welfare Services:</b>    |                   |                   |                   |                                    |
| <b>Health</b>                                 |                   |                   |                   |                                    |
| Personal Services                             | 12,564            | 311,883           | 209,135           | 102,748                            |
| Other   | 151,893           | 558,292           | 543,719           | 14,573                             |
| <b>Total Public Health and Welfare</b>        | <b>164,457</b>    | <b>870,175</b>    | <b>752,854</b>    | <b>117,321</b>                     |
| <b>Leisure Time Activities</b>                |                   |                   |                   |                                    |
| <b>Parks and Recreation - Administration</b>  |                   |                   |                   |                                    |
| Personal Services                             | 470,966           | 470,966           | 449,992           | 20,974                             |
| Other   | 490,178           | 490,179           | 494,974           | (4,795)                            |
| <b>Total Leisure Time Activities</b>          | <b>961,144</b>    | <b>961,145</b>    | <b>944,966</b>    | <b>16,179</b>                      |
| <b>Community Environment</b>                  |                   |                   |                   |                                    |
| <b>Construction Services</b>                  |                   |                   |                   |                                    |
| Personal Services                             | 585,295           | 920,699           | 561,354           | 359,345                            |
| Other   | 7,492,046         | 9,092,377         | 5,317,662         | 3,774,715                          |
| Capital Outlay                                | 1,150,608         | 1,889,686         | 1,877,223         | 12,463                             |
| <b>Total Construction Services</b>            | <b>9,227,949</b>  | <b>11,902,762</b> | <b>7,756,239</b>  | <b>4,146,523</b>                   |
| <b>Department of Human Relations</b>          |                   |                   |                   |                                    |
| Other   | 513,687           | 513,687           | 504,500           | 9,187                              |
| Capital Outlay                                | -                 | -                 | 48                | (48)                               |
| <b>Total Department of Human Relations</b>    | <b>513,687</b>    | <b>513,687</b>    | <b>504,548</b>    | <b>9,139</b>                       |
| <b>Total Community Environment</b>            | <b>9,741,636</b>  | <b>12,416,449</b> | <b>8,260,787</b>  | <b>4,155,662</b>                   |

(continued)

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**  
*(continued)*

**ALL SPECIAL REVENUE FUNDS**

|  | Budget              |                     | Actual              | Variance<br>Postive<br>(Negative) |
|--|---------------------|---------------------|---------------------|-----------------------------------|
|  | Initial             | Final               |                     |                                   |
| Basic Utility Services                 |                     |                     |                     |                                   |
| Public Works - Administration          |                     |                     |                     |                                   |
| Other                                  | \$ 115,287          | \$ 115,287          | \$ 109,197          | \$ 6,090                          |
| Capital Outlay                         | 2,408,430           | 2,408,430           | 2,243,139           | 165,291                           |
| Total Public Works - Administration    | <u>2,523,717</u>    | <u>2,523,717</u>    | <u>2,352,336</u>    | <u>171,381</u>                    |
| Maintenance of Storm Sewers            |                     |                     |                     |                                   |
| Other                                  | 1,000,000           | 199,643             | 26,677              | 172,966                           |
| Capital Outlay                         | -                   | 301,510             | 51,510              | 250,000                           |
| Total Maintenance of Storm Sewers      | <u>1,000,000</u>    | <u>501,153</u>      | <u>78,187</u>       | <u>422,966</u>                    |
| Total Basic Utility Services           | <u>3,523,717</u>    | <u>3,024,870</u>    | <u>2,430,523</u>    | <u>594,347</u>                    |
| Transportation                         |                     |                     |                     |                                   |
| Traffic Engineering                    |                     |                     |                     |                                   |
| Personal Services                      | 2,075,517           | 2,075,517           | 1,846,804           | 228,713                           |
| Other                                  | 1,393,227           | 1,513,081           | 1,065,720           | 447,361                           |
| Capital Outlay                         | 582,779             | 916,848             | 1,035,605           | (118,757)                         |
| Total Transportation                   | <u>4,051,523</u>    | <u>4,505,446</u>    | <u>3,948,129</u>    | <u>557,317</u>                    |
| General Government                     |                     |                     |                     |                                   |
| City Council                           |                     |                     |                     |                                   |
| Personal Services                      | 3,000               | 3,000               | -                   | 3,000                             |
| Total City Council                     | <u>3,000</u>        | <u>3,000</u>        | <u>-</u>            | <u>3,000</u>                      |
| Total General Government               | <u>3,000</u>        | <u>3,000</u>        | <u>-</u>            | <u>3,000</u>                      |
| Other Expenditures                     |                     |                     |                     |                                   |
| Special Appropriations - General       |                     |                     |                     |                                   |
| Other                                  | 622,006             | 622,005             | 623,471             | (1,466)                           |
| Total Special Appropriations - General | <u>622,006</u>      | <u>622,005</u>      | <u>623,471</u>      | <u>(1,466)</u>                    |
| Total Other Expenditures               | <u>622,006</u>      | <u>622,005</u>      | <u>623,471</u>      | <u>(1,466)</u>                    |
| Debt Service:                          |                     |                     |                     |                                   |
| Principal                              | 192,013             | 192,013             | 192,013             | -                                 |
| Interest and Fiscal Charges            | 76,105              | 76,105              | 76,105              | -                                 |
| Total Debt Service                     | <u>268,118</u>      | <u>268,118</u>      | <u>268,118</u>      | <u>-</u>                          |
| Total Expenditures                     | <u>25,516,024</u>   | <u>29,178,556</u>   | <u>23,678,670</u>   | <u>5,499,886</u>                  |
| Deficiency of Revenues                 |                     |                     |                     |                                   |
| Under Expenditures                     | (3,903,344)         | (4,968,877)         | (3,085,247)         | 1,883,630                         |
| Other Financing Sources (Uses):        |                     |                     |                     |                                   |
| Face Value from Sale of Notes          | -                   | 300,000             | 300,000             | -                                 |
| Transfers - In                         | 446,154             | 582,759             | 567,759             | (15,000)                          |
| Transfers - Out                        | (1,911,601)         | (2,250,324)         | (2,273,462)         | (23,138)                          |
| Total Other Financing Source (Uses)    | <u>(1,465,447)</u>  | <u>(1,367,565)</u>  | <u>(1,405,703)</u>  | <u>(38,138)</u>                   |
| Excess of Revenues and Other           |                     |                     |                     |                                   |
| Financing Sources Under                |                     |                     |                     |                                   |
| Expenditures and Other Financing Uses  | (5,368,791)         | (6,336,442)         | (4,490,950)         | 1,845,492                         |
| Fund Balances at Beginning of Year     | 4,721,196           | 4,721,196           | 4,721,196           | -                                 |
| Prior Year Encumbrances                | <u>4,995,056</u>    | <u>4,995,056</u>    | <u>4,995,056</u>    | <u>-</u>                          |
| Fund Balances at End of Year           | <u>\$ 4,347,461</u> | <u>\$ 3,379,810</u> | <u>\$ 5,225,302</u> | <u>\$ 1,845,492</u>               |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**NONMAJOR DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>  |                   |                   |                   |                                    |
| Investment Earnings   | \$ 10,000         | \$ 12,567         | \$ 14,471         | \$ 1,904                           |
| Special Assessment  | 538,336           | 440,827           | 440,827           | -                                  |
| Other All Revenue   | -                 | 9,933             | 9,933             | -                                  |
| Total Revenues  | <u>548,336</u>    | <u>463,327</u>    | <u>465,231</u>    | <u>1,904</u>                       |
| <u>Expenditures:</u>  |                   |                   |                   |                                    |
| Debt Service:   |                   |                   |                   |                                    |
| Principal Retirement  | 4,333,770         | 7,633,770         | 7,633,770         | -                                  |
| Interest and Fiscal Charges   | 1,697,976         | 1,749,087         | 1,731,604         | 17,483                             |
| Total Expenditures  | <u>6,031,746</u>  | <u>9,382,857</u>  | <u>9,365,374</u>  | <u>17,483</u>                      |
| Deficiency of Revenues<br>Under Expenditures                        | (5,483,410)       | (8,919,530)       | (8,900,143)       | 19,387                             |
| <u>Other Financing Sources:</u>                                     |                   |                   |                   |                                    |
| Face Value From Sale of Notes                                       | 2,480,000         | 5,540,000         | 5,540,000         | -                                  |
| Transfers - In  | 3,168,410         | 3,590,780         | 3,590,781         | 1                                  |
| Total Other Financing Sources                                       | <u>5,648,410</u>  | <u>9,130,780</u>  | <u>9,130,781</u>  | <u>1</u>                           |
| Excess of Revenues and Other<br>Financing Sources Over Expenditures | 165,000           | 211,250           | 230,638           | 19,388                             |
| Fund Balances at Beginning of Year                                  | 321,721           | 321,721           | 321,721           | -                                  |
| Fund Balances at End of Year  | <u>\$ 486,721</u> | <u>\$ 532,971</u> | <u>\$ 552,359</u> | <u>\$ 19,388</u>                   |

**THE CITY OF HAMILTON, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
DECEMBER 31, 2004**

|  | Hamilton<br>Capital<br>Improvement | Capital<br>Projects | Special<br>Assessment | MITIE             |
|--|------------------------------------|---------------------|-----------------------|-------------------|
| <u>Assets:</u>   |                                    |                     |                       |                   |
| Cash and Cash Equivalents                                | \$ 2,035,120                       | \$ 601,295          | \$ 414,752            | \$ 361,262        |
| Receivables (net of allowances<br>for doubtful accounts) |                                    |                     |                       |                   |
| Taxes-Real & Personal Property                           | -                                  | -                   | -                     | 296,246           |
| Taxes-Municipal Income                                   | 457,207                            | -                   | -                     | -                 |
| <b>Total Assets</b>                                      | <b>2,492,327</b>                   | <b>601,295</b>      | <b>414,752</b>        | <b>657,508</b>    |
| <br><u>Liabilities and Fund Equity:</u>                  |                                    |                     |                       |                   |
| Liabilities:   |                                    |                     |                       |                   |
| Accounts Payable   | 220,680                            | -                   | 509                   | -                 |
| Accrued Liabilities                                      | 45,900                             | -                   | -                     | -                 |
| Interfund Payable  | -                                  | -                   | -                     | -                 |
| Accrued Interest Payable                                 | 1,275                              | 3,209               | -                     | -                 |
| Deferred Revenue   | 230,395                            | -                   | -                     | 296,246           |
| General Obligation Notes Payable                         | 300,000                            | 560,000             | -                     | -                 |
| <b>Total Liabilities</b>                                 | <b>798,250</b>                     | <b>563,209</b>      | <b>509</b>            | <b>296,246</b>    |
| <br>Fund Equity:   |                                    |                     |                       |                   |
| Fund Balance:  |                                    |                     |                       |                   |
| Reserved for Encumbrances                                | 280,793                            | 55,458              | 336,080               | -                 |
| Unreserved:  |                                    |                     |                       |                   |
| Undesignated (Deficit)                                   | 1,413,284                          | (17,372)            | 78,163                | 361,262           |
| <b>Total Fund Equity (Deficit)</b>                       | <b>1,694,077</b>                   | <b>38,086</b>       | <b>414,243</b>        | <b>361,262</b>    |
| <b>Total Liabilities and Fund Equity</b>                 | <b>\$ 2,492,327</b>                | <b>\$ 601,295</b>   | <b>\$ 414,752</b>     | <b>\$ 657,508</b> |

**THE CITY OF HAMILTON, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
DECEMBER 31, 2004**

| Hamilton<br>Enterprise<br>Park | Central<br>Business<br>District<br>Streetscape<br>Improvements | Issue II<br>Projects | Clean<br>Ohio Grants<br>Program | Infrastructure<br>Program | Totals              |
|--------------------------------|--|----------------------|---------------------------------|---------------------------|---------------------|
| \$ 32,259                      | \$ 214,686   | \$ 332,190           | \$ 139,742                      | \$ 1,447,256              | \$ 5,578,562        |
| -                              | -  | -                    | -                               | -                         | 296,246             |
| -                              | -  | -                    | -                               | -                         | 457,207             |
| <u>32,259</u>                  | <u>214,686</u>   | <u>332,190</u>       | <u>139,742</u>                  | <u>1,447,256</u>          | <u>6,332,015</u>    |
| 4,246                          | -  | -                    | -                               | 61,733                    | 287,168             |
| -                              | -  | -                    | -                               | -                         | 45,900              |
| -                              | -  | 379,404              | -                               | -                         | 379,404             |
| 22,472                         | -  | -                    | -                               | -                         | 26,956              |
| -                              | -  | -                    | -                               | -                         | 526,641             |
| 2,130,000                      | -  | -                    | -                               | -                         | 2,990,000           |
| <u>2,156,718</u>               | <u>-</u>   | <u>379,404</u>       | <u>-</u>                        | <u>61,733</u>             | <u>4,256,069</u>    |
| 27,783                         | -  | -                    | 85,269                          | 1,225,575                 | 2,010,958           |
| (2,152,242)                    | 214,686  | (47,214)             | 54,473                          | 159,948                   | 64,988              |
| <u>(2,124,459)</u>             | <u>214,686</u>   | <u>(47,214)</u>      | <u>139,742</u>                  | <u>1,385,523</u>          | <u>2,075,946</u>    |
| <u>\$ 32,259</u>               | <u>\$ 214,686</u>  | <u>\$ 332,190</u>    | <u>\$ 139,742</u>               | <u>\$ 1,447,256</u>       | <u>\$ 6,332,015</u> |

**THE CITY OF HAMILTON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | Hamilton<br>Capital<br>Improvement | Capital<br>Projects | Special<br>Assessment | MITIE             |
|---|------------------------------------|---------------------|-----------------------|-------------------|
| <u>Revenues:</u>  |                                    |                     |                       |                   |
| Municipal Income Tax  | \$ 2,157,679                       | \$ -                | \$ -                  | \$ -              |
| Property and Other Taxes  | -                                  | -                   | -                     | 191,603           |
| Intergovernmental   | -                                  | 6,171               | -                     | -                 |
| Investment Income   | (1,150)                            | (995)               | (58)                  | (367)             |
| Special Assessments   | -                                  | -                   | 83,508                | -                 |
| Other   | 175,497                            | 437,709             | -                     | -                 |
|   | <hr/>                              | <hr/>               | <hr/>                 | <hr/>             |
| Total Revenue   | 2,332,026                          | 442,885             | 83,450                | 191,236           |
| <u>Expenditures:</u>  |                                    |                     |                       |                   |
| Capital Outlay  | 725,323                            | 587,218             | 5,981                 | -                 |
| Debt Service:   | -                                  | -                   | -                     | -                 |
| Interest and Fiscal Charges   | 1,275                              | 4,209               | -                     | -                 |
|   | <hr/>                              | <hr/>               | <hr/>                 | <hr/>             |
| Total Expenditures  | 726,598                            | 591,427             | 5,981                 | -                 |
| Excess of Revenues Over<br>(Under) Expenditures   | 1,605,428                          | (148,542)           | 77,469                | 191,236           |
| <u>Other Financing Sources (Uses):</u>  |                                    |                     |                       |                   |
| Sale of Capital Assets  | 61,681                             | -                   | -                     | -                 |
| Transfers - In  | 78,000                             | 52,403              | -                     | -                 |
| Transfers - Out   | (1,629,027)                        | -                   | -                     | (52,403)          |
|   | <hr/>                              | <hr/>               | <hr/>                 | <hr/>             |
| Total Other Sources (Uses)  | (1,489,346)                        | 52,403              | -                     | (52,403)          |
| Excess of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Uses | 116,082                            | (96,139)            | 77,469                | 138,833           |
| Fund Balances (Deficit) at Beginning of Year  | 1,577,995                          | 134,225             | 336,774               | 222,429           |
| Fund Balance (Deficit) at End of the Year   | <u>\$ 1,694,077</u>                | <u>\$ 38,086</u>    | <u>\$ 414,243</u>     | <u>\$ 361,262</u> |

**THE CITY OF HAMILTON! OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

| Hamilton<br>Enterprise<br>Park | Central<br>Business<br>District<br>Streetscape<br>Improvements | Issue II<br>Projects | Clean<br>Ohio Grants<br>Program | Infrastructure<br>Program | Totals              |
|--------------------------------|--|----------------------|---------------------------------|---------------------------|---------------------|
| \$ -                           | \$ -   | \$ -                 | \$ -                            | \$ -                      | \$ 2,157,679        |
| -                              | -  | -                    | -                               | -                         | 191,603             |
| 13,000                         | 30,000   | 464,878              | 1,626,372                       | -                         | 2,140,421           |
| (122)                          | 16   | 232                  | 101                             | 29,019                    | 26,676              |
| -                              | -  | -                    | -                               | -                         | 83,508              |
| -                              | -  | -                    | 555,000                         | -                         | 1,168,206           |
| <u>12,878</u>                  | <u>30,016</u>  | <u>465,110</u>       | <u>2,181,473</u>                | <u>29,019</u>             | <u>5,768,093</u>    |
| 231,780                        | -  | 464,878              | 2,126,372                       | 1,616,309                 | 5,757,861           |
| -                              | -  | -                    | -                               | -                         | -                   |
| <u>34,667</u>                  | <u>-</u>   | <u>-</u>             | <u>-</u>                        | <u>-</u>                  | <u>40,151</u>       |
| <u>266,447</u>                 | <u>-</u>   | <u>464,878</u>       | <u>2,126,372</u>                | <u>1,616,309</u>          | <u>5,798,012</u>    |
| (253,569)                      | 30,016   | 232                  | 55,101                          | (1,587,290)               | (29,919)            |
| 270,935                        | -  | -                    | -                               | 12,500                    | 345,116             |
| 450,771                        | 23,235   | -                    | -                               | -                         | 604,409             |
| <u>(120,918)</u>               | <u>(23,235)</u>  | <u>-</u>             | <u>-</u>                        | <u>-</u>                  | <u>(1,825,583)</u>  |
| <u>600,788</u>                 | <u>-</u>   | <u>-</u>             | <u>-</u>                        | <u>12,500</u>             | <u>(876,058)</u>    |
| 347,219                        | 30,016   | 232                  | 55,101                          | (1,574,790)               | (905,977)           |
| <u>(2,471,678)</u>             | <u>184,670</u>   | <u>(47,446)</u>      | <u>84,641</u>                   | <u>2,960,313</u>          | <u>2,981,923</u>    |
| <u>\$ (2,124,459)</u>          | <u>\$ 214,686</u>  | <u>\$ (47,214)</u>   | <u>\$ 139,742</u>               | <u>\$ 1,385,523</u>       | <u>\$ 2,075,946</u> |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**HAMILTON CAPITAL IMPROVEMENT FUND**

|   | Budget              |                     | Actual              | Variance<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|------------------------------------|
|   | Initial             | Final               |                     |                                    |
| <u>Revenues:</u>  |                     |                     |                     |                                    |
| Income Taxes  | \$ 2,050,000        | \$ 2,050,000        | \$ 2,141,438        | \$ 91,438                          |
| Other All Revenue   | -                   | 175,497             | 175,497             | -                                  |
| <b>Total Revenue</b>  | <b>2,050,000</b>    | <b>2,225,497</b>    | <b>2,316,935</b>    | <b>91,438</b>                      |
| <u>Expenditures:</u>  |                     |                     |                     |                                    |
| Capital Outlay  | 949,940             | 1,088,608           | 1,051,496           | 37,112                             |
| <b>Total Expenditures</b>   | <b>949,940</b>      | <b>1,088,608</b>    | <b>1,051,496</b>    | <b>37,112</b>                      |
| Excess of Revenue<br>Over Expenditures  | 1,100,060           | 1,136,889           | 1,265,439           | 54,326                             |
| <u>Other Financing Sources (Uses):</u>  |                     |                     |                     |                                    |
| Face Value from Sale of Notes   | 300,000             | 300,000             | 300,000             | -                                  |
| Sale of Capital Assets  | 270,000             | 61,700              | 61,681              | (19)                               |
| Transfers - In  | -                   | 78,000              | 78,000              | -                                  |
| Transfers - Out   | (1,584,129)         | (1,690,682)         | (1,629,027)         | 61,655                             |
| <b>Total Other Financing Sources (Uses)</b>   | <b>(1,014,129)</b>  | <b>(1,250,982)</b>  | <b>(1,189,346)</b>  | <b>61,636</b>                      |
| Excess of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | 85,931              | (114,093)           | 76,093              | 190,186                            |
| Fund Balances at Beginning of Year  | 1,251,159           | 1,251,159           | 1,251,159           | -                                  |
| Prior Year Encumbrances   | 214,069             | 214,069             | 214,069             | -                                  |
| <b>Fund Balances at End of Year</b>   | <b>\$ 1,551,159</b> | <b>\$ 1,351,135</b> | <b>\$ 1,541,321</b> | <b>\$ 190,186</b>                  |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**CAPITAL PROJECTS FUND**

|  | Budget            |                  | Actual            | Variance<br>Positive<br>(Negative) |
|--|-------------------|------------------|-------------------|------------------------------------|
|  | Initial           | Final            |                   |                                    |
| <u>Revenues:</u>   |                   |                  |                   |                                    |
| Intergovernmental  | \$ -              | \$ 21,677        | \$ 21,677         | \$ -                               |
| Other All Revenue  | -                 | 437,709          | 437,709           | -                                  |
| <b>Total Revenue</b>   | <b>-</b>          | <b>459,386</b>   | <b>459,386</b>    | <b>-</b>                           |
| <u>Expenditures:</u>   |                   |                  |                   |                                    |
| Capital Outlay   | 3,826             | 1,105,779        | 646,951           | 458,828                            |
| <b>Total Expenditures</b>  | <b>3,826</b>      | <b>1,105,779</b> | <b>646,951</b>    | <b>458,828</b>                     |
| Excess of Revenues Under Expenditures                                    | (3,826)           | (646,393)        | (187,565)         | 458,828                            |
| <u>Other Financing Sources</u>   |                   |                  |                   |                                    |
| Face Value from Sale of Notes  | 450,000           | 450,000          | 450,000           | -                                  |
| <b>Total Other Financing Sources</b>                                     | <b>450,000</b>    | <b>450,000</b>   | <b>450,000</b>    | <b>-</b>                           |
| Excess of Revenues and Other Financing Sources Over (Under) Expenditures | 446,174           | (196,393)        | 262,435           | 458,828                            |
| Fund Balances at Beginning of Year                                       | 281,842           | 281,842          | 281,842           | -                                  |
| Prior Year Encumbrances  | 3,826             | 3,826            | 3,826             | -                                  |
| <b>Fund Balances at End of Year</b>                                      | <b>\$ 731,842</b> | <b>\$ 89,275</b> | <b>\$ 548,103</b> | <b>\$ 458,828</b>                  |

**THE CITY OF HAMILTON! OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**SPECIAL ASSESSMENT FUND**

|  | Budget            |                   | Actual           | Variance<br>Positive<br>(Negative) |
|--|-------------------|-------------------|------------------|------------------------------------|
|  | Initial           | Final             |                  |                                    |
| <u>Revenues:</u>   |                   |                   |                  |                                    |
| Special Assessments  | \$ 150,000        | \$ 64,704         | \$ 83,508        | \$ 18,804                          |
| Total Revenue  | 150,000           | 64,704            | 83,508           | 18,804                             |
| <u>Expenditures:</u>   |                   |                   |                  |                                    |
| Capital Outlay   | 221,289           | 221,289           | 342,061          | (120,772)                          |
| Total Expenditures   | 221,289           | 221,289           | 342,061          | (120,772)                          |
| Excess of Revenues Over<br>Expenditures  | (71,289)          | (156,585)         | (258,553)        | (101,968)                          |
| <u>Other Financing Sources (Uses):</u>   |                   |                   |                  |                                    |
| Proceeds of Bonds  | 400,000           | -                 | -                | -                                  |
| Transfers - Out  | (350,000)         | -                 | -                | -                                  |
| Total Other Financing Sources (Uses)   | 50,000            | -                 | -                | -                                  |
| Excess of Revenues and Other<br>Financing Sources (Under)<br>Expenditures and Other Financing Uses | (21,289)          | (156,585)         | (258,553)        | (101,968)                          |
| Fund Balances at Beginning of Year   | 316,991           | 316,991           | 316,991          | -                                  |
| Prior Year Encumbrances  | 21,289            | 21,289            | 21,289           | -                                  |
| Fund Balances at End of Year   | <u>\$ 316,991</u> | <u>\$ 181,695</u> | <u>\$ 79,727</u> | <u>\$ (101,968)</u>                |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**MITIE FUND**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>                        |                   |                   |                   |                                    |
| Property and Other Local Taxes          | \$ 160,000        | \$ 160,000        | \$ 191,603        | \$ 31,603                          |
| Total Revenue                           | 160,000           | 160,000           | 191,603           | 31,603                             |
| <u>Expenditures:</u>                    |                   |                   |                   |                                    |
| Capital Outlay                          | 52,403            | 52,403            | 52,403            | -                                  |
| Total Expenditures                      | 52,403            | 52,403            | 52,403            | -                                  |
| Excess of Revenues Over<br>Expenditures | 107,597           | 107,597           | 139,200           | 31,603                             |
| Fund Balances at Beginning of Year      | 223,424           | 223,424           | 223,424           | -                                  |
| Fund Balances at End of Year            | <u>\$ 331,021</u> | <u>\$ 331,021</u> | <u>\$ 362,624</u> | <u>\$ 31,603</u>                   |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**HAMILTON ENTERPRISE PARK FUND**

|   | Budget           |                   | Actual        | Variance<br>Postive<br>(Negative) |
|---|------------------|-------------------|---------------|-----------------------------------|
|   | Initial          | Final             |               |                                   |
| <u>Revenues:</u>  |                  |                   |               |                                   |
| Total Revenue   | \$ -             | \$ 12,999         | \$ 13,000     | \$ 1                              |
| <u>Expenditures:</u>  |                  |                   |               |                                   |
| Capital Outlay  | 782              | 223,407           | 259,563       | (36,156)                          |
| Total Expenditures  | 782              | 223,407           | 259,563       | (36,156)                          |
| Excess of Revenues Under<br>Expenditures  | (782)            | (210,408)         | (246,563)     | 36,157                            |
| <u>Other Financing Sources (Uses):</u>  |                  |                   |               |                                   |
| Sale of Capital Assets  | -                | 270,935           | 270,935       | -                                 |
| Transfers - In  | 325,218          | 547,843           | 450,771       | (97,072)                          |
| Transfers - Out   | (325,218)        | (560,218)         | (560,218)     | -                                 |
| Total Other Financing Sources (Uses)  | -                | 258,560           | 161,488       | (97,072)                          |
| Excess of Revenues and Other<br>Financing Sources Over (Under)<br>Expenditures and Other Financing Uses | (782)            | 48,152            | (85,075)      | (60,915)                          |
| Fund Balances at Beginning of Year  | 84,645           | 84,645            | 84,645        | -                                 |
| Prior Year Encumbrances   | 782              | 782               | 782           | -                                 |
| Fund Balances at End of Year  | <u>\$ 84,645</u> | <u>\$ 133,579</u> | <u>\$ 352</u> | <u>\$ (60,915)</u>                |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**CENTRAL BUSINESS DISTRICT STREETScape IMPROVEMENT FUND**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>  |                   |                   |                   |                                    |
| Intergovernmental   | \$ -              | \$ 30,000         | \$ 30,000         | \$ -                               |
| Total Revenue   | -                 | 30,000            | 30,000            | -                                  |
| <u>Expenditures:</u>  |                   |                   |                   |                                    |
| Total Expenditures  | -                 | -                 | -                 | -                                  |
| Excess of Revenues Over<br>Expenditures   | -                 | 30,000            | 30,000            | -                                  |
| <u>Other Financing Sources (Uses):</u>  |                   |                   |                   |                                    |
| Transfers - In  | 23,235            | 23,235            | 23,235            | -                                  |
| Transfers - Out   | (23,235)          | (23,235)          | (23,235)          | -                                  |
| Total Other Financing Sources (Uses)  | -                 | -                 | -                 | -                                  |
| Excess of Revenues and Other<br>Financing Sources Over<br>Expenditures and Other Financing Uses | -                 | 30,000            | 30,000            | -                                  |
| Fund Balances at Beginning of Year  | 185,496           | 185,496           | 185,496           | -                                  |
| Fund Balances at End of Year  | <u>\$ 185,496</u> | <u>\$ 215,496</u> | <u>\$ 215,496</u> | <u>\$ -</u>                        |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**ISSUE II PROJECT FUND**

|  | Budget           |                  | Actual            | Variance<br>Positive<br>(Negative) |
|--|------------------|------------------|-------------------|------------------------------------|
|  | Initial          | Final            |                   |                                    |
| <u>Revenues:</u>                           |                  |                  |                   |                                    |
| Intergovernmental                          | \$ 1,074,730     | \$ 1,074,730     | \$ 464,878        | \$ (609,852)                       |
| Total Revenue                              | 1,074,730        | 1,074,730        | 464,878           | (609,852)                          |
| <u>Expenditures:</u>                       |                  |                  |                   |                                    |
| Capital Outlay                             | 1,396,208        | 1,396,208        | 464,878           | 931,330                            |
| Total Expenditures                         | 1,396,208        | 1,396,208        | 464,878           | 931,330                            |
| Excess of Revenues<br>(Under) Expenditures | (321,478)        | (321,478)        | -                 | 1,541,182                          |
| Fund Balances at Beginning of Year         | 11,965           | 11,965           | 11,965            | -                                  |
| Prior Year Encumbrances                    | 321,478          | 321,478          | 321,478           | -                                  |
| Fund Balances at End of Year               | <u>\$ 11,965</u> | <u>\$ 11,965</u> | <u>\$ 333,443</u> | <u>\$ 321,478</u>                  |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**CLEAN OHIO GRANTS PROGRAM FUND**

|  | Budget           |                  | Actual           | Variance<br>Positive<br>(Negative) |
|--|------------------|------------------|------------------|------------------------------------|
|  | Initial          | Final            |                  |                                    |
| <u>Revenues:</u>                         |                  |                  |                  |                                    |
| Intergovernmental                        | \$ 1,672,690     | \$ 1,672,690     | \$ 1,626,372     | \$ (46,318)                        |
| Other All Revenue                        | 555,000          | 555,000          | 555,000          | -                                  |
| Total Revenue                            | <u>2,227,690</u> | <u>2,227,690</u> | <u>2,181,372</u> | <u>(46,318)</u>                    |
| <u>Expenditures:</u>                     |                  |                  |                  |                                    |
| Capital Outlay                           | <u>2,368,789</u> | <u>2,368,789</u> | <u>2,267,471</u> | <u>101,318</u>                     |
| Total Expenditures                       | <u>2,368,789</u> | <u>2,368,789</u> | <u>2,267,471</u> | <u>101,318</u>                     |
| Excess of Revenues<br>Under Expenditures | (141,099)        | (141,099)        | (86,099)         | (55,000)                           |
| Fund Balances at Beginning of Year       | -                | -                | -                | -                                  |
| Prior Year Encumbrances                  | <u>141,099</u>   | <u>141,099</u>   | <u>141,099</u>   | <u>-</u>                           |
| Fund Balances at End of Year             | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 55,000</u> | <u>\$ 55,000</u>                   |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**INFRASTRUCTURE RENEWAL FUND**

|  | Budget            |                  | Actual            | Variance<br>Positive<br>(Negative) |
|--|-------------------|------------------|-------------------|------------------------------------|
|  | Initial           | Final            |                   |                                    |
| <u>Revenues:</u>   |                   |                  |                   |                                    |
| Investment Earnings  | \$ -              | \$ 16,894        | \$ 29,019         | \$ 12,125                          |
| Total Revenue  | -                 | 16,894           | 29,019            | 12,125                             |
| <u>Expenditures:</u>   |                   |                  |                   |                                    |
| Capital Outlay   | 2,111,520         | 3,007,340        | 2,904,997         | 102,343                            |
| Total Expenditures   | 2,111,520         | 3,007,340        | 2,904,997         | 102,343                            |
| Excess of Revenues<br>(Under) Expenditures                           | (2,111,520)       | (2,990,446)      | (2,875,978)       | 90,218                             |
| <u>Other Financing Sources:</u>                                      |                   |                  |                   |                                    |
| Sale of Capital Assets   | -                 | -                | 12,500            | 12,500                             |
| Total Other Financing Sources  | -                 | -                | 12,500            | 12,500                             |
| Excess of Revenues and Other<br>Financing Sources Under Expenditures | (2,111,520)       | (2,990,446)      | (2,863,478)       | 126,968                            |
| Fund Balances at Beginning of Year                                   | 1,411,906         | 1,411,906        | 1,411,906         | -                                  |
| Prior Year Encumbrances  | 1,611,520         | 1,611,520        | 1,611,520         | -                                  |
| Fund Balances at End of Year   | <u>\$ 911,906</u> | <u>\$ 32,980</u> | <u>\$ 159,948</u> | <u>\$ 126,968</u>                  |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**ALL CAPITAL PROJECT FUNDS**

|  | Budget              |                     | Actual              | Variance<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|------------------------------------|
|  | Initial             | Final               |                     |                                    |
| <u>Revenues:</u>   |                     |                     |                     |                                    |
| Property and Other Local Taxes   | \$ 160,000          | \$ 160,000          | \$ 191,603          | \$ 31,603                          |
| Income Taxes   | 2,050,000           | 2,050,000           | 2,141,438           | 91,438                             |
| Intergovernmental  | 2,747,420           | 2,812,096           | 2,155,927           | (656,169)                          |
| Investment Earnings  | -                   | 16,894              | 29,019              | 12,125                             |
| Fines and Forfeitures  | 150,000             | 64,704              | 83,508              | 18,804                             |
| Other All Revenue  | 555,000             | 1,168,206           | 1,168,206           | -                                  |
| <b>Total Revenue</b>   | <b>5,662,420</b>    | <b>6,271,900</b>    | <b>5,769,701</b>    | <b>(502,199)</b>                   |
| <u>Expenditures:</u>   |                     |                     |                     |                                    |
| Capital Outlay   | 7,104,757           | 9,463,823           | 7,989,820           | 1,474,003                          |
| <b>Total Expenditures</b>  | <b>7,104,757</b>    | <b>9,463,823</b>    | <b>7,989,820</b>    | <b>1,474,003</b>                   |
| Excess of Revenues<br>(Under) Expenditures   | (1,442,337)         | (3,191,923)         | (2,220,119)         | 971,804                            |
| <u>Other Financing Sources (Uses):</u>   |                     |                     |                     |                                    |
| Face Value from Sale of Bonds  | 400,000             | -                   | -                   | -                                  |
| Face Value from Sale of Notes  | 300,000             | 750,000             | 750,000             | -                                  |
| Sale of Capital Assets   | 270,000             | 332,635             | 345,116             | 12,481                             |
| Transfers - In   | 348,453             | 649,078             | 552,006             | (97,072)                           |
| Transfers - Out  | (2,282,582)         | (2,274,135)         | (2,212,480)         | 61,655                             |
| <b>Total Other Financing Sources (Uses)</b>  | <b>(964,129)</b>    | <b>(542,422)</b>    | <b>(565,358)</b>    | <b>(22,936)</b>                    |
| Excess of Revenues and Other<br>Financing Sources (Under)<br>Expenditures and Other Financing Uses | (2,406,466)         | (3,734,345)         | (2,785,477)         | 948,868                            |
| Fund Balances at Beginning of Year   | 3,767,428           | 3,767,428           | 3,767,428           | -                                  |
| Prior Year Encumbrances  | 2,314,063           | 2,314,063           | 2,314,063           | -                                  |
| <b>Fund Balances at End of Year</b>  | <b>\$ 3,675,025</b> | <b>\$ 2,347,146</b> | <b>\$ 3,296,014</b> | <b>\$ 948,868</b>                  |

## **INTERNAL SERVICE FUND**

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The Internal Service Funds account for the financing for the services provided by one department of agency to other departments or agencies of the City on a cost reimbursement basis.

### **Fleet Maintenance Fund**

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

### **Central Services Fund**

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

### **Central Benefits Fund**

To account for total costs associated with Health Care benefits, Pension, Worker's Compensation, etc., and the revenues associated with cost-reimbursement of these services by departments and agencies receiving these services within the same government.

**THE CITY OF HAMILTON! OHIO**  
**COMBINING STATEMENT OF NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2004**

| <u>Assets:</u>                        | <u>Fleet<br/>Maintenance</u> | <u>Central<br/>Services</u> | <u>Central<br/>Benefits</u> | <u>Totals</u>       |
|---------------------------------------|------------------------------|-----------------------------|-----------------------------|---------------------|
| <b>Current Assets:</b>                |                              |                             |                             |                     |
| Equity in Pooled Cash and Investments | \$ 334,755                   | \$ -                        | \$ -                        | \$ 334,755          |
| Inventory of Supplies at Cost         | 24,213                       | -                           | -                           | 24,213              |
| <b>Total Current Assets</b>           | <b>358,968</b>               | <b>-</b>                    | <b>-</b>                    | <b>358,968</b>      |
| <b>Noncurrent Assets:</b>             |                              |                             |                             |                     |
| <b>Capital Assets:</b>                |                              |                             |                             |                     |
| Property, Plant and Equipment         | 349,549                      | -                           | -                           | 349,549             |
| Less: Accumulated Depreciation        | (254,867)                    | -                           | -                           | (254,867)           |
| <b>Total Assets</b>                   | <b>453,650</b>               | <b>-</b>                    | <b>-</b>                    | <b>453,650</b>      |
| <b>Liabilities:</b>                   |                              |                             |                             |                     |
| Accounts Payable                      | 69,886                       | 167,103                     | -                           | 236,989             |
| Accrued Wages and Benefits            | 7,925                        | 58,527                      | -                           | 66,452              |
| Intergovernmental Payable             | 10,467                       | 77,792                      | -                           | 88,259              |
| Compensated Absences Payable          | 110,030                      | 843,855                     | -                           | 953,885             |
| <b>Total Liabilities</b>              | <b>198,308</b>               | <b>1,147,277</b>            | <b>-</b>                    | <b>1,345,585</b>    |
| <b>Net Assets</b>                     |                              |                             |                             |                     |
| Invested in Capital Assets            | 94,682                       | -                           | -                           | 94,682              |
| Unrestricted (Deficit)                | 160,660                      | (1,147,277)                 | -                           | (986,617)           |
| <b>Total Net Assets</b>               | <b>\$ 255,342</b>            | <b>\$ (1,147,277)</b>       | <b>\$ -</b>                 | <b>\$ (891,935)</b> |

**THE CITY OF HAMILTON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|  | Fleet<br>Maintenance | Central<br>Services | Central<br>Benefits | Totals        |
|--|----------------------|---------------------|---------------------|---------------|
| <u>Operating Revenues:</u>             |                      |                     |                     |               |
| Charges for Services                   | \$ 1,430,085         | \$ 6,416,966        | \$ 3,367,777        | \$ 11,214,828 |
| Total Operating Revenues               | 1,430,085            | 6,416,966           | 3,367,777           | 11,214,828    |
| <u>Operating Expenses:</u>             |                      |                     |                     |               |
| Personal Services                      | 540,825              | 4,516,985           | 3,212,990           | 8,270,800     |
| Materials and Supplies                 | 520,328              | 163,924             | -                   | 684,252       |
| Contractual Services                   | 283,133              | 1,334,338           | -                   | 1,617,471     |
| Depreciation                           | 30,359               | -                   | -                   | 30,359        |
| Other Operating Expenses               | 1,384                | 216,611             | -                   | 217,995       |
| Total Operating Expenses               | 1,376,029            | 6,231,858           | 3,212,990           | 10,820,877    |
| Operating Income                       | 54,056               | 185,108             | 154,787             | 393,951       |
| <u>Non-Operating Revenues:</u>         |                      |                     |                     |               |
| Investment Earnings                    | (20)                 | -                   | 1,292               | 1,272         |
| Other Non-Operating Revenue            | 327                  | -                   | -                   | 327           |
| Total Non-Operating Revenues           | 307                  | -                   | 1,292               | 1,599         |
| Change in Net Assets                   | 54,363               | 185,108             | 156,079             | 395,550       |
| Net Assets (Deficit) Beginning of Year | 200,979              | (1,332,385)         | (156,079)           | (1,287,485)   |
| Net Assets (Deficit) End of Year       | \$ 255,342           | \$ (1,147,277)      | \$ -                | \$ (891,935)  |

**THE CITY OF HAMILTON! OHIO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|  | Fleet<br>Maintenance | Central<br>Service | Central<br>Benefits | Totals              |
|--|----------------------|--------------------|---------------------|---------------------|
| Increase (Decrease) in Cash and Investments  |                      |                    |                     |                     |
| <u>Cash Flows from Operating Activities:</u>   |                      |                    |                     |                     |
| Cash Received from Customers   | \$ 1,430,085         | \$ 6,416,966       | \$ 3,208,989        | \$ 11,056,040       |
| Cash Paid for Employee Services and Benefits   | (560,362)            | (4,432,325)        | (3,499,261)         | (8,491,948)         |
| Cash Paid to Suppliers for Goods and Services  | (806,893)            | (1,869,317)        | -                   | (2,676,210)         |
| Other Operating Expenses   | (2,073)              | (115,324)          | -                   | (117,397)           |
| Other Non-Operating Revenues   | 327                  | -                  | -                   | 327                 |
| Net Cash Provided by (Used for) Operating Activities   | 61,084               | -                  | (290,272)           | (229,188)           |
| <u>Cash Flows from Capital and Related Financing Activities:</u>                                   |                      |                    |                     |                     |
| Acquisition and Construction of Assets   | (4,027)              | -                  | -                   | (4,027)             |
| Net Cash Provided by (Used for) Capital and Related Financing Activities                           | (4,027)              | -                  | -                   | (4,027)             |
| <u>Cash Flows from Investing Activities:</u>   |                      |                    |                     |                     |
| Interest and Dividends   | (20)                 | -                  | 1,292               | 1,272               |
| Net Cash Provided By (Used for) Investing Activities   | (20)                 | -                  | 1,292               | 1,272               |
| Net Increase (Decrease) in Cash and Investments  | 57,037               | -                  | (288,980)           | (231,943)           |
| Cash and Investments at Beginning of Year  | 277,718              | -                  | 288,980             | 566,698             |
| Cash and Investments at End of Year  | <u>\$ 334,755</u>    | <u>\$ -</u>        | <u>\$ -</u>         | <u>\$ 334,755</u>   |
| Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:        |                      |                    |                     |                     |
| Operating Income   | \$ 54,056            | \$ 185,108         | \$ 154,787          | \$ 393,951          |
| Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities: |                      |                    |                     |                     |
| Depreciation Expense   | 30,359               | -                  | -                   | 30,359              |
| Other Non-Operating Revenues   | 327                  | -                  | -                   | 327                 |
| Change in Assets and Liabilities:  |                      |                    |                     |                     |
| (Increase) in Accounts Receivable  | (12,016)             | -                  | -                   | (12,016)            |
| Decrease in Prepaid Items  | 369                  | 3,025              | -                   | 3,394               |
| Increase (Decrease) in Intergovernmental Payables  | 2,100                | 18,890             | (445,059)           | (424,069)           |
| Increase (Decrease) in Accounts Payables   | 7,991                | (270,301)          | -                   | (262,310)           |
| (Decrease) in Accrued Wages and Benefits   | (10,597)             | (87,538)           | -                   | (98,135)            |
| Increase (Decrease) in Compensated Absences Payable  | (11,505)             | 150,816            | -                   | 139,311             |
| Total Adjustments  | 7,028                | (185,108)          | (445,059)           | (623,139)           |
| Net Cash Provided by (Used for) Operating Activities   | <u>\$ 61,084</u>     | <u>\$ -</u>        | <u>\$ (290,272)</u> | <u>\$ (229,188)</u> |

**THE CITY OF HAMILTON, OHIO**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PERMANENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

**BENNINGHOFFEN TRUST FUND**

|   | Budget            |                   | Actual            | Variance<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|------------------------------------|
|   | Initial           | Final             |                   |                                    |
| <u>Revenues:</u>                            |                   |                   |                   |                                    |
| Interest                                    | \$ 3,000          | \$ 3,000          | \$ 1,981          | \$ (1,019)                         |
| Total Revenues                              | 3,000             | 3,000             | 1,981             | (1,019)                            |
| <u>Expenses:</u>                            |                   |                   |                   |                                    |
| Other Non-Operating Expenses                | 3,000             | 1,061             | 3,841             | (2,780)                            |
| Total Expenses                              | 3,000             | 1,061             | 3,841             | (2,780)                            |
| Excess of Revenues<br>Over (Under) Expenses | -                 | 1,939             | (1,860)           | (3,799)                            |
| Fund Equity at Beginning of Year            | 75,864            | 75,864            | 75,864            | -                                  |
| Fund Equity at End of Year                  | <u>\$ 334,627</u> | <u>\$ 336,566</u> | <u>\$ 332,767</u> | <u>\$ (3,799)</u>                  |

## **AGENCY FUNDS**

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### **Travel Advance Fund**

To account for certain costs advanced to employees of the City who travel.

### **Employee Taxes and Benefits Fund**

To account for special taxes and benefits of Hamilton employees.

### **Ohio Board of Building Standards Assessments**

To account for monies collected and remitted on behalf of the Ohio Board of Building Standards from the Department of Planning.

### **Miscellaneous Collections for Others Fund**

To account for monies received and held for others.

### **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 contiguous property to Hamilton.

### **Fire Damage Deposit Escrow Fund**

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

### **Municipal Court Fund**

To account for funds that flow through the municipal court office.

### **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 all such tax monies are distributed to the Convention & Visitors Bureau and for which the City receives no remuneration.

### **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. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

### **Joint Economic Development District 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.

**Unclaimed Monies Fund**

To account for the receipt 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.



THE CITY OF HAMILTON, OHIO  
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 DECEMBER 31, 2004

| Assets:  | Travel<br>Advance | Employee<br>Taxes<br>and Benefits | Ohio Board<br>of Building<br>Standards<br>Assessments | Miscellaneous<br>Collections<br>for Others | Tax<br>Collections | Butler<br>County<br>Annexation<br>Tax | Fire<br>Damage<br>Deposit<br>Escrow |
|--|-------------------|-----------------------------------|---|--|--------------------|---------------------------------------|-------------------------------------|
| Cash and Cash Equivalents                                | \$ 22,409         | \$ 714,096                        | \$ 601  | \$ 7,548                                   | \$ 396,932         | \$ 34,439                             | \$ 73,854                           |
| Receivables (net of allowances<br>for doubtful accounts) | -                 | -                                 | -   | -  | -                  | -                                     | -                                   |
| Taxes-Real & Personal Property<br>Accounts               | 631               | -                                 | -   | -  | -                  | -                                     | -                                   |
| Prepaid Items  | -                 | 32,066                            | -   | -  | -                  | -                                     | -                                   |
| <b>Total Assets</b>                                      | <b>\$ 23,040</b>  | <b>\$ 746,162</b>                 | <b>\$ 601</b>   | <b>\$ 7,548</b>                            | <b>\$ 396,932</b>  | <b>\$ 34,439</b>                      | <b>\$ 73,854</b>                    |
| <b>Liabilities and Fund Equity:</b>                      |                   |                                   |   |  |                    |                                       |                                     |
| <b>Liabilities:</b>                                      |                   |                                   |   |  |                    |                                       |                                     |
| Accounts Payable   | -                 | -                                 | -   | -  | -                  | -                                     | -                                   |
| Intergovernmental Payable                                | 23,040            | 700,861                           | 601   | 7,548                                      | 396,932            | 34,439                                | 73,854                              |
| Due to Others  | -                 | 45,301                            | -   | -  | -                  | -                                     | -                                   |
| <b>Total Liabilities</b>                                 | <b>\$ 23,040</b>  | <b>\$ 746,162</b>                 | <b>\$ 601</b>   | <b>\$ 7,548</b>                            | <b>\$ 396,932</b>  | <b>\$ 34,439</b>                      | <b>\$ 73,854</b>                    |

**THE CITY OF HAMILTON, OHIO**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**DECEMBER 31, 2004**

| Municipal Court | Rounding Up Utility Account | Convention and Visitor's Bureau | Hamilton Central Business Special Improvement District | Joint Economic Development District | Joint Economic Development District II | Unclaimed Monies | Totals       |
|-----------------|-----------------------------|---------------------------------|--|-------------------------------------|--|------------------|--------------|
| \$ 376,374      | \$ 2,003                    | \$ -                            | \$ -   | \$ 83,836                           | \$ 11,746                              | \$ 80,051        | \$ 1,803,889 |
|                 |                             |                                 |  |                                     |  |                  |              |
|                 |                             |                                 | 121,200  | -                                   | -                                      | -                | 121,200      |
|                 |                             |                                 | -  | -                                   | -                                      | -                | 631          |
|                 |                             |                                 | -  | -                                   | -                                      | -                | 32,066       |
|                 |                             |                                 |  |                                     |  |                  |              |
| \$ 376,374      | \$ 2,003                    | \$ -                            | \$ 121,200   | \$ 83,836                           | \$ 11,746                              | \$ 80,051        | \$ 1,957,786 |
|                 |                             |                                 |  |                                     |  |                  |              |
| 256,466         | -                           | -                               | -  | -                                   | -                                      | 1,285            | 1,285        |
| 119,908         | 2,003                       | -                               | 121,200  | 83,836                              | 11,746                                 | -                | 1,605,480    |
|                 |                             |                                 |  |                                     |  | 78,766           | 351,021      |
| \$ 376,374      | \$ 2,003                    | \$ -                            | \$ 121,200   | \$ 83,836                           | \$ 11,746                              | \$ 80,051        | \$ 1,957,786 |

**THE CITY OF HAMILTON, OHIO**  
**STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | Balance<br>December 31,<br>2003 | Additions           | Deductions          | Balance<br>December 31,<br>2004 |
|---|---------------------------------|---------------------|---------------------|---------------------------------|
| <b>Travel Advance Fund</b>                              |                                 |                     |                     |                                 |
| Assets:   |                                 |                     |                     |                                 |
| Cash and Cash Equivalents                               | \$ 21,844                       | \$ 38,472           | \$ 37,907           | \$ 22,409                       |
| Accounts Receivable                                     | 1,196                           | 631                 | 1,196               | 631                             |
| Total Assets  | <u>\$ 23,040</u>                | <u>\$ 39,103</u>    | <u>\$ 39,103</u>    | <u>\$ 23,040</u>                |
| Liabilities:  |                                 |                     |                     |                                 |
| Due to Others   | \$ 23,040                       | \$ 39,103           | \$ 39,103           | \$ 23,040                       |
| Total Liabilities                                       | <u>\$ 23,040</u>                | <u>\$ 39,103</u>    | <u>\$ 39,103</u>    | <u>\$ 23,040</u>                |
| <b>Employee Taxes and Benefits Fund</b>                 |                                 |                     |                     |                                 |
| Assets:   |                                 |                     |                     |                                 |
| Cash and Cash Equivalents                               | \$ 194,113                      | \$ 519,983          |                     | \$ 714,096                      |
| Prepaid Items   | -                               | 32,066              |                     | 32,066                          |
| Total Assets  | <u>\$ 194,113</u>               | <u>\$ 552,049</u>   | <u>\$ -</u>         | <u>\$ 746,162</u>               |
| Liabilities:  |                                 |                     |                     |                                 |
| Due to Others   | \$ -                            | \$ 45,301           | \$ -                | \$ 45,301                       |
| Intergovernmental Payable                               | 194,113                         | 506,748             | -                   | 700,861                         |
| Total Liabilities                                       | <u>\$ 194,113</u>               | <u>\$ 506,748</u>   | <u>\$ -</u>         | <u>\$ 700,861</u>               |
| <b>Ohio Board of Building Standards Assessment Fund</b> |                                 |                     |                     |                                 |
| Assets:   |                                 |                     |                     |                                 |
| Cash and Cash Equivalents                               | \$ 551                          | \$ 9,636            | \$ 9,586            | \$ 601                          |
| Total Assets  | <u>\$ 551</u>                   | <u>\$ 9,636</u>     | <u>\$ 9,586</u>     | <u>\$ 601</u>                   |
| Liabilities:  |                                 |                     |                     |                                 |
| Due to Others   | \$ 551                          | \$ 9,636            | \$ 9,586            | \$ 601                          |
| Total Liabilities                                       | <u>\$ 551</u>                   | <u>\$ 9,636</u>     | <u>\$ 9,586</u>     | <u>\$ 601</u>                   |
| <b>Miscellaneous Collections for Others Fund</b>        |                                 |                     |                     |                                 |
| Assets:   |                                 |                     |                     |                                 |
| Cash and Cash Equivalents                               | \$ 7,548                        | \$ -                | \$ -                | \$ 7,548                        |
| Total Assets  | <u>\$ 7,548</u>                 | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ 7,548</u>                 |
| Liabilities:  |                                 |                     |                     |                                 |
| Due to Others   | \$ 7,548                        | \$ -                | \$ -                | \$ 7,548                        |
| Total Liabilities                                       | <u>\$ 7,548</u>                 | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ 7,548</u>                 |
| <b>Tax Collection Fund</b>                              |                                 |                     |                     |                                 |
| Assets:   |                                 |                     |                     |                                 |
| Cash and Cash Equivalents                               | \$ 393,310                      | \$ 9,638,726        | \$ 9,635,104        | \$ 396,932                      |
| Total Assets  | <u>\$ 393,310</u>               | <u>\$ 9,638,726</u> | <u>\$ 9,635,104</u> | <u>\$ 396,932</u>               |
| Liabilities:  |                                 |                     |                     |                                 |
| Intergovernmental Payable                               | \$ 393,310                      | \$ 9,638,726        | \$ 9,635,104        | \$ 396,932                      |
| Total Liabilities                                       | <u>\$ 393,310</u>               | <u>\$ 9,638,726</u> | <u>\$ 9,635,104</u> | <u>\$ 396,932</u>               |

**THE CITY OF HAMILTON, OHIO**  
**STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|  | Balance<br>December 31,<br>2003 | Additions        | Deductions       | Balance<br>December 31,<br>2004 |
|--|---------------------------------|------------------|------------------|---------------------------------|
| <b>Butler County Annexation Fund</b>   |                                 |                  |                  |                                 |
| Assets:                                |                                 |                  |                  |                                 |
| Cash and Cash Equivalents              | \$ 35,503                       | \$ 65,915        | \$ 66,979        | \$ 34,439                       |
| Total Assets                           | <u>\$ 35,503</u>                | <u>\$ 65,915</u> | <u>\$ 66,979</u> | <u>\$ 34,439</u>                |
| Liabilities:                           |                                 |                  |                  |                                 |
| Intergovernmental Payable              | \$ 35,503                       | \$ 65,915        | \$ 66,979        | \$ 34,439                       |
| Total Liabilities                      | <u>\$ 35,503</u>                | <u>\$ 65,915</u> | <u>\$ 66,979</u> | <u>\$ 34,439</u>                |
| <b>Fire Damage Deposit Escrow Fund</b> |                                 |                  |                  |                                 |
| Assets:                                |                                 |                  |                  |                                 |
| Cash and Cash Equivalents              | \$ 73,854                       | \$ 45,574        | \$ 45,574        | \$ 73,854                       |
| Total Assets                           | <u>\$ 73,854</u>                | <u>\$ 45,574</u> | <u>\$ 45,574</u> | <u>\$ 73,854</u>                |
| Liabilities:                           |                                 |                  |                  |                                 |
| Due to Others                          | \$ 73,854                       | \$ 45,574        | \$ 45,574        | \$ 73,854                       |
| Total Liabilities                      | <u>\$ 73,854</u>                | <u>\$ 45,574</u> | <u>\$ 45,574</u> | <u>\$ 73,854</u>                |
| <b>Municipal Court Fund</b>            |                                 |                  |                  |                                 |
| Assets:                                |                                 |                  |                  |                                 |
| Cash and Cash Equivalents              | \$ 464,318                      | \$ -             | \$ 87,944        | \$ 376,374                      |
| Total Assets                           | <u>\$ 464,318</u>               | <u>\$ -</u>      | <u>\$ 87,944</u> | <u>\$ 376,374</u>               |
| Liabilities:                           |                                 |                  |                  |                                 |
| Intergovernmental Payable              | \$ 341,340                      | \$ -             | \$ 84,874        | \$ 256,466                      |
| Due to Others                          | \$ 122,978                      | \$ -             | \$ 3,070         | \$ 119,908                      |
| Total Liabilities                      | <u>\$ 122,978</u>               | <u>\$ -</u>      | <u>\$ 87,944</u> | <u>\$ 376,374</u>               |
| <b>Unclaimed Monies</b>                |                                 |                  |                  |                                 |
| Assets:                                |                                 |                  |                  |                                 |
| Cash and Cash Equivalents              | \$ -                            | \$ 90,584        | \$ 10,533        | \$ 80,051                       |
| Total Assets                           | <u>\$ -</u>                     | <u>\$ 90,584</u> | <u>\$ 10,533</u> | <u>\$ 80,051</u>                |
| Liabilities:                           |                                 |                  |                  |                                 |
| Accounts Payable                       | \$ -                            | \$ 1,285         | \$ -             | \$ 1,285                        |
| Due to Others                          | -                               | 89,299           | 10,533           | 78,766                          |
| Total Liabilities                      | <u>\$ -</u>                     | <u>\$ 90,584</u> | <u>\$ 10,533</u> | <u>\$ 80,051</u>                |
| <b>Convention and Visitor's Bureau</b> |                                 |                  |                  |                                 |
| Assets:                                |                                 |                  |                  |                                 |
| Cash and Cash Equivalents              | \$ 1,000                        | \$ 73,792        | \$ 74,792        | \$ -                            |
| Total Assets                           | <u>\$ 1,000</u>                 | <u>\$ 73,792</u> | <u>\$ 74,792</u> | <u>\$ -</u>                     |
| Liabilities:                           |                                 |                  |                  |                                 |
| Due to Others                          | \$ 1,000                        | \$ 73,792        | \$ 74,792        | \$ -                            |
| Total Liabilities                      | <u>\$ 1,000</u>                 | <u>\$ 73,792</u> | <u>\$ 74,792</u> | <u>\$ -</u>                     |

**THE CITY OF HAMILTON! OHIO**  
**STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

|   | Balance<br>December 31,<br>2003 | Additions            | Deductions           | Balance<br>December 31,<br>2004 |
|---|---------------------------------|----------------------|----------------------|---------------------------------|
| <u>Hamilton Central Business Special Improvement District</u> |                                 |                      |                      |                                 |
| Assets:   |                                 |                      |                      |                                 |
| Taxes Receivable  | \$ 121,200                      | \$ 121,200           | \$ 121,200           | \$ 121,200                      |
| Total Assets  | <u>\$ 121,200</u>               | <u>\$ 121,200</u>    | <u>\$ 121,200</u>    | <u>\$ 121,200</u>               |
| Liabilities:  |                                 |                      |                      |                                 |
| Intergovernmental Payable                                     | \$ 121,200                      | \$ 121,200           | \$ 121,200           | \$ 121,200                      |
| Total Liabilities   | <u>\$ 121,200</u>               | <u>\$ 121,200</u>    | <u>\$ 121,200</u>    | <u>\$ 121,200</u>               |
| <u>Joint Economic Development District Fund</u>               |                                 |                      |                      |                                 |
| Assets:   |                                 |                      |                      |                                 |
| Cash and Cash Equivalents                                     | \$ 187,023                      | \$ 131,103           | \$ 234,290           | \$ 83,836                       |
| Total Assets  | <u>\$ 187,023</u>               | <u>\$ 131,103</u>    | <u>\$ 234,290</u>    | <u>\$ 83,836</u>                |
| Liabilities:  |                                 |                      |                      |                                 |
| Intergovernmental Payable                                     | \$ 187,023                      | \$ 131,103           | \$ 234,290           | \$ 83,836                       |
| Total Liabilities   | <u>\$ 187,023</u>               | <u>\$ 131,103</u>    | <u>\$ 234,290</u>    | <u>\$ 83,836</u>                |
| <u>Round Up Utility</u>                                       |                                 |                      |                      |                                 |
| Assets:   |                                 |                      |                      |                                 |
| Cash and Cash Equivalents                                     | \$ 1,937                        | \$ 4,649             | \$ 4,583             | \$ 2,003                        |
| Total Assets  | <u>\$ 1,937</u>                 | <u>\$ 4,649</u>      | <u>\$ 4,583</u>      | <u>\$ 2,003</u>                 |
| Liabilities:  |                                 |                      |                      |                                 |
| Due to Others   | \$ 1,937                        | \$ 4,649             | \$ 4,583             | \$ 2,003                        |
| Total Liabilities   | <u>\$ 1,937</u>                 | <u>\$ 4,649</u>      | <u>\$ 4,583</u>      | <u>\$ 2,003</u>                 |
| <u>Joint Economic Development District II Fund</u>            |                                 |                      |                      |                                 |
| Assets:   |                                 |                      |                      |                                 |
| Cash and Cash Equivalents                                     | \$ -                            | \$ 12,199            | \$ 453               | \$ 11,746                       |
| Total Assets  | <u>\$ -</u>                     | <u>\$ 12,199</u>     | <u>\$ 453</u>        | <u>\$ 11,746</u>                |
| Liabilities:  |                                 |                      |                      |                                 |
| Intergovernmental Payable                                     | \$ -                            | \$ 12,199            | \$ 453               | \$ 11,746                       |
| Total Liabilities   | <u>\$ -</u>                     | <u>\$ 12,199</u>     | <u>\$ 453</u>        | <u>\$ 11,746</u>                |
| <u>Totals - All Agency Funds</u>                              |                                 |                      |                      |                                 |
| Assets:   |                                 |                      |                      |                                 |
| Cash and Cash Equivalents                                     | \$ 1,381,001                    | \$ 10,630,633        | \$ 10,207,745        | \$ 1,803,889                    |
| Taxes Receivable  | 121,200                         | 121,200              | 121,200              | 121,200                         |
| Accounts Receivable   | 1,196                           | 631                  | 1,196                | 631                             |
| Prepaid Items   | -                               | 32,066               | -                    | 32,066                          |
| Total Assets  | <u>\$ 1,503,397</u>             | <u>\$ 10,784,530</u> | <u>\$ 10,330,141</u> | <u>\$ 1,957,786</u>             |
| Liabilities:  |                                 |                      |                      |                                 |
| Accounts Payable  | \$ -                            | \$ 1,285             | -                    | \$ 1,285                        |
| Intergovernmental Payable                                     | 1,243,712                       | 10,419,794           | 10,058,026           | 1,605,480                       |
| Due to Others   | 259,685                         | 278,577              | 187,241              | 351,021                         |
| Total Liabilities   | <u>\$ 1,503,397</u>             | <u>\$ 10,699,656</u> | <u>\$ 10,245,267</u> | <u>\$ 1,957,786</u>             |

**STATISTICAL**

**SECTION**

**THE CITY OF HAMILTON! OHIO**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)**  
**LAST TEN YEARS**

| Year | Security of<br>Persons and<br>Property | Public<br>Health and<br>Welfare | Leisure<br>Time<br>Activities | Community<br>Environment | Basic<br>Utility<br>Services | Trans-<br>portation | General<br>Government | Other (2)   | Debt<br>Service | Total        |
|------|--|---------------------------------|-------------------------------|--------------------------|------------------------------|---------------------|-----------------------|-------------|-----------------|--------------|
| 1995 | \$15,624,439                           | \$3,073,314                     | \$1,485,478                   | \$66,066                 | \$5,900,557                  | \$1,071,857         | \$9,170,916           | \$1,070,189 | \$3,182,977     | \$40,645,793 |
| 1996 | 15,716,657                             | 3,017,153                       | 1,468,547                     | 61,924                   | 6,784,559                    | 342,109             | 8,779,209             | 1,696,716   | 3,061,114       | 40,927,988   |
| 1997 | 18,885,473                             | 1,038,463                       | 1,386,498                     | 3,273,987                | 3,264,559                    | 5,399,901           | 3,541,693             | 1,956,916   | 585,447         | 39,332,937   |
| 1998 | 20,917,547                             | 929,468                         | 1,450,428                     | 3,857,752                | 3,417,779                    | 3,798,017           | 3,492,456             | 2,516,661   | 629,772         | 41,009,880   |
| 1999 | 22,079,479                             | 1,154,362                       | 1,500,132                     | 3,879,197                | 3,158,679                    | 3,918,044           | 3,533,137             | 3,614,661   | 4,508,442       | 47,346,133   |
| 2000 | 22,349,299                             | 1,215,849                       | 1,599,615                     | 3,640,741                | 2,796,244                    | 3,350,283           | 3,841,536             | 2,866,976   | 832,265         | 42,492,808   |
| 2001 | 22,798,051                             | 2,161,815                       | 1,415,071                     | 3,746,743                | 3,389,930                    | 2,730,692           | 3,928,799             | 23,306,559  | 1,421,468       | 64,899,128   |
| 2002 | 26,944,009                             | 3,691,879                       | 2,278,148                     | 4,204,163                | 3,534,252                    | 3,939,065           | 3,404,492             | 6,358,581   | 3,161,153       | 57,515,742   |
| 2003 | 25,020,605                             | 1,817,802                       | 2,287,623                     | 4,726,538                | 3,311,482                    | 3,385,373           | 1,363,735             | 5,482,010   | 3,301,911       | 50,697,079   |
| 2004 | 26,005,766                             | 2,225,705                       | 2,212,104                     | 7,003,217                | 3,237,936                    | 3,288,729           | 1,256,699             | 5,512,960   | 3,651,008       | 54,394,124   |

(1) Includes General Fund, Special Revenue Funds and Debt Service Fund

(2) Year 2001 Other Expenditures includes \$18,854,571 of Capital Outlay expenditures for acquisition costs of One Renaissance Center

**THE CITY OF HAMILTON! OHIO**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)**  
**LAST TEN YEARS**

| Year | Taxes         | Inter-Governmental Revenue | Charges for Services(3) | Licenses and Permits |            | Investment Earnings | Fines and Forfeitures | All Other (2) | Total |
|------|---------------|----------------------------|-------------------------|----------------------|------------|---------------------|-----------------------|---------------|-------|
|      |               |                            |                         |                      |            |                     |                       |               |       |
| 1995 | \$ 15,528,335 | \$ 4,282,817               | \$ 5,195,183            | \$ 599,973           | \$ 511,457 | \$ 662,971          | \$ 150,780            | \$ 26,931,516 |       |
| 1996 | 16,059,615    | 4,601,477                  | 4,426,482               | 606,551              | 552,151    | 615,249             | 245,099               | 27,106,624    |       |
| 1997 | 18,966,520    | 11,471,057                 | 6,942,969               | 1,017,654            | 899,697    | 892,594             | 688,179               | 40,878,670    |       |
| 1998 | 19,602,814    | 12,017,253                 | 7,286,856               | 1,019,662            | 1,220,528  | 916,683             | 895,279               | 42,959,075    |       |
| 1999 | 21,248,690    | 9,806,368                  | 8,174,945               | 1,293,759            | 989,936    | 1,017,607           | 1,077,633             | 43,608,938    |       |
| 2000 | 20,895,497    | 10,713,545                 | 8,056,032               | 960,091              | 1,056,397  | 1,171,498           | 1,037,049             | 43,890,109    |       |
| 2001 | 21,886,425    | 11,599,589                 | 8,849,078               | 1,312,984            | 918,035    | 1,147,797           | 1,040,689             | 46,754,597    |       |
| 2002 | 22,288,897    | 11,290,512                 | 16,022,994              | 1,371,041            | 637,816    | 1,209,648           | 1,446,231             | 54,267,139    |       |
| 2003 | 24,641,407    | 13,378,911                 | 8,764,142               | 1,644,438            | 307,279    | 1,462,186           | 1,175,241             | 51,373,604    |       |
| 2004 | 25,853,388    | 12,516,794                 | 9,284,129               | 1,692,128            | 303,165    | 1,320,913           | 1,733,721             | 52,704,238    |       |

(1) Includes General Fund, Special Revenue Funds and Debt Service Fund

(2) Includes Special Assessment Revenue

(3) 2002-2003 includes the reclassified parking, golf course and central parks sports arena funds formerly enterprise

**THE CITY OF HAMILTON! OHIO  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

| Collection Year | Total Tax Levy | Current Tax Collections | Delinquent Tax Collections | Total Tax Collections | Percent of Total Tax Collections To Tax Levy | Accumulated Outstanding Delinquent Taxes | Percentage of Accumulated Delinquent Taxes to Total Tax Levy |
|-----------------|----------------|-------------------------|----------------------------|-----------------------|--|--|--|
| 1995            | \$2,717,436    | \$2,696,442             | \$76,578                   | \$2,773,020           | 102.05%                                      | \$86,550                                 | 3.18%  |
| 1996            | 3,049,455      | 2,914,580               | 84,427                     | 2,999,007             | 98.35%                                       | 136,978                                  | 4.49%  |
| 1997            | 2,715,612      | 2,650,487               | 92,675                     | 2,743,162             | 101.01%                                      | 109,428                                  | 4.03%  |
| 1998            | 2,915,612      | 2,718,937               | 110,001                    | 2,828,938             | 97.03%                                       | 196,102                                  | 6.73%  |
| 1999            | 2,985,053      | 2,928,559               | 122,993                    | 3,051,552             | 102.23%                                      | 129,603                                  | 4.34%  |
| 2000            | 3,363,382      | 3,271,126               | 130,947                    | 3,402,073             | 101.15%                                      | 90,912                                   | 2.70%  |
| 2001            | 3,432,023      | 3,498,609               | 127,505                    | 3,626,114             | 105.66%                                      | 103,179                                  | 3.01%  |
| 2002            | 3,729,881      | 3,489,708               | 140,192                    | 3,629,900             | 97.32%                                       | 203,160                                  | 5.45%  |
| 2003            | 6,248,495      | 5,958,212               | 288,505                    | 6,246,717             | 99.97%                                       | 204,938                                  | 3.28%  |
| 2004            | 6,198,400      | 5,657,850               | 336,686                    | 5,994,536             | 96.71%                                       | 408,802                                  | 6.60%  |

Source: Butler County Auditor

THE CITY OF HAMILTON, OHIO  
 TANGIBLE TAX COLLECTED  
 LAST TEN YEARS

| <u>Year Paid</u> | <u>Amount</u> |
|------------------|---------------|
| 1995             | \$476,494     |
| 1996             | 485,725       |
| 1997             | 532,307       |
| 1998             | 409,138       |
| 1999             | 556,065       |
| 2000             | 434,993       |
| 2001             | 633,901       |
| 2002             | 493,773       |
| 2003             | 519,186       |
| 2004             | 541,098       |

Source: Butler County Auditor

**THE CITY OF HAMILTON! OHIO**  
**ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES**  
**OF TAXABLE PROPERTY**  
**LAST TEN YEARS**

| Year | Real Property  |                  | Public Utility Personal |               | Tangible Personal Property |                | Total          |                  | Assessed Value as a Percent of Actual Value |
|------|----------------|------------------|-------------------------|---------------|----------------------------|----------------|----------------|------------------|---|
|      | Assessed       | Actual           | Assessed                | Actual        | Assessed                   | Actual         | Assessed       | Actual           |   |
| 1995 | \$ 524,709,430 | \$ 1,499,169,800 | \$ 26,260,830           | \$ 29,841,852 | \$ 93,278,298              | \$ 373,113,192 | \$ 644,248,558 | \$ 1,902,124,844 | 33.87%                                      |
| 1996 | 542,950,510    | 1,551,287,171    | 24,232,980              | 27,537,477    | 98,464,254                 | 393,857,016    | 665,647,744    | 1,972,681,665    | 33.74%                                      |
| 1997 | 568,209,450    | 1,623,455,571    | 23,056,940              | 26,201,068    | 116,728,432                | 466,913,728    | 707,994,822    | 2,116,570,368    | 33.45%                                      |
| 1998 | 579,622,630    | 1,656,064,657    | 22,567,390              | 25,644,761    | 81,266,104                 | 325,064,416    | 683,456,124    | 2,006,773,835    | 34.06%                                      |
| 1999 | 657,229,440    | 1,877,798,400    | 21,454,090              | 24,379,648    | 108,159,070                | 432,636,280    | 786,842,600    | 2,334,814,327    | 33.70%                                      |
| 2000 | 674,764,310    | 1,927,898,029    | 18,059,140              | 20,521,750    | 111,312,933                | 445,251,732    | 804,136,383    | 2,393,671,511    | 33.59%                                      |
| 2001 | 690,521,670    | 1,972,919,057    | 16,165,160              | 18,369,500    | 112,737,677                | 450,950,708    | 819,424,507    | 2,442,239,264    | 33.55%                                      |
| 2002 | 812,598,300    | 2,323,466,116    | 13,814,790              | 15,974,079    | 80,444,805                 | 321,779,220    | 906,857,895    | 2,661,219,415    | 34.08%                                      |
| 2003 | 807,683,940    | 2,309,414,464    | 13,358,440              | 15,446,400    | 77,433,709                 | 309,734,836    | 898,476,089    | 2,634,595,700    | 34.10%                                      |
| 2004 | 807,728,570    | 2,307,795,914    | 12,942,330              | 14,707,193    | 73,731,244                 | 294,924,976    | 894,402,144    | 2,617,428,083    | 34.17%                                      |

Source: Butler County Auditor

**THE CITY OF HAMILTON, OHIO**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$1,000 OF ASSESSED VALUATIONS)**  
**LAST TEN YEARS**

| Collection Year | City of Hamilton |                     |                   |                        |                        |            |                 | Hamilton City |      | Butler County |
|-----------------|------------------|---------------------|-------------------|------------------------|------------------------|------------|-----------------|---------------|------|---------------|
|                 | General Fund     | Police Pension Fund | Fire Pension Fund | Miami Conservancy Fund | Police/Fire-EMS Levies | Total City | School District |               |      |               |
| 1995            | \$4.21           | \$0.30              | \$0.30            | \$0.30                 | \$0.00                 | \$5.11     | \$43.81         |               | 7.45 |               |
| 1996            | 4.21             | 0.30                | 0.30              | 0.30                   | 0.00                   | 5.11       | 43.81           |               | 7.44 |               |
| 1997            | 4.21             | 0.30                | 0.30              | 0.25                   | 0.00                   | 5.06       | 43.81           |               | 8.44 |               |
| 1998            | 4.21             | 0.30                | 0.30              | 0.25                   | 0.00                   | 5.06       | 43.81           |               | 8.45 |               |
| 1999            | 4.21             | 0.30                | 0.30              | 0.25                   | 0.00                   | 5.06       | 43.81           |               | 8.44 |               |
| 2000            | 4.21             | 0.30                | 0.30              | 0.25                   | 0.00                   | 5.06       | 48.21           |               | 8.45 |               |
| 2001            | 4.21             | 0.30                | 0.30              | 0.25                   | 0.00                   | 5.06       | 48.21           |               | 8.44 |               |
| 2002            | 4.21             | 0.30                | 0.30              | 0.31                   | 0.00                   | 5.12       | 48.21           |               | 8.75 |               |
| 2003            | 4.21             | 0.30                | 0.30              | 0.31                   | 1.68                   | 6.80       | 48.21           |               | 8.75 |               |
| 2004            | 4.21             | 0.30                | 0.30              | 0.35                   | 2.00                   | 7.16       | 48.21           |               | 8.74 |               |

\* Effective November, 2002, voters accepted two separate tax levys, \$1M each, for Police and Fire services, which became effective January 1, 2003.

Source: Butler County Auditor  
Butler County Treasurer

**THE CITY OF HAMILTON, OHIO**  
**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**  
**LAST TEN YEARS**

| Collection<br>Year | Amount<br>Billed | Amount<br>Collected | Percent<br>Collected |
|--------------------|------------------|---------------------|----------------------|
| 1995               | \$155,527        | \$142,475           | 91.6%                |
| 1996               | 257,325          | 213,543             | 83.0%                |
| 1997               | 337,449          | 271,821             | 80.6%                |
| 1998               | 398,531          | 329,817             | 82.8%                |
| 1999               | 421,687          | 397,229             | 94.2%                |
| 2000               | 515,884          | 471,352             | 91.4%                |
| 2001               | 591,153          | 520,791             | 88.1%                |
| 2002               | 564,069          | 519,757             | 92.1%                |
| 2003               | 669,684          | 519,929             | 77.6%                |
| 2004               | 639,002          | 519,068             | 81.2%                |

Source: Butler County Auditor

**THE CITY OF HAMILTON! OHIO**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**DECEMBER 31, 2004**

|  | Total Debt    | Unvoted Debt  |
|--|---------------|---------------|
| Net Assessed Valuation                     | \$894,402,144 | \$894,402,144 |
| Legal Debt Limitation (%) (1)              | 10.50%        | 5.50%         |
| Legal Debt Limitation (\$) (1)             | 93,912,225    | 49,192,118    |
| Applicable City Debt Outstanding (2)       | 9,789,000     | 9,789,000     |
| Less: Applicable Debt Service Fund Amounts | (551,344)     | (551,344)     |
| Net Indebtedness Subject to Limitation     | 9,237,656     | 9,237,656     |
| Legal Debt Margin                          | \$84,674,569  | \$39,954,462  |

- (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, Special Assessment Debt and Debt Supported by Income Tax or Other Specific Revenues are not considered in the computation of the Legal Debt Margin. Debts subject to limitation per Ohio Revised Code.

**THE CITY OF HAMILTON! OHIO**  
**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE**  
**AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**  
**LAST TEN YEARS**

| Year | Population (1) | Assessed Value (2) | Gross Bonded Debt (3) | Debt Service Funds Available | Net Bonded Debt | Ratio of                              |                            |
|------|----------------|--------------------|-----------------------|------------------------------|-----------------|---------------------------------------|----------------------------|
|      |                |                    |                       |                              |                 | Net Bonded Debt to Assessed Valuation | Net Bonded Debt Per Capita |
| 1995 | 62,117         | \$644,248,558      | \$1,675,000           | \$319,084                    | \$1,355,916     | 0.21%                                 | \$21.83                    |
| 1996 | 61,833         | 665,647,744        | 1,410,000             | 367,136                      | 1,042,864       | 0.16%                                 | 16.87                      |
| 1997 | 61,100         | 707,994,822        | 1,135,000             | 414,740                      | 720,260         | 0.10%                                 | 11.79                      |
| 1998 | 61,100         | 683,456,124        | 845,000               | 459,894                      | 385,106         | 0.06%                                 | 6.30                       |
| 1999 | 61,810         | 786,842,600        | 3,905,000             | 460,275                      | 3,444,725       | 0.44%                                 | 55.73                      |
| 2000 | 60,690         | 804,136,383        | 3,640,000             | 501,743                      | 3,138,257       | 0.39%                                 | 51.71                      |
| 2001 | 60,690         | 819,424,507        | 3,365,000             | 303,282                      | 3,061,718       | 0.37%                                 | 50.45                      |
| 2002 | 60,690         | 906,857,895        | 9,690,000             | 474,679                      | 9,215,321       | 1.02%                                 | 151.84                     |
| 2003 | 60,690         | 898,476,089        | 9,235,000             | 321,721                      | 8,913,279       | 0.99%                                 | 146.87                     |
| 2004 | 60,690         | 894,402,144        | 8,770,000             | 551,344                      | 8,218,656       | 0.92%                                 | 135.42                     |

Source:

(1) US Bureau of Census, Ohio Municipal Advisory Council

(2) Butler County Auditor

(3) Includes all General Obligation Bonded Debt; exempts any General Obligation Bonded Debt supported by Income Tax or Other Revenues

**THE CITY OF HAMILTON, OHIO**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES**  
**FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES**  
**LAST TEN YEARS**

| Year | Debt<br>Principal (2) | Debt<br>Interest (2) | Total<br>Debt Service | Total General<br>Governmental<br>Expenditures | Ratio of Tax<br>Debt Service to<br>General Governmental<br>Expenditures |
|------|-----------------------|----------------------|-----------------------|---|---|
| 1995 | \$255,000             | \$84,983             | \$339,983             | \$40,645,793                                  | 0.84%   |
| 1996 | 265,000               | 75,290               | 340,290               | 40,927,988                                    | 0.83%   |
| 1997 | 275,000               | 64,478               | 339,478               | 39,332,937                                    | 0.86%   |
| 1998 | 290,000               | 52,490               | 342,490               | 41,009,880                                    | 0.84%   |
| 1999 | 440,000               | 160,077              | 600,077               | 47,346,133                                    | 1.27%   |
| 2000 | 265,000               | 179,640              | 444,640               | 42,492,808                                    | 1.05%   |
| 2001 | 275,000               | 168,228              | 443,228               | 64,899,128                                    | 0.68%   |
| 2002 | 290,000               | 323,959              | 613,959               | 57,515,742                                    | 1.07%   |
| 2003 | 455,000               | 395,011              | 850,011               | 50,697,079                                    | 1.68%   |
| 2004 | 465,000               | 242,286              | 707,286               | 54,394,124                                    | 1.30%   |

(1) Low Level Dam Bonds refinanced

(2) General Obligation Bonds exempts Bonded Debt Supported by Income Tax Revenues

**THE CITY OF HAMILTON, OHIO**  
**COMPUTATION OF ALL DIRECT AND OVERLAPPING DEBT**  
**DECEMBER 31, 2004**

| <u>Jurisdiction</u>                       | <u>Net Debt Outstanding</u> | <u>Percentage Applicable to City of Hamilton</u> | <u>Amount Applicable to City of Hamilton</u> |
|---|-----------------------------|--|--|
| <b>Direct</b>                             |                             |  |  |
| City of Hamilton                          | \$9,236,641                 | 100.00%  | \$9,236,641                                  |
| <b>Overlapping Political Subdivisions</b> |                             |  |  |
| Hamilton City School District             | 41,625,000                  | 100.00%  | 41,625,000                                   |
| Butler County                             | 56,695,000                  | 12.49%   | 7,081,206                                    |
|   |                             | Subtotal   | 48,706,206                                   |
|   |                             | Total  | \$57,942,847                                 |

Source: Butler County

Note: Percentage of indebtedness of the City's overlapping political subdivisions was determined by dividing the City's assessed valuation by the total assessed valuation of other entities.

**THE CITY OF HAMILTON, OHIO**  
**REVENUE BOND COVERAGE\* - GAS SYSTEM REVENUE BONDS**  
**LAST TEN YEARS**

| Year | Gross<br>Revenues (1) | Direct Operating<br>Expenses (2) | Net Revenue<br>Available<br>For Debt Service | Debt Service<br>Requirement (3) | Coverage (4) |
|------|-----------------------|----------------------------------|--|---------------------------------|--------------|
| 1995 | \$23,423,461          | \$18,747,975                     | \$4,675,486                                  | \$1,771,993                     | 2.64%        |
| 1996 | 25,905,396            | 22,452,558                       | 3,452,838                                    | 1,755,044                       | 1.97%        |
| 1997 | 25,125,121            | 22,386,943                       | 2,738,178                                    | 1,771,384                       | 1.55%        |
| 1998 | 20,689,395            | 17,784,751                       | 2,904,644                                    | 1,757,241                       | 1.65%        |
| 1999 | 19,044,722            | 15,301,145                       | 3,743,577                                    | 1,771,241                       | 2.11%        |
| 2000 | 23,638,431            | 20,683,361                       | 2,955,070                                    | 1,751,866                       | 1.69%        |
| 2001 | 31,784,477            | 25,467,356                       | 6,317,121                                    | 1,403,844                       | 4.50%        |
| 2002 | 22,627,373            | 19,456,357                       | 3,171,016                                    | 1,472,941                       | 2.15%        |
| 2003 | 27,950,700            | 23,338,504                       | 4,612,196                                    | 1,113,021                       | 4.14%        |
| 2004 | 28,782,604            | 24,856,014                       | 3,926,590                                    | 1,493,213                       | 2.63%        |

(1) Gross revenues include total revenues plus transfers in from rate stabilization - Non-Gaap

(2) Direct operating expenses include total operating expenses less depreciation - Non-Gaap

(3) Annual debt service requirements include principal and interest on revenue bonds only

(4) Required debt service coverage calculated per the revenue bond indenture is 1.2

\* Reported employing historical presentation

**THE CITY OF HAMILTON, OHIO**  
**REVENUE BOND COVERAGE\* - ELECTRIC SYSTEM REVENUE BONDS**  
**LAST TEN YEARS**

| Year | Gross Revenues (1) | Direct Operating Expenses (2) | Net Revenue Available For Debt Service | Debt Service Requirement (3) | Coverage (4) |
|------|--------------------|-------------------------------|--|------------------------------|--------------|
| 1995 | \$42,881,644       | \$23,281,958                  | \$19,599,686                           | \$13,065,778                 | 1.50%        |
| 1996 | 42,508,123         | 25,902,788                    | 16,605,335                             | 13,474,296                   | 1.23%        |
| 1997 | 41,872,341         | 25,137,850                    | 16,734,491                             | 13,437,022                   | 1.25%        |
| 1998 | 46,193,083         | 28,323,561                    | 17,869,522                             | 14,708,761                   | 1.21%        |
| 1999 | 45,550,193         | 28,847,567                    | 16,702,626                             | 14,714,560                   | 1.14%        |
| 2000 | 49,147,330         | 27,817,326                    | 21,330,004                             | 14,536,132                   | 1.47%        |
| 2001 | 52,584,410         | 34,295,218                    | 18,289,192                             | 14,813,659                   | 1.23%        |
| 2002 | 54,261,126         | 34,813,408                    | 19,447,718                             | 12,830,152                   | 1.52%        |
| 2003 | 49,407,634         | 33,542,273                    | 15,865,361                             | 13,610,043                   | 1.17%        |
| 2004 | 52,327,108         | 37,116,049                    | 15,211,059                             | 11,721,429                   | 1.30%        |

(1) Gross revenues include total revenues plus transfers in from rate stabilization - Non-Gaap

(2) Direct operating expenses include total operating expenses less depreciation - Non-Gaap

(3) Annual debt service requirements include principal and interest on revenue bonds only

(4) Required debt service coverage calculated per the revenue bond indenture is 1.1

\* Reported employing historical presentation

**THE CITY OF HAMILTON, OHIO**  
**REVENUE BOND COVERAGE\* - WATER SYSTEM REVENUE BONDS**  
**LAST TEN YEARS**

| Year | Gross Revenues (1) | Direct Operating Expenses (2) | Net Revenue Available For Debt Service | Debt Service Requirement (3) | Coverage (4) |
|------|--------------------|-------------------------------|--|------------------------------|--------------|
| 1995 | \$12,624,010       | \$7,381,012                   | \$5,242,998                            | \$3,722,497                  | 1.41%        |
| 1996 | 12,693,385         | 7,446,434                     | 5,246,951                              | 4,336,510                    | 1.21%        |
| 1997 | 13,697,927         | 8,387,526                     | 5,310,401                              | 4,198,946                    | 1.26%        |
| 1998 | 13,791,322         | 9,041,396                     | 4,749,926                              | 4,226,462                    | 1.12%        |
| 1999 | 15,887,109         | 9,770,557                     | 6,116,552                              | 4,295,970                    | 1.42%        |
| 2000 | 16,850,978         | 8,836,068                     | 8,014,910                              | 4,270,489                    | 1.88%        |
| 2001 | 17,415,954         | 9,073,991                     | 8,341,963                              | 4,375,033                    | 1.91%        |
| 2002 | 17,805,870         | 9,077,809                     | 8,728,061                              | 3,103,139                    | 2.81%        |
| 2003 | 14,464,401         | 8,880,858                     | 5,583,543                              | 1,007,114                    | 5.54%        |
| 2004 | 14,194,267         | 9,615,956                     | 4,578,311                              | 1,007,114                    | 4.55%        |

(1) Gross revenues include total revenues plus transfers in from rate stabilization - Non-Gaap

(2) Direct operating expenses include total operating expenses less depreciation - Non-Gaap

(3) Annual debt service requirements include principal and interest on revenue bonds only

(4) Required debt service coverage calculated per the revenue bond indenture is 1.05

\* Reported employing historical presentation

**THE CITY OF HAMILTON! OHIO**  
**REVENUE BOND COVERAGE\* - WASTEWATER SYSTEM REVENUE BONDS**  
**LAST TEN YEARS**

| Year | Gross Revenues (1) | Direct Operating Expenses (2) | Net Revenue Available For Debt Service | Debt Service Requirement (3) | Coverage (4) |
|------|--------------------|-------------------------------|--|------------------------------|--------------|
| 1995 | \$11,675,796       | \$7,709,494                   | \$3,966,302                            | \$0                          | 0.00%        |
| 1996 | 11,051,432         | 7,725,555                     | 3,325,877                              | 0                            | 0.00%        |
| 1997 | 11,823,735         | 8,129,627                     | 3,694,108                              | 542,489                      | 6.81%        |
| 1998 | 12,266,144         | 7,596,718                     | 4,669,426                              | 2,101,185                    | 2.22%        |
| 1999 | 12,955,842         | 4,828,167                     | 8,127,675                              | 2,133,672                    | 3.81%        |
| 2000 | 12,676,574         | 7,891,123                     | 4,785,451                              | 2,101,003                    | 2.28%        |
| 2001 | 12,410,728         | 7,815,190                     | 4,595,538                              | 2,139,291                    | 2.15%        |
| 2002 | 12,599,192         | 7,836,155                     | 4,763,037                              | 2,219,758                    | 2.15%        |
| 2003 | 11,884,710         | 7,809,274                     | 4,075,436                              | 2,276,583                    | 1.79%        |
| 2004 | 10,666,399         | 7,434,951                     | 3,231,448                              | 2,275,153                    | 1.42%        |

(1) Gross revenues include total revenues plus transfers in from rate stabilization - Non-GAAP

(2) Direct operating expenses include total operating expenses less depreciation - Non-GAAP

(3) Annual debt service requirements include principal and interest on revenue bonds only

(4) Required debt service coverage calculated per the revenue bond indenture is 1.15

\* Reported employing historical presentation

**THE CITY OF HAMILTON! OHIO  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS**

| Year | City of Hamilton<br>Population (1) | Butler County<br>Population (1) | Unemployment Rate<br>County Area (2) | Per Capita Income<br>County Area (2) | School<br>Enrollment (3) |
|------|------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|--------------------------|
| 1995 | 62,117                             | 319,665                         | 4.0%                                 | 16,578                               | 10,474                   |
| 1996 | 61,833                             | 323,579                         | 4.1%                                 | 16,115                               | 10,344                   |
| 1997 | 61,100                             | 328,263                         | 3.5%                                 | 18,051                               | 10,152                   |
| 1998 | 61,100                             | 331,065                         | 3.3%                                 | 21,995                               | 10,103                   |
| 1999 | 61,810                             | 334,011                         | 3.2%                                 | 21,144                               | 10,029                   |
| 2000 | 60,690                             | 332,807                         | 3.5%                                 | 21,144                               | 9,381                    |
| 2001 | 60,690                             | 332,807                         | 3.3%                                 | 21,144                               | 9,244                    |
| 2002 | 60,690                             | 340,543                         | 4.4%                                 | 28,718                               | 9,192                    |
| 2003 | 60,690                             | 343,207                         | 4.0%                                 | 29,944                               | 9,426                    |
| 2004 | 60,690                             | 345,400                         | 3.8%                                 | 29,944                               | 9,196                    |

Source: (1) Butler County  
(2) Ohio Bureau of Employment Services, Best Information Available  
(3) Hamilton City School District

**THE CITY OF HAMILTON! OHIO  
PROPERTY VALUE AND CONSTRUCTION PERMITS  
LAST TEN YEARS**

| Year | Residential       |                | Commercial        |                |
|------|-------------------|----------------|-------------------|----------------|
|      | Number of Permits | Property Value | Number of Permits | Property Value |
| 1995 | 360               | \$9,195,900    | 375               | \$29,958,447   |
| 1996 | 458               | 12,550,042     | 343               | 30,334,552     |
| 1997 | 472               | 11,778,788     | 248               | 20,279,706     |
| 1998 | 498               | 15,934,533     | 311               | 35,895,828     |
| 1999 | 298               | 13,618,767     | 297               | 55,584,172     |
| 2000 | 385               | 20,498,066     | 366               | 52,709,312     |
| 2001 | 339               | 9,379,336      | 326               | 19,759,001     |
| 2002 | 392               | 13,703,202     | 329               | 16,472,320     |
| 2003 | 492               | 22,329,633     | 399               | 34,979,102     |
| 2004 | 438               | 21,037,770     | 479               | 48,338,747     |

Source: City of Hamilton Building Department

**THE CITY OF HAMILTON! OHIO  
PRINCIPAL TAXPAYERS (PROPERTY TAX)  
DECEMBER 31, 2004**

|    | Taxpayer                      | Type of Business | 2004<br>Assessed Valuation<br>(Tax Duplicate) | Percentage of<br>Total<br>Assessed Valuation |
|----|-------------------------------|------------------|---|--|
| 1  | Cincinnati Bell Telephone Co. | Utility          | \$8,419,880                                   | 0.94%  |
| 2  | Fort Hamilton Hospital        | Healthcare       | 8,020,310                                     | 0.90%  |
| 3  | Smart Papers, LLC             | Manufacturing    | 7,145,010                                     | 0.80%  |
| 4  | First National Bank           | Finance          | 5,111,760                                     | 0.57%  |
| 5  | Tippmann Realty PRT           | Realty           | 5,052,710                                     | 0.56%  |
| 6  | Colonial Senior Services Inc  | Healthcare       | 4,311,220                                     | 0.48%  |
| 7  | Hamilton Crossing LLC         | Retail           | 3,994,740                                     | 0.45%  |
| 8  | Meijer Stores LTD PTR         | Retail           | 3,850,000                                     | 0.43%  |
| 9  | Ohio Casualty Insurance       | Insurance        | 3,626,130                                     | 0.41%  |
| 10 | Center Holdings I LLC         | Realty           | 2,562,000                                     | 0.29%  |
|    | Sub - total                   |                  | 52,093,760                                    | 5.82%  |
|    | All Others                    |                  | 842,308,384                                   | 94.18%                                       |
|    | Total                         |                  | \$894,402,144                                 | 100.00%                                      |

Based on valuation of property taxes levied in 2003  
Source: Butler County Auditor - Land and Buildings

**THE CITY OF HAMILTON! OHIO  
 PRINCIPAL TAXPAYERS (INCOME TAX)  
 FOR THE YEAR ENDED DECEMBER 31, 2004**

|    | <u>Taxpayer</u>               | <u>Type of Business</u> |
|----|-------------------------------|-------------------------|
| 1  | Butler County                 | Government              |
| 2  | Hamilton City School District | Education               |
| 3  | City of Hamilton              | Government              |
| 4  | Fort Hamilton Hospital        | Healthcare              |
| 5  | Smart Paper, LLC              | Manufacturing           |
| 6  | International Paper - Beckett | Manufacturing           |
| 7  | Valeo Climate Control         | Manufacturing           |
| 8  | OHIO Casualty Company         | Insurance               |
| 9  | First Financial Bank          | Banking                 |
| 10 | Miami University              | Education               |

Source: Hamilton City Finance Department

**THE CITY OF HAMILTON! OHIO  
INCOME TAXES COLLECTED  
RECEIPTS BY FUND AND IN TOTAL  
LAST TEN YEARS**

| Year | General Fund (1) | Public Safety/Health Income Tax Fund (2) | Hamilton Capital Improvement Fund (3) | Total        |
|------|------------------|--|---------------------------------------|--------------|
| 1995 | \$13,687,489     | \$2,207,660                              | \$1,766,128                           | \$17,661,277 |
| 1996 | 14,028,222       | 2,262,616                                | 1,810,093                             | 18,100,931   |
| 1997 | 14,365,434       | 2,317,006                                | 1,853,604                             | 18,536,044   |
| 1998 | 15,276,222       | 2,463,907                                | 1,971,125                             | 19,711,254   |
| 1999 | 16,154,694       | 2,605,596                                | 2,084,477                             | 20,844,767   |
| 2000 | 15,999,528       | 2,580,569                                | 2,064,455                             | 20,644,552   |
| 2001 | 15,978,811       | 2,577,228                                | 2,061,782                             | 20,617,821   |
| 2002 | 15,322,785       | 2,471,417                                | 1,977,134                             | 19,771,336   |
| 2003 | 15,652,544       | 2,524,604                                | 2,019,683                             | 20,196,831   |
| 2004 | 16,599,420       | 2,677,326                                | 2,141,861                             | 21,418,607   |

Source: Hamilton Finance Department

- (1) - Equates to 1.55% of 2.00% total rate, or 77.50% of total collections
- (2) - Equates to 0.25% of 2.00% total rate, or 12.50% of total collections
- (3) - Equates to 0.20% of 2.00% total rate, or 10.00% of total collections
- (4) - Effective Dates of Levy:
 

|                 |              |
|-----------------|--------------|
| January 1, 1960 | 0.80%        |
| January 1, 1966 | 0.20%        |
| June 1, 1970*   | 0.50%        |
| June 1, 1984*   | 0.25%        |
| June 1, 1990*   | 0.25%        |
| Total Rate      | <u>2.00%</u> |

\* - Voter Approved

THE CITY OF HAMILTON! OHIO  
 PRINCIPAL EMPLOYERS  
 DECEMBER 31, 2004

|    | Employer                      | Type of Business | Number of Employees |
|----|-------------------------------|------------------|---------------------|
| 1  | Fort Hamilton Hospital        | Healthcare       | 1250                |
| 2  | Hamilton City School District | Education        | 1250                |
| 3  | Butler County                 | Government       | 900                 |
| 4  | City of Hamilton              | Government       | 700                 |
| 5  | Smart Papers, LLC             | Manufacturing    | 500                 |
| 6  | Valeo Climate Control         | Manufacturing    | 450                 |
| 7  | Ohio Casualty Group           | Insurance        | 350                 |
| 8  | The Kroger Co.                | Groceries        | 350                 |
| 9  | Meijer, Inc.                  | Retail           | 325                 |
| 10 | International Paper           | Manufacturing    | 250                 |

**THE CITY OF HAMILTON! OHIO  
MISCELLANEOUS STATISTICS  
DECEMBER 31, 2004**

Date of Incorporation 1810  
 Latest Charter Effective January 1, 2001  
 Form of Government Council/Mayor

|   |        |  |  |
|---|--------|--|--|
| Area (square miles)                         | 21.5   |  |  |
| <b>Facilities and Services:</b>             |        |  |  |
| Miles of Streets                            | 209.9  |  |  |
| Number of Street Lights                     | 12,000 |  |  |
| <b>Police Services:</b>                     |        |  |  |
| Number of Stations                          | 1      |  |  |
| Number of Sworn Police Officers             | 126    |  |  |
| Number of Police Cruisers                   | 40     |  |  |
| Number of Calls Answered                    | 75,206 |  |  |
| Number of Law Violations:                   |        |  |  |
| Misdemeanor Arrests                         | 6,399  |  |  |
| Felony Arrests                              | 1,317  |  |  |
| Traffic Citations Issued                    | 14,208 |  |  |
| Parking Tickets Written                     | 1,989  |  |  |
| <b>Fire/Emergency Medical Services:</b>     |        |  |  |
| Number of Stations                          | 6      |  |  |
| Number of Officers, Firefighters/Paramedics | 113    |  |  |
| Number of Calls Answered                    | 10,637 |  |  |
| Number of Inspections                       | 2,072  |  |  |
| Number of Emergency Medical Calls           | 8,293  |  |  |
| <b>Health Care:</b>                         |        |  |  |
| Number of Hospitals                         | 1      |  |  |
| Number of Patient Beds                      | 307    |  |  |
| <b>Education:</b>                           |        |  |  |
| Elementary Schools                          | 14     |  |  |
| Students                                    | 5,167  |  |  |
| Instructors                                 | 331    |  |  |
| Secondary Schools                           | 4      |  |  |
| Students                                    | 4,029  |  |  |
| Instructors                                 | 243    |  |  |
| Colleges                                    | 1      |  |  |
| Students                                    | 3,398  |  |  |
| <b>Recreation and Culture:</b>              |        |  |  |
| Number of Parks                             | 56     |  |  |
| Park Area (acres)                           | 1,320  |  |  |
| <b>Number of Ball Fields:</b>               |        |  |  |
| Lighted                                     | 9      |  |  |
| Unlighted                                   | 34     |  |  |
| <b>Number of Tennis Courts:</b>             |        |  |  |
| Lighted                                     | 2      |  |  |
| Unlighted                                   | 6      |  |  |
| Number of Swimming Pools                    | 5      |  |  |
| Number of Golf Courses                      | 2      |  |  |
| Skateboard Park                             | 1      |  |  |
| Libraries                                   | 1      |  |  |
| <b>Parking:</b>                             |        |  |  |
| Off Street Parking Garages                  | 2      |  |  |
| Parking Levels                              | 6.5    |  |  |
| Parking Spaces                              | 752    |  |  |
| Average Daily Cars Parked                   | 589    |  |  |
| Parking/Meters - On Street and Lots         | 977    |  |  |

Source: Hamilton City Department Heads